



Department of Planning and Environment

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Our ref: OUT22/997

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14 March 2022

Dear Ms Allan

Re: Western Coal Services (SSD 5579) – Mod 4 EA

I refer to your email of 2 February 2022 to the Department of Planning and Environment (DPE) Water and the Natural Resources Access Regulator (NRAR) about the above matter.

Key components of the proposed modification include changes to the on-site water management system at Springvale Coal Services Site (SCSS), including: construction and operation of two dirty water ponds and one clean water pond; transfer of water from the SCSS Water Transfer System to the SCSS/Regis Transfer System for use at the proposed McPhillamys Gold Mine; and an increase in the capacity of the Washery Dam at SCSS.

The proponent will need to provide further details for surface water and groundwater take and the associated licencing requirements. The proponent should also clarify the clean and dirty water storages and management associated with the proposed diversion of clean water from Huon Gully Clean Water Pond into Lamberts Gully and release into Wangcol Creek. It is recommended clean water be separated from dirty water. Further detailed advice is provided in Attachment A.

Any further referrals to DPE Water and NRAR can be sent by email to water.assessments@dpie.nsw.gov.au, or to the following coordinating officer within DPE Water:

Simon Francis – Senior Project Officer
E: simon.francis@dpie.nsw.gov.au
M: 0428 926 117

Yours sincerely

A handwritten signature in blue ink, appearing to read 'M Isaacs'.

Mitchell Isaacs
Chief Knowledge Officer
Department of Planning and Environment: Water

Attachment A

Detailed advice to DPE Planning & Assessment regarding the Western Coal Services (SSD 5579) – Mod 4 EA

1. Water Take and Licensing

Recommendation – Prior to Determination

1.1 The proponent should:

- a. Consult with NRAR in relation to the requirement to hold entitlement for the existing and proposed surface water take at the site. This is to confirm that a viable pathway exists.
- b. Quantify the changes in groundwater take due to the project in accordance with the requirements of the NSW Aquifer Interference Policy. If an increase in groundwater take is predicted the proponent will need to demonstrate sufficient entitlement can be obtained in the relevant water source.

Recommendations – Post Approval

1.2 The proponent must:

- a. Ensure sufficient water entitlement is held in a Water Access Licence/s (WALs) to account for the maximum predicted take for each water source prior to take occurring.
- b. Ensure that relevant nomination of work dealing applications for WALs proposed to account for water take by the project have been completed prior to the water take occurring.
- c. Report on water take at the site each year (direct and indirect) in the Annual Review. This is to include water take where a water licence is required and where an exemption applies. Where a WAL is required the water take needs to be reviewed against existing WALs.

1.3 The proponent should:

- a. Develop a water balance to measure actual water take from surface and groundwater sources, and this should include accurate metering where possible. The water balance should be used in ongoing reviews of actual versus modelled water take and impact predictions. This will be a key component to confirm impact predictions, the adequacy of mitigating measures and compliance for water take.
- b. Be aware of the rules of the relevant water sharing plans and how they may impact the project and ability to trade or take water.

Explanations

Insufficient information has been provided to understand the potential for a change in groundwater take due to the project. It is understood Cooks Dam currently receives significant groundwater inflows and the proposal is to source the transfers for the proposed McPhillamys Mine from this dam. As the transfers are to be a maximum of 15.6ML/d, which is significantly higher than the current maximum release via LDP001, this indicates an increased demand from Cooks Dam and the potential for increased groundwater take. Further information is required to quantify changes to groundwater take in accordance with the requirements of the NSW Aquifer Interference Policy.

The proposal includes the requirement to construct two storages (Huon CWP and DWP-A) on a third order watercourse (Huon Gully) and divert water captured in these storages. Water taken from storages on mapped third order watercourses needs to be accounted for by holding sufficient entitlement in a Water Access Licence. Based on the water balance model, a maximum of 137ML/yr and 15ML/yr is predicted to be pumped out of the Huon CWP and DWP-A

respectively. It is recognised water is currently taken from the surface water source via infiltration in SHG1 and that the current modification proposes no increase in water take from this water source. The proposal is to take the water from a point just upstream, however as no entitlement is held by the proponent for the existing water take this represents a potential compliance issue for the existing and future operations.

It is recognised the water from Huon CWP is to be diverted into Wangcol Creek, however there is no current regulatory mechanism to negate the requirement to account for this water take. A total of 211 units currently exists in the Wywandy Management zone of the Upper Nepean and Upstream Warragamba Water Source where this project is located. As the majority of this entitlement (145 units) is held in a single WAL which is linked to existing works and there is no ability to trade entitlement into this water source, there is significant risk of not being able to acquire the necessary entitlement.

2. Water Management

Recommendation – Prior to Determination

- 2.1** The proponent should clarify the clean and dirty water storages and management associated with the proposed diversion of clean water from Huon Gully CWP into Lamberts Gully and release into Wangcol Creek. It is recommended clean water be separated from dirty water.

Explanation

Clarification is requested of the effectiveness of the proposed clean water diversion from the Huon Gully Clean Water Pond (CWP) to the Lamberts Gully clean water system and the influence of dirty water storages. This is due to Figure 5.4 of the report depicting the Huon CWP as a dirty dam and the Main Sediment Basin where the water is to be diverted to as a clean dam. Further to this, water in the Main Sediment Basin is described in the report as requiring settling time before discharge which suggests it is a dirty water dam. If the water diverted from the Huon CWP is clean, NRAR recommends that it be diverted directly into a clean section of Lamberts Gully.

Recommendations – Post Approval

- 2.2** The proponent must:
- a.** Prepare a Construction Environmental Management Plan.
 - b.** Update the Water Management Plan in accordance with Schedule 5 Condition 5 of the Consolidated Consent Conditions for SSD-5579.
 - c.** Ensure works within waterfront land are in accordance with the “Guidelines for Controlled Activities on Waterfront Land (NRAR 2018)”.
 - d.** Install appropriate lining of Dirty Water Pond B (DWP-B), as proposed.

Explanation

The commitment to the above management measures is supported by DPE Water and NRAR.

End Attachment A
