



Our Ref: ZS: 240309

25 February 2022

The Secretary  
NSW Department of Planning, Industry & Environment  
Locked Bag 5022  
PARAMATTA NSW 2124

**ATTENTION: GABRIELLE ALLAN**

Dear Gabrielle,

**RE: SCOPING REPORT  
SSD 7592 – SPRINGVALE WATER TREATMENT PROJECT  
LOTS 1&2 DP 702619 – BOULDER ROAD, BLACKMANS FLAT  
SECTION 4.55(1A) APPLICATION (MOD 8) - PROPOSED EXTENSION OF TIMEFRAME TO  
INTERIM WATER STRATEGY**

## **1.0 INTRODUCTION**

Springvale Coal Pty Ltd (the Applicant) proposes to modify the State Significant Development (SSD) approval for the Springvale Water Treatment Project (WTP) (SSD 7592) under the provisions of Section 4.55(1A) of the *Environmental Planning and Assessment Act 1979* (EP&A Act).

The proposed modification (Modification 8) seeks to amend Schedule 2, Condition 6A of the SSD 7592 consent in order to extend the interim water management strategy to allow partially treated mine water to be stored in Thomson Creek Reservoir through to 31 October 2023 to avoid flooding of underground workings at Springvale and Angus Place coal mines. The proposal does not seek to increase the volume of filtered water permitted to be transferred to Thompsons Creek Reservoir above the 5,760ML volume previously assessed and approved.

This scoping report includes the following:

- Strategic context;
- Project description, including:
  - Project background summary;
  - Preliminary description of the proposal; and
  - The key points of justification for the proposal.
- Statutory context;
- Stakeholder engagement completed and proposed; and
- Proposed assessment of impacts to be addressed by the Mod 8 application.

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## 2.0 STRATEGIC CONTEXT

### **Local Context**

Land uses in the locality include the adjacent Mount Piper Power Station (MPPS), coal mining and handling infrastructure, commercial forestry, and the residential areas of Lidsdale, Portland, Blackmans Flat and Wallerawang, located approximately two to five kilometres from the Springvale WTP.

The locality has been subject to extensive mining and power generation activities over the past 100 years.

### **Catchment Context**

The Springvale WTP and nearby mines (including Springvale and Angus Place collieries) are within the Cox's River catchment, which forms part of Sydney's drinking water catchment. The Cox's River flows south toward Lake Wallace, Lake Lyell and ultimately Lake Burragorang. Given the history of land use, the water catchment has been exposed to impacts from mining and other industries for an extended period, including historical mine water discharges.

In recent years, the NSW Government has been working to improve water quality across the region through stronger regulation of mining and other land uses. A key step in this process was the imposition of strict conditions of consent on Springvale mine, which included a staged program of water quality improvements. A key improvement was the development of the Springvale WTP.

### **Water Management Context**

#### Mount Piper Power Station

MPPS requires large volumes of water in its power generation operations, which is primarily used in the cooling towers. The power station is licensed to extract fresh water from the Cox's River. On average, the power station uses 40 ML/d of water, and up to 54 ML/d when operating at full capacity. The Springvale WTP has allowed the reuse of up to 43 ML/d of treated mine water to supplement and replace the use of water from the Cox's River catchment.

#### Dewatering of Underground Mines

The removal of groundwater is an essential aspect of underground mining and is critical for safety. Inflows to mine workings must be managed to avoid flooding of underground workings. This is managed at Springvale and Angus Place by transferring groundwater inflows from dewatering facilities on the Newnes Plateau to the Springvale WTP via a transfer pipeline at a rate of up to 42 ML/day.

#### Springvale Water Treatment Facility

The Springvale WTP is integrated with the MPPS operations by sharing water management infrastructure and supplying treated water to meet cooling water demand requirements at the power station.

### **Strategic Planning Context**

The proposal is consistent with the relevant strategic planning documentation applying to the site, including the *Central West and Orana Regional Plan 2036* (and *Draft Central West and Orana Regional Plan 2041*) and *Lithgow 2040 Local Strategic Planning Statement*, which seek to promote economic growth, increase productivity of resource lands, and improve natural waterways and water resources.

## 3.0 PROJECT

### 3.1 Project Background

The Springvale WTP was granted State Significant Development (SSD) consent under SSD 7592 on 19 June 2017 by the former Planning Assessment Commission (PAC), under delegation from the then Minister for Planning.

The project was developed by a joint venture between Springvale Coal Pty Limited (a subsidiary of Centennial Coal Company Pty Limited [Centennial]) and Energy Australia NSW Pty Limited (Energy Australia). The Springvale WTP is operated by Veolia Water Australia Pty Ltd (Veolia) through commercial arrangements, however Springvale Coal remains the applicant for the Springvale WTP.

The Springvale WTP has been developed as an industrial water reuse scheme to use mine water transferred from the nearby Angus Place Colliery and the Springvale Coal Mine as cooling water at the MPPS. The project allows Springvale to achieve strict water quality performance measures under the Springvale development consent, which required all mine water discharges to the Cox's River to cease after 30 June 2019.

The project has the capacity to transfer and treat up to 42 million litres per day (ML/day) of mine water from Centennial's Springvale and Angus Place coal mines. Under the consent, excess treated water is transferred from the power station to nearby Thompsons Creek Reservoir using the existing Cox's River Water Supply Pipeline, which forms part of the Cox's River Water Supply System (established to provide water for local power stations).

The development consent has been modified seven (7) times, with Mod 1 and Mod 2 dealing with pipeline alignment works, Mod 3, Mod 4, Mod 5 and Mod 7 involving an interim water management strategy and Mod 6 involving an alternative mine water management strategy for water that falls outside specification for the Springvale WTP.

