



14 December 2016

Howard Reed
Director Resource Assessments
Department of Planning and Environment
Level 22
320 Pitt Street
SYDNEY NSW 2000

Dear Howard

RE: Hunter Valley North Operations – Modification 6 – Response to submissions

Introduction

This letter provides HV Operation Pty Ltd's (HV Operations) response to submissions received on the *Hunter Valley North Operations – Modification 6 - Environmental Assessment* (EA), prepared to support the application to modify DA 450-10-2003 under section 75W of the *Environmental Planning & Assessment Act 1979* (EP&A Act). The proposed modification seeks to allow for placement of fine (coal) reject in the Carrington Void. The EA was publically exhibited for two weeks, from 16 November to 1 December 2016.

Matters raised

No submissions were received from the community or special interest groups.

Submissions were received from three New South Wales (NSW) government agencies:

- Office of Environment and Heritage (OEH);
- Department of Industry - Division of Resources and Energy (DRE); and
- Environment Protection Authority (EPA).

OEH

OEH did not raise any matters in their submission.

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OEH noted that the application does not involve any additional impacts with respect to Aboriginal cultural heritage, flooding/floodplain management, or threatened biodiversity beyond those already approved, and provided no further comment.

DRE

DRE stated their support for the approval of the modification.

DRE also noted that the project is likely to achieve satisfactory outcomes with respect to sustainable rehabilitation.

EPA

The EPA did not provide specific comment on the proposed modification or any specific recommended conditions of approval in their submission.

The EPA stated their intent to amend the site's Environment Protection Licence (EPL) 640, should the proposed modification be approved. The EPL amendment would require provision of an annual groundwater monitoring report that demonstrates:

(a) all in-pit fine reject emplacement schemes are operating in a proper and efficient manner as long-term evaporative sinks; and

(b) no water is discharged from the in-pit fine reject emplacements to the environment, or, if discharge does occur, that it does not constitute an offence under section 120 of the Protection of the Environment Operations Act 1997.

The final void at Carrington Pit is approved to act as an evaporative sink to manage groundwater post-mining. The proposed modification to emplace fine reject, rather than overburden, does not change the void's function as an evaporative sink, as described in Chapter 7 of the EA.

The proposed EPL amendments would include specific requirements relating to:

...monitoring locations, monitoring frequency and reporting requirements...

In addition, should the proposed modification be approved, the EPA will require:

that the proponent be required to develop and enact a Trigger Action Response Plan (TARP), or similar document. The TARP will set out site-specific groundwater monitoring trigger levels (water levels, salinity, etc.) for interpreting data in relation to points (a) and (b) above, as well as the corresponding management options for operating the fine reject in-pit emplacement scheme should monitoring results fall outside of the prescribed range.

HV Operations notes that the above proposed EPL amendments are existing requirements and effectively managed under the existing development consent through the preparation and implementation of management plans. HV Operations would propose to extend consultation to the EPA as part of the process of preparing these management plans. The management plans in question are as follows:

- Water Management Plan (Groundwater Management Plan) as per Schedule 4, Condition 27;

- o assessment criteria and trigger values, monitoring program for leachate from water storages, backfilled final voids and final voids and a plan to respond to any exceedances of criteria;
- Final Void Management Plan (as per Schedule 4, Condition 28)
 - o assessment short and long term water impacts, and measures to avoid, minimise, manage and monitor impacts of the final void over time; and
- Fine Reject Management Strategy (as per Schedule 4, Condition 28A);
 - o measures to avoid, minimise, manage and monitor impacts of the FRE over time.

In addition, Schedule 6, Condition 5 requires the preparation of a review of the environmental performance, inclusive of a comprehensive review of monitoring results, of the development (the Annual Review) to DPE.

The requirements of DA 450-10-2003 outlined above would be amended to include the proposed modification, should it be approved. HV Operations considers the modified development consent would achieve the same outcomes as EPA's proposed amendments to EPL 640 and would avoid unnecessary duplication of reporting requirements.

Conclusion

The EA for *Hunter Valley North Operations – Modification 6* to support the application to modify DA 450-10-2003 was publically exhibited for two weeks in November 2016. No submissions were received from the community or special interest groups. Three government agencies, OEH, EPA and DRE, provided submissions on the EA but did not raise any matters related to the proposed modification.

The EPA stated that amendments would be made to the HVO EPL 640 should the proposed modification be approved. However, HV Operations considers the existing requirements of the development consent, updated to include the proposed modification, would achieve the same outcomes and avoid unnecessary reporting duplication. As noted the EPA would be consulted as part of the review and development of these management plans.

Please contact Luke Holley on 07 3625 4101 if you wish to discuss matters further.

Yours sincerely



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