



Coalpac Pty Ltd

ABN: 91 003 558 914

Invincible Colliery Open Cut Mine

Proposed Modification to PA 05_0065

Response to Public and Government Agency
Submissions

Compiled by:



R.W. CORKERY & CO. PTY. LIMITED



Coalpac Pty Ltd

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1 INTRODUCTION

Following the public exhibition of the *Environmental Assessment* for the proposed modification to Project Approval 05_0065 for the Invincible Colliery open cut mine, one public and four government agency submissions received were forwarded by the Department of Planning (DoP) to R.W. Corkery & Co. Pty. Limited on 15 November 2007. The submissions were received from:

- Lithgow City Council (LCC);
- Department of Environment and Climate Change (DECC);
- Department of Primary Industries (DPI);
- Department of Water and Energy (DWE); and
- Lithgow Environment Group.

The DoP requested that each of the submissions be reviewed and a response provided to each of the issues. In addition, the DoP requested a letter from the Proponent confirming that highwall mining would be restricted to the Irondale Seam only. The requested letter has been prepared by Coalpac Pty Ltd, with a copy provided as **Appendix 1**.

Each of the submissions was comprehensively reviewed and requests for clarification or further information identified, quoted or paraphrased, and addressed in the following sub-sections.

2 PUBLIC SUBMISSIONS

One public submission was received, from Chris Jonkers on behalf of Lithgow Environment Group (LEG), identifying three primary issues for opposition to the proposed modification.

1. SEPP 58 - IMPACT ON SYDNEY DRINKING WATER SUPPLY

The LEG wrote:

"Whilst the mine may be in the Macquarie River catchment, the underground mine workings which they intend to pollute extend underneath Ben Bullen State Forest and Long Swamp, birthplace of the Cox's River and part of Sydney's drinking water supply. Any dirty minewater dumped into these old mine workings will be discharged through a drainage borehole approved by the EPA in May 2007 into the Cox's R. catchment."

"Since Invincible Colliery's drainage borehole in Long Swamp commenced pumping in June 2007 salinity levels in the Cox's River downstream jumped virtually overnight from 30 microsiemens per centimetre ($\mu\text{S}/\text{cm}$) to 1400 ($\mu\text{S}/\text{cm}$). The ground in the swamp below the borehole is covered in a dense layer of toxic Iron and Manganese deposits, virtually all groundcover vegetation is dead, several young Eucalypts and Leptospermums have since died, the remaining Leptospermums are covered in black sooty mould (a certain indication of environmental stress), and no frog calls have been evident despite rain."



The discharge to which LEG refers is undertaken in accordance with Environment Protection Licence (EPL) 1095 to dewater the underground workings of the Invincible Colliery. The dewatering is unrelated to the open cut mining operations and as such, not particularly relevant to the proposed modification (to the open cut operations). However, it is worthy of note that Coalpac Pty Ltd has identified the issue related to iron staining at the licensed discharge point and is working with the Department of Environment and Climate Change (DECC) to rectify the situation.

Coalpac VOLUNTARILY ceased all pumping and discharge of water to the Cocks River, prior to any issue being raised externally, until a solution to the iron staining problem can be identified.

2. CUMULATIVE IMPACTS

The LEG wrote:

“LEG is very concerned that once again the Proponents have totally failed to consider the cumulative impacts on the residents of Blackmans Flat just 3km away. The focus is entirely on Cullen Bullen, yet these impacts are negligible compared to the impacts on Blackmans Flat residents, who will bear the brunt of all coal transport impacts.”

The *Environmental Assessment* considered the impacts of the proposed modification on the residents of Blackmans Flat to the extent considered warranted. As noted by the LEG submission, the only direct impact of the Invincible Colliery on the residents of Blackman's Flat would be as a result of coal truck movements. The *Environmental Assessment* identifies that the proposed modification does not provide for any increase in the number of coal truck movements from the Invincible Colliery passing through Blackmans Flat and as such would not result in any additional impacts on residents.

