

11 November 2021

Stephen O'Donoghue
Director - Resource Assessments
Department of Planning, Industry and Environment
4 Parramatta Square, 12 Darcy Street
Parramatta NSW 2150

Dear Mr O'Donoghue

I refer to your letter dated 11 September 2020, requiring the resubmission of the Water Management Plan for Appin Mine by 31 July 2021, being the date by which the Appin West Water Treatment Plant (WTP) was to be operational under Special Condition E1.1 of Environment Protection Licence (EPL) 2504.

It is noted that at the time of submission of the Water Management Plan in 2020, Special Condition E1.1 required the operation of the WTP at Appin North by 31 March 2021.

South32 Illawarra Metallurgical Coal (IMC) sought a variation to EPL 2504 for a revised date for construction of the Appin North WTP. EPL 2504 was revised, with the completion date for construction of the WTP revised to 30 November 2021. This delay was as a result of COVID-19 restrictions and outcomes of pre-feasibility and feasibility studies that were being undertaken when the Water Management Plan was submitted.

On 29 July 2021, IMC sought an extension for the submission of the Water Management Plan to 30 November 2021. This extension was approved by the Department on 9 August 2021.

The resurgence of COVID-19 in June 2021 in NSW impacted the ability and availability of personnel to access site (including the NSW Government imposed construction pause from 19 to 30 July), impacted manufacturing activity off site (particularly in Local Government Areas of concern) and created global shortages of supplies. Delays of up to three months for the delivery of major electrical components have been experienced due to COVID-19 supply constraints for manufacture and transport, with some critical components only scheduled to be delivered in mid-December. Periods of wet weather have also resulted in delays. These delays have impacted the completion of construction of the WTP, which will have flow on effects for the commissioning and production proving periods.

Significant construction progress has been completed. Key milestones include:

- Installation of the Ultrafiltration, Sea Water Reverse Osmosis and two Reverse Osmosis containers.
- Welding and installation of over three kilometres of pipeline.
- Concrete pavement and plinths nearing completion.
- Underdrain works nearing completion.

- Pipework racks complete with pipe installation nearing completion.
- Brine tank, permeate tank and feed water tank complete.
- Concrete backwash tank nearing completion.
- Motor Control Centre (MCC) and Programmable Logic Control (PLC) installation and terminations commenced.

Despite the continued efforts of IMC to meet the timeframe of 30 November 2021, with the provision of formal correspondence from vendors regarding the delays for acquisition and delivery of critical components for the WTP, it became apparent that this timeframe would not be met. Community groups (Appin Mine Community Consultative Committee and Georges River Stakeholder Group) and the EPA were proactively notified of anticipated delays.

IMC has undertaken a review of the implications of these delays and has applied for a further extension to the due date for the operation of the Appin North WTP. The date requested is 31 July 2022.

Given the date for the submission of the revised Water Management Plan was linked to the date for completion of the WTP projects at the time, it is requested that the date for resubmission of the Water Management Plan to the Department be revised to 31 July 2022.

It is noted, that pending approval of the Appin Mine Ventilation and Materials Access Project (MOD 3), the Water Management Plan will need to be revised in accordance with Condition 5 of Schedule 6 of the Project Approval.

Please do not hesitate to contact me if there are any questions.

Yours sincerely



Chris Schultz
Superintendent Environment