

Our ref: OUT22/9260

Kevin Reid

Planning and Assessment Group
NSW Department of Planning and Environment

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29 July 2022

Subject: **Western Coal Services (SSD 5579) – MOD 4 RTS**

Dear Mr Reid

I refer to your request for advice sent on 1 July 2022 to the Department of Planning and Environment – Water (the department) about the above matter.

The modification proposes the construction of three additional water storages and an increase in the capacity of the Washery Dam, in addition to the transfer of water from the Springvale Coal Services Site (SCSS) to the SCSS/Regis Transfer System for use at the proposed McPhillamys Gold Mine.

The department has reviewed the RTS, and requests further consideration be given to address outstanding issues that relate to surface water licensing and surface water management for the project. This includes the following:

- The department maintains its position that water entitlement is required to account for water take from both the Huon Gully Clean Water Pond (137ML/yr) and DWP-A (15ML/yr). We consider that the water is taken when pumped from the storages, and although it may later be returned to the water source, the original take needs to be accounted for through a licence. This requirement raises a significant risk to the project due to limitations on entitlement availability in the water source.
- Clarification is requested on the separation of clean and dirty water in the clean water diversion based on requirements for settling time prior to release from the main sediment pond.

Further detailed advice is provided in Attachment A.

Please note that the water licensing and approval function has now moved from NRAR to DPE Water. Any further queries in relation to this submission can be sent by email to water.assessments@dpie.nsw.gov.au, or to the following coordinating officer within DPE Water: Tim Baker, Senior Project Officer 0428 162 097.

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 RTS

1.0 Water entitlement

1.1 Recommendation – Prior to Determination

That the proponent demonstrates sufficient surface water entitlement can be obtained for the projects water take from pumping water out of the Huon Clean Water Pond and DWP-A. The department advises there are significant limitations in entitlement availability in the relevant water source and recommends this be acknowledged as a significant risk and addressed prior to determination.

1.2 Explanation

As both storages are to be located on third order watercourses and are within a water source, a Water Access Licence (WAL) with sufficient entitlement is required to account for water take when water is pumped out of these storages. Whether the water is returned to the water source does not remove the requirement to account for the original water take. Based on the water balance model, a maximum of 137ML/yr and 15ML/yr is predicted to be pumped out from the Huon CWP and DWP-A respectively. The need to hold entitlement for this water take was raised in the department's response to the EIS and is yet to be adequately addressed. Significant limitations on water entitlement availability as highlighted in our response to the EIS indicate a significant risk of not being able to acquire the necessary entitlement. There are currently 211 units of issued entitlement in the relevant water source, of which 145 units are held in a single WAL.

DPE Water does not agree with the proponent's response to submission that a WAL is not required for this take of water.

It is recommended the proponent initially consider the viability of acquiring the entitlement within the water source, and if this is not viable, consider alternative designs for the project to minimise water take. The department would support a meeting to discuss this issue further.

2.0 Clean Water Management

2.1 Recommendation – Prior to Determination

That the proponent provides further clarification on the management of clean and dirty water separation from the Huon CWP into Lamberts Gully. This is to assist in addressing a query originally raised on review of the EIS.

2.2 Explanation

The EIS and the RTS indicates clean water will be diverted from the Huon Clean Water Pond to the Main Sediment pond and then released into Lamberts Gully. The department considers the Main Sediment Basin to capture dirty water from upstream as Section 3.5.3 of the EIS identifies this basin as part of the dirty water management system, with the requirement for water entering this basin to require settling time before discharge. If the water diverted from the Huon CWP is clean, it is recommended it be diverted directly into a clean section of Lamberts Gully. Alternatively, if all water captured in the Main Sediment Basin is clean, further clarification is required.

3.0 Post Determination Recommendations

3.1 Recommendations – Post Determination

The proponent must:

- Ensure sufficient water entitlement is held in a water access licence/s to account for the maximum predicted take for each water source (groundwater and surface water) prior to take occurring.
- 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.
- 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.

The proponent should:

- 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.
- 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.

End Attachment A