In actual fact, the proposed modification provides for an additional control on truck movements beyond the Boulder Road intersection of the Castlereagh Highway in that it makes a commitment that coal truck movements to the Wallerawang Power Station would only be to provide emergency supply of coal to the Wallerawang Power Station. PA 05_0065 in its current form provides for no such condition or limit over the transport of coal to the Wallerawang Power Station. It could be argued therefore, that the proposed modification would reduce the potential impacts on the residents of Blackmans Flat.

The LEG wrote:

“LEG understands that the Proponent also owns the Coal>Link Haul Road from Angus Place to Mount Piper and Wallerawang Power Station's. It will therefore not cost the proponent any extra to use his own Haul Road, and as a socially responsible corporate citizen should be required to use it to haul coal to Wallerawang power station, thereby alleviating any additional traffic impacts on the residents of Blackman's Flat.”

Coalpac Pty Ltd does not have any interest in or control over the Coal>Link Haul Road. The use of this private road would therefore incur an additional cost which would ultimately be passed onto the customer. In any event, Coalpac does not intend to provide anything but emergency supply coal to Wallerawang Power Station, an event which would be infrequent, of short duration and unlikely to have significant impact on the level of traffic when considered over an annualized period.



3. ENVIRONMENTAL COMPLIANCE

The LEG wrote:

“The DoP continues to approve new coal mines and Extensions to coal mines in the Lithgow region based on two false claims –

- 1. That coal mines will be properly rehabilitated after closure, and*
- 2. That coal mines will comply with all conditions of licences granted to them under the Protection of Environment Operations (POEO) Act 1997.”*

The response is limited to consideration of the Invincible Colliery and it is noted that prior to being placed under care and maintenance (awaiting potential further development), rehabilitation had been undertaken over the backfilled and re-profiled section of the open cut nearest to Cullen Bullen. Similar rehabilitation methods to those used at Cullen Valley Colliery (where rehabilitation has been very successful) were undertaken, with an expectation that given time, the cover of vegetation would reach a similar standard to that of Cullen Valley Colliery.

Of the 10 non-compliances at the Invincible Colliery noted by the LEG submission, all but one of these were for technical breaches related to the completion, or frequency, of monitoring. Only a single non-compliance in 2000 was related to pollution or direct environmental impact.

3 GOVERNMENT AGENCY SUBMISSIONS

3.1 Lithgow City Council

Lithgow City Council (LCC) raised concerns related to:

- the use of roads within the Lithgow local government area;
- the operation of the Invincible Colliery site entrance;
- the landscaping and rehabilitation of the Invincible Colliery; and
- contributions to Council related to additional employment created by the proposed modification.

LCC wrote:

“In relation to the haulage of coal Council advises that it be imperative that substantial investigation is undertaken in relation to truck haulage. Council has in the past had substantial concerns over the amount of trucks currently utilising the Castlereagh and Great Western Highways. Council advises that as part of any assessment and/or conditions a feasibility study should be included indicating alternatives to public road coal haulage and addressing concerns over truck movements through any local road in the Lithgow Local Government Area. The cumulative impact, not only in industrial development in close proximity but also ancillary development associated with these industries (ie Truck haulage) is an issue Council is currently concerned with.”

The *Environmental Assessment* noted that “there are no viable alternative transport routes from the Invincible Colliery”.



It should be clarified that this statement should more accurately have stated “there are no viable alternative transport routes from the Invincible Colliery to Mt Piper Station” as the Environmental Assessment relates to the proposed modification to operations at the Invincible Colliery, ie. the transportation of the additional 150 000tpa of coal to Mt Piper Power Station. The transport of coal via the Castlereagh Highway and Boulder Road represents the most direct and only land based route of transport. While there may be other possible alternative transport systems, eg. overland or underground conveyor systems, the cost involved for such a small operation, along with the environmental impacts associated with land and vegetation clearing, make these unfeasible.

It should be noted that the proposed modification provides for additional control over the movement of coal trucks between the Invincible Colliery and Wallerawang Power Station. By committing to only transporting coal to the Wallerawang Power Station to provide emergency supply coal, the potential impacts on the residents of Blackman’s Flat, as a result of coal traffic from the Invincible Colliery, is minimized.

