



Department of Primary Industries

OUT12/30797

21 DEC 2012

Mr D Mooney
Senior Planner, Mining Projects
Department of Planning and Infrastructure
GPO Box 39
SYDNEY NSW 2001

Dear Mr Mooney

Thank you for your letter of 23 November 2012 concerning the review of the Agricultural Impact Statement (AIS) for the proposed modification of the Bulga Underground Coal Mine.

The Office of Agricultural Sustainability & Food Security (OAS&FS) has reviewed the AIS provided by GSS Environmental, received on 23 November 2012. The AIS is deficient in a number of areas. Specific issues are included in Attachment 1 enclosed. A brief summary follows:

The EA challenges claims that the impacted area includes Strategic Agricultural Land (SAL) as defined in the Upper Hunter Regional Strategic Land Use Plan (Sept 2012). The EA bases this claim on the results of soil tests. The soil-testing program completed is not considered adequate. The survey design did not comply with recognised Australian soil survey standards such as McKenzie and others (2008)*.

Although the AIS confirmed that the project would impact on dwellings and agricultural activities, these impacts have not satisfactorily been considered or discussed. The socio-economic impacts of the proposal are inadequately covered in the AIS.

In order to help resolve issues raised in Attachment 1, I would recommend an 'onsite' meeting with officers of this Department, your own agency plus company and consultant representatives.

If you wish to discuss the issue further please call Liz Rogers on telephone 02 63913642 or by email liz.rogers@dpi.nsw.gov.au.

Yours sincerely

Dr Regina Fogarty
Director Office of Agricultural Sustainability & Food Security
Encl

Specific Agricultural Impact Assessment (AIS) Issues

General

- The AIS disputes the accuracy of the Strategic Regional Land Use Plan (SRLUP) mapping and after 'ground truthing' declared 'that the project area does not contain soil of land capability or soil fertility that warrants SAL – Biophysical classification'. They also dispute the SAL – Viticulture Classification. These conclusions are rejected.
- Significant areas of SAL (Biophysical and Viticulture) will be impacted by the project design. Namely '421 ha of mapped SAL in the draft SRLUP, comprising 421 ha of Viticulture SAL which overlies 253 Ha of biophysical SAL.
- The proponent has not recognised that BSAL criteria changed as a following the exhibition of the draft SRLUPs. The analysis should have determined whether soils with moderate fertility and a LSC Class of 1 and 2 existed in the project area.
- While 11.8 ha will be surface disturbed, the remainder may be affected by subsidence. The AIS claims 'no adverse' impacts occur following subsidence under viticulture but also notes that compensation was previously paid for production losses. The claim that no production losses will occur under this project is not substantiated. There remains a risk that houses (5 private, 8 owned by Bulga) would be affected by subsidence (page 1 main report).
- A significant area of vineyards along with some olive growers are also on impacted land (figure 5).
- The AIS (page 11) states 'the area of difference between the previously approved Blakefield North underground mine and the proposed modification is 208 ha on the land to the SW of the existing open cut operations. Within the project area an additional 15 ha of olive groves, 15 ha of vineyards and 178 ha of grazing land are subject to underground mining compared to that originally approved'. This increased disturbance refutes the proponent's claims that existing conditions should prevail.
- A biodiversity offset strategy is to be developed with the Office of Environment and Heritage (OEH) to offset 5 ha of Central Hunter Box – Ironbark woodland. It is recommended that the offset not include land classes 1, 11 and 111.

Soils

- The soil survey undertaken is not sufficient (number of cores and analysis) for this project. Only 18 soil cores to a depth of 1m were hand cored in the soil survey. Analysis of only the top 10cm is considered inadequate. The soil survey needs to be current to ensure that BSAL determination is accurate. The industry standard reference for soil survey should be followed (See McKenzie, and others 2008)*
- Figure 20 'Existing Land Capabilities' is the AIS's conclusion that mapped SAL is actually Land Capability Class IV, V and VI. Such a conclusion would not have been possible with the earlier identified inadequate soil testing program. More detailed testing is required to accurately dispute the SAL mapping as the existing Singleton soil landscape map is at (expansive) scale of 1:250000.

Socio-economic

- The Section 4.0 ASSESSMENT OF IMPACTS – SOCIO-ECONOMIC does not present a cost benefit analysis on the impacts of the proposed changes on agricultural production.
- There appears to be no assessment in section 4.0 ASSESSMENT OF IMPACTS – SOCIO-ECONOMIC of the economic impact on the “approximately 421ha of the mapped SAL in the draft SRLUP “...” within the Project Area. This comprised 253ha of the Biophysical SAL and 421ha of the Viticulture Cluster SAL.”
- Page 40 s4.3 Processing and Value Adding Industries notes “The loss of 0.42 ha of olive grove is not considered significant at local or regional scale...” The economic loss of 29.9 ha and 0.42 ha of olive grove may be minimal at the state wide level however it may be critical to the affected landholder
- Page 41 s4.6 Tourism Infrastructure notes “...three privately owned vineyards would be undermined by the Project ...” With subsidence likely to affect these developments, the impact and mitigation should be described.
- There would certainly be marginal changes in the overall costs and benefits structure of the approved project resulting from the proposed modifications and resources use changes. It is assumed in the application that the net costs and benefits resulting from the proposed changes will be minor and have net positive benefits to public. However, these are not quantified and the cost benefit analysis should be done to show how the proposed changes impact on the overall costs and benefits streams.
- Estimates on the impacts of the modification on agricultural values should show time series data or average values with standard deviation instead of constant values over time.

*McKenzie, NJ, Grundy, MJ, Webster, R and Ringroase-Voase AJ 2008 Guidelines for Surveying Soil and Land Resources. Second Edition. CSIRO Publishing, Melbourne