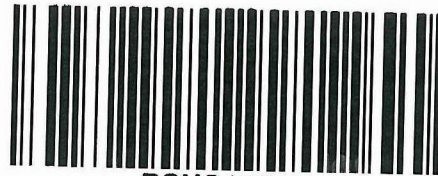




Office of Water



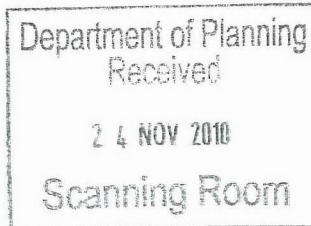
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**Major Development Assessments
Department of Planning
GPO Box 39
SYDNEY NSW 2001**

c: Fergus Hancock
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e: Fergus.Hancock@water.nsw.gov.au

22 November 2010

Attention: Naomi Nelson



**Our ref : ER21073
Your ref: 10/11993**

Dear Naomi

Subject: Major Project (MP10- 0079) – Appin Coal Mine – Surface Goaf Gas Drainage – Wollondilly LGA - Environmental Assessment

Thank you for your letter of 29 April 2008 seeking comment from the Department of Water and Energy (DWE) on the Environmental Assessment (EA) for the proposed project. DWE provides the following recommended conditions for the project approval.

The EA nominates transfer an existing surface extraction access entitlement to BHPB Illawarra Coal's (under the name of BHPB Endeavour Coal) extraction pump site on the Nepean River, currently nominated to 10SL033188, to supply water to the proposal. This must be conducted in accordance with dealings rules under the *Water Sharing Plan for the Greater Metropolitan Region Surface Water Sources* which will come into force mid 2011.

Construction details of the upcast ventilation well are not provided, though a general commitment is made to fully line the ventilation bore, which is a widely applied measure within the NSW coal mining industry.

NOW's correspondence to Director General Requirements (DGR) dated 5 July 2010, indicates NOW's position that the VS#6 shaft does not require a separate licence to a licence issue under Part 5 of the Water Act 1912. BHPB Illawarra Coal has lodged an application to authorise incidental groundwater ingress to Appin Colliery (10BL603035) on 31/3/09. NOW intends to issue the licence in accordance with any project approval granted to BHP Billiton Illawarra Coal to its Bulli Seam project approval application (ref. MP08_0150).

Construction and operation of the upcast shaft is located at significant distance from rivers or defined watercourses. NOW has not identified riparian zone protection measures which should be installed beyond nominated erosion and sediment control measures identified in Section 9.6.2.2 of the EA.

NOW recommends that conditional approval may be granted to BHP Billiton Illawarra Coal in accordance with proposed conditions recommended for the Endeavour West Cliff gas drainage bore approval (MP 07_0073 MOD 1).

DWE recommends the following conditions are included in any approval to the project application.

1. All operations must be conducted in accordance with licence(s) in force under the *Water Act 1912 (WA)*
2. Bores which intersect groundwaters must be licensed under Part 5 of the WA
3. No water supply to or water extraction from the workings may occur unless authorised under licences in force under Parts 2 or 5 of the WA, or subject to a dealing authorised under the *Water Sharing Plan for the Great Metropolitan Region Surface Water Sources*
4. Construction or upgrading of access tracks or other surface activities must not damage or interfere in any way with:
 - Native vegetation and habitat within the riparian zones.
 - The stability of adjacent or nearby bed or banks of Waterfront Land.
 - The stability of Waterfront Land and their associated environments
 - The flow of watercourses within Waterfront Land.
 - The quality of water within Waterfront Land
 - Any pumps or structures in the vicinity (*that are licensed under the Water Act 1912 or the Water Management Act 2000*).
5. The proponent must ensure that all works and disturbance areas associated with the proposal (with the exception of crossings) are located outside riparian zones and do not compromise the integrity of riparian zones
6. Any access tracks (with the exception of crossings) are not to be located in any riparian zone.

Should you have any queries in respect to this matter, please contact Fergus Hancock on (02) 4904 2532 or Janne Grose on (02) 4729 8262.

Yours sincerely



Mark Mignanelli
Manager Major Projects and Assessment