There would be no modification to the approved transportation of coal beyond the two local power stations, ie. less than 200 000tpa, and as such the consideration of alternatives was not deemed to be warranted.

LCC also wrote:

“Further, access to the proposed development is of a substantial concern seeing that the location of the proposed development is adjacent to another approved open-cut proposal.”

I draw attention to p. 4-24 of the *Environmental Assessment* (p. 4-24) where the issue of the intersection between the Invincible Colliery and the Castlereagh Highway was addressed.

“The existing entrance and exit to Invincible Colliery provides for a right turn (entry) holding bay and left turn (exit) acceleration lane on the Castlereagh Highway and this is considered more than adequate for the comparatively small increase in traffic on the highway. It is noted that the intersection of the Castlereagh Highway with the Ivanhoe North Rehabilitation Project site entrance is to be upgraded in consultation with the RTA and with reference to the Part 5 of the AUSTROADS standard to provide a safe intersection with merging and acceleration/deceleration lanes and appropriate visibility. Considering the construction of the Ivanhoe North Rehabilitation Project site entrance and intersection with the Castlereagh Highway to RTA requirements, the performance of the Invincible Colliery – Castlereagh Highway intersection would not be affected by the entrance and exit of coal trucks from this site.”

LCC also wrote:

“In relation to landscaping and rehabilitation Council would like to see overall rehabilitation plans and strategies for the development incorporated into any approvals, should they be recommended. Further, given the location of the proposal Council would urge the Department to consider conditioning landscaping mechanisms that would lessen the visual impact of the development from the Castlereagh Highway. This would include overall landscaping strategies that would adequately alleviate any impact of the operations from the Castlereagh Highway, or mitigation measures proposed to substantially limit the impact of operations from the Castlereagh Highway. This shall include the current coal washing plant as well as operations.”



It is noted that the Coalpac has prepared and is implementing a Rehabilitation and Landscape Management Plan (RLMP) for the Invincible Colliery in accordance with PA 05_0065.

Acknowledging that the RLMP does not provide for any additional screening of colliery operations from the Castlereagh Highway, Coalpac has given consideration to ways of providing a better visual screen of the site, particularly the Invincible Colliery Processing Plant and stockpile areas, from the Castlereagh Highway. The available space adjacent to the colliery boundary largely precludes the ability to construct an earthen bund wall and so Coalpac considers improving the existing vegetative screening as the most appropriate landscaping method. Given the existing row of trees does provide some screening, Coalpac would “fill in” the gaps through the planting of native shrub style vegetation, potentially using species from the *Acacia* (wattle) or *Callistermon* (bottle brush) genera.

LCC also wrote:

“Council note's that the proposal indicates an additional 5 employees should the application be approved. Council advise's that a Section 94 Contributions Plan exists for coal related development, with the nexus of the plan pertaining to additional employees. Currently, a payment of \$3979.01 per additional employee is required as part of this plan.”

Coalpac would ensure that appropriate contributions are paid to LCC.

3.2 The Department of Environment and Climate Change

The DECC has indicated its primary concern relates to noise levels generated by the Invincible Colliery.

The DECC wrote:

“DECC is concerned with the predicted noise levels at neighbouring "Hillview" and "Billabong", and other residences as indicated in the noise impact assessment modelling. DECC recommends that all noise mitigation measures recommended in the environmental assessment be included in conditions of the project approval, and if consent is issued, DECC would consolidate those conditions in a PRP attached to EPL 1095”

“DECC notes that:

- If Project Approval 05_0065 allows the proponent to exceed the noise limits in the Approval provided copies of written negotiated noise agreements with the affected landowners are forwarded to DECC;*
- CoalPac's Application indicates that the noise limits are being exceeded; and,*
- DECC does not have any record of receiving copies of written negotiated agreements with the affected landowners.”*

An agreement over noise levels has been reached with the owner of the “Hillview” and “Billabong” properties. This is attached as **Appendix 2**.

Coalpac has committed to implementing the proposed noise mitigation measures to reduce noise levels generated by the Invincible Colliery. As noted in the *Environmental Assessment* (p. 4-10) and Noise Assessment (p. A3-31), these mitigation measures would result in a reduction in the noise level received by neighbouring residences and the town of Cullen Bullen.



It is also worthy of note that of the modifications proposed to the operation of the Invincible Colliery, the noise assessment (see p. A3-31) concluded:

- the introduction of highwall mining activities would not contribute to total received site noise at nearby residences; and
- the increase in road traffic required to increase the despatch of coal products from 350 000tpa to 500 000tpa would remain within DECC criteria for existing residences adjacent to the Castlereagh Highway.

3.3 The Department of Water and Energy

The DWE indicated that their primary issues of concern relate to:

- the availability of adequate water to supply the operational and environmental requirements of the Invincible Colliery; and
- ensuring Coalpac obtain appropriate licences for accessing ground and/or surface water.

The DWE wrote:

“The proposal to extend the open cut mine and improve coal recoveries through high wall mining will also require licence approval(s) under the Water Act 1912. The EA states that should a sequence of dry years occur, sufficient water would be available by topping up of the Main Colliery Dam with water sourced from the underground workings. The EA wrongly states that access to the water contained within the underground workings is approved by virtue of Project Approval 05_0065. An approval is required from the Department for the interception, extraction and use of groundwater associated with the proposed extension of the colliery.”

Coalpac held discussion on-site with Mr Wayne Connors of the DWE on 29 October 2007 regarding obtaining appropriate licences for accessing ground and/or surface water. It was established that:

- (i) the Main Colliery Dam is located within a disturbed catchment and acts as a pollution control structure. As such a surface water licence under Part 2 of the *Water Act 1912* (Water Act) was not considered necessary.
- (ii) Coalpac holds a licence to discharge up to 2ML a day to the Coxs River (EPL 1095), however, a licence to extract this groundwater is required under Part 5 of the Water Act.
- (iii) A bore is located at the old fan site for the Invincible Colliery underground workings and would be appropriately licensed should it be used to extract groundwater.
- (iv) Coalpac has sunk a test bore on the Pit Top Area and this bore requires licensing under Part 5 of the Water Act before any water can be extracted and used on the site.



It was noted that the two bores requiring groundwater licences are located in different catchment areas. It was agreed that DWE would provide Coalpac with guidance as to the application process, ie. to which DWE office to apply, prior to submitting applications. Coalpac contacted DWE on 12 November 2007 to enquire as to progress but has yet to be provided with this guidance.

The DWE also wrote:

"The Department identified in the DGR requirements that rainfall and runoff should not be used as the primary water supply source due to the commercial risk during dry periods. The water balance for the colliery, as presented in the EA, uses rainfall and runoff as the key input for average, wet and dry years. The proposal must demonstrate that it has a viable water supply other than relying on rainfall and runoff, groundwater interception and extraction may not occur without a licence approval from DWE."

Coalpac accepts the commercial risk posed by access to water. Coalpac still intends to obtain a groundwater licence to draw water from the Invincible Colliery underground workings and has commenced discussions with DWE in relation to making an application. This would ensure that sufficient water is available even during dry years when the water balance presented in the *Environmental Assessment* suggested a potential shortfall of 25.2ML (p. 2-24).

3.4 The Department of Primary Industries

The DPI noted their support for the proposed modification and had the following comments on the environmental management of the project.

"A geotechnical appraisal of the auger mining technique will be required to determine if subsidence will occur. In the case where subsidence is predicted with vertical downward surface movement greater than 20mm, a Subsidence Management Plan (SMP) must be prepared and approved prior to the auger mining commencing. In the case where no subsidence is predicted, survey monitoring should be undertaken to verify that this is the case."

A revised Mining Operations Plan (MOP) for the Invincible Coal Mine must be approved by DPI, Mineral Resources Division, prior to the auger mining and increased production commencing. Along with the revised MOP, a security deposit review must be undertaken which is consistent with new security guidelines entitled Rehabilitation Security Deposit Requirements for Mining and Petroleum Titles."

Consistent with the "Strategic Framework for Mine Closure" published by the Australian and New Zealand Minerals and Energy Council and the Minerals Council of Australia, progressive rehabilitation must be undertaken to minimize the area of mine disturbance. A commitment to progressive rehabilitation must be demonstrated in the MOP."

Coalpac would complete a risk assessment of subsidence associated with the auger mining to the satisfaction of the DPI. While not anticipated based on the assessment of stability and subsidence included as Appendix 4 of the *Environmental Assessment*, Coalpac would complete a Subsidence Management Plan if warranted by predicted subsidence levels.

The current MOP would be updated on approval of the proposed modification and the existing security deposit reviewed in light of the modified operations.



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APPENDICES

- Appendix 1 Confirmation Letter from Coalpac Pty Ltd re:
Auger Mining of Irondale Seam Only
- Appendix 2 Signed Agreement of Mr G. Munzer to
Current and Predicted Noise Levels at the
“Hillview” and “Billabong” Residences

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APPENDIX 1

Confirmation Letter from Coalpac Pty Ltd

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Coalpac Pty. Ltd.
Invincible Colliery,
Castlereagh Highway,
Cullen Bullen, NSW 2790, Australia.

Telephone: +61 2 6359 0600
Facsimile: +61 2 6359 0608
Email: coalpac@cetresources.com

ABN 91 003 558 914

NSW Department of Planning
Mining & Extractive Industries Team
P.O. Box 39,
Sydney NSW 2001

Attention: Colin Phillips, Environmental Planning Officer

20 November 2007

Dear Colin,

Invincible Open Cut Extension (05-0065 MOD 2)

I am writing in response to your request for conformation that the proposed modification to Invincible Colliery's current approval (05_0065) has been altered to exclude the proposal to auger mine in the Lithgow Seam. I can confirm that this is in fact the case due to the fact that the Lithgow seam in the area covered by the approval has been previously mined by underground methods. This makes the recovery of coal from the Lithgow Seam under these local conditions non-viable.

If you should require any further explanation of the above or require any additional information please do not hesitate to contact the undersigned.

Regards,

Ian Follington,
Managing Director

APPENDIX 2

Signed Agreement of Mr G. Munzer to Current and Predicted
Noise Levels at the “Hillview” and “Billabong”
Residences

(No. of pages excluding this page = 1)



"Hill View"
Castlereagh Highway
Cullen Bullen
NSW 2795

5 November 2007

The Director-General
Department of Infrastructure, Planning and Natural Resources
GPO Box 39
SYDNEY NSW 2001

Dear Sir / Madam

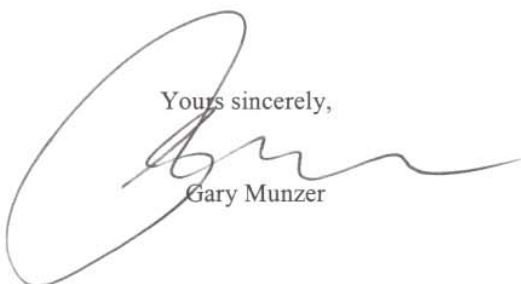
Re: Ongoing Operation of Invincible Colliery

As executor of both "Hill View" & "Billabong" properties and resident of "Hill View", I have been notified that during adverse meteorological conditions, the noise levels received at my residence, attributable to the Invincible Colliery, may be in exceedance of the noise criteria that are currently in place. I understand that this is as a result of the recommencement of operations through the Invincible Colliery Coal Preparation Plant. I do not consider the current noise levels to be excessive.

I have reviewed the noise levels predicted by Coalpac's consultant and I am willing to accept these levels of noise at my residence. I note my agreement to accept noise levels over the current noise criteria does not include noise levels greater than those predicted, nor night time noises that have the potential to awaken me and my family from their sleep. To this end, I am satisfied with the discussions I have held with Mr Keith Howell of Coalpac, regarding controls placed on the activities.

The Proponent has agreed to continue the quarterly noise monitoring at the "Hill View" and "Billabong" properties to confirm the predictions of the consultant and make these results available to me.

Yours sincerely,



Gary Munzer

Copy: Coalpac Pty Ltd