The temporary interim water management strategy approved under Mod 3, Mod 4, Mod 5 and Mod 7 allowed for up to 5,760ML of partially treated (filtered) mine water to be stored in Thompsons Creek Reservoir until 31 October 2021. Only 2,611.96ML (45%) of the approved transfer volume of filtered mine water has been pumped to Thompsons Creek Reservoir.

The Springvale WTP has recently experienced periods of non-operation or reduced flows that have resulted in mine water not being treated and mine water accumulating in the underground workings of Springvale and Angus Place. Accumulated water is approaching levels where it could impact infrastructure and operations and could result in unauthorised discharge of untreated water from the mine. As such, an alternative water management strategy is required to allow for critical dewatering of underground mine workings until such time as the Springvale WTP can return to approved operating conditions.

### 3.2 Proposed Modification

The proposal seeks to modify Schedule 2, Condition 6A for an extension to the temporary interim water management strategy, to be used as a contingency measure to allow partially treated mine water to be stored in Thomson Creek Reservoir through to 31 October 2023. This extension would allow for the transfer of partially treated mine water to Thompsons Creek Reservoir using the Cox's River Water Supply Pipeline (refer **Figure 1** below). A summary of the proposed change to condition 6A is provided below:

<b>Schedule 2 Condition 6A</b>	
<b>Current Condition</b>	<b>Proposed amendment</b>
<ul style="list-style-type: none"> <li>▪ Transfer of up to 5,760ML of filtered mine water to Thompsons Creek Reservoir until 31 October 2021</li> </ul>	<ul style="list-style-type: none"> <li>▪ Transfer of up to 5,760ML of filtered mine water to Thompsons Creek Reservoir until <b>31 October 2023</b></li> </ul>

The proposal does not seek to increase the volume of filtered water permitted to be transferred to Thompsons Creek Reservoir above the 5,760ML volume previously assessed and approved.

The temporary transfer of filtered mine water to Thompsons Creek Reservoir would utilise the 3,149ML (55%) of available capacity within the previously assessed and approved limit of 5,760ML. No increase to the approved volume of filtered mine water transferred to Thompsons Creek Reservoir is sought. Flows would be transferred at up to 42ML/day in accordance with the consent.

Water levels within the reservoir will be managed to ensure there is sufficient capacity beneath the full storage level to accommodate the mine water transfers. Water transferred to Thompsons Creek Reservoir would subsequently be reused within the MPPS cooling water system.

No additional infrastructure would be required to facilitate the proposed transfer of mine water to the reservoir and no other changes are proposed for the project.

Considering the amount of water that is required to be stored, there are no feasible or safe alternatives to storing the water in the reservoir. There is not enough underground storage at the Springvale and Angus Place mines or capacity in the other storages at the power station. The potential consequences of the proposed modification not going ahead would be:

- Flooding of active mine workings at Springvale and Angus Place, and potential impacts to the integrity of underground infrastructure;
- Potential unauthorised discharges into the Cox's River Catchment or Newnes Plateau; and
- Springvale having to reduce or stop its production and ability to supply coal to the power station, with potential impacts to energy generation in NSW.



## 4.0 STATUTORY CONTEXT

The proposed modification to the Springvale WTP Project Approval is proposed in accordance with Section 4.55(1A) of the *Environmental Planning and Assessment Act 1979*.

In accordance with Section 4.55(1A), a consent authority may modify the consent if it is satisfied that the development to which the consent as modified relates involves minimal environmental impact and is substantially the same development as the development for which consent was originally granted. The applicant has formed the position that the proposal is consistent with the criteria under Section 4.55(1A) and the proposed modification application is within the scope of Section 4.55(1A) of the EP&A Act, rather than requiring a new development application to be lodged.

Detailed justification that the proposal is of minimal environmental impact and remains substantially the same as the development originally approved will form part of the Section 4.55(1A) report to be submitted in support of the modification application. Confirmation that the appropriate approval pathway for the modification application will be under Section 4.55(1A) of the *Environmental Planning and Assessment Act 1979* is sought as part of the Departments consideration of this scoping report.

Clause 115AA of the *Environmental Planning and Assessment Regulation 2000* sets out additional requirements that all applications for modifications of consent under Section 4.55 must comply with. The relevant requirements will be addressed in detail in the Section 4.55(1A) report.

The Section 4.55(1A) report will also address the following matters:

- Section 4.15 of the EP&A Act;
- Clause 115AA of the *Environmental Planning and Assessment Regulation 2000*;
- *State Environmental Planning Policy (Sydney Drinking Water Catchment) 2011*;
- *State Environmental Planning Policy (Mining, Petroleum Production and Extractive Industries) 2007 (the Mining SEPP)*;
- *State Environmental Planning Policy (State and Regional Development) 2011*;
- *Environmental Protection and Biodiversity Conservation Act 1999*;
- *Protection of the Environment Operations Act 1997*;
- *National Parks and Wildlife Act 1974*;
- *National Greenhouse and Energy Reporting Act*;
- *Water Management Act 2000*;
- *Biodiversity Conservation (Savings and Transitional) Regulation 2017*; and
- Lithgow Local Environment Plan 2014.

## 5.0 COMMUNITY ENGAGEMENT

Clause 117(3B) of the *Environmental Planning and Assessment Regulation 2000* (EP&A Regulation) states that the notification requirements of the EP&A Regulation do not apply to Section 4.55(1A) modification applications in respect to State Significant Development. As such, the application is not required to be notified or advertised.

It is anticipated, however, that the application will be made publicly available on the DPIE Major Projects website, and will be referred to the NSW Environment Protection Authority (EPA), Lithgow City Council and WaterNSW for comment, consistent with the previous MOD 7 approval.

## 6.0 PROPOSED ASSESSMENT OF IMPACTS

Given the significant amount of work undertaken across the site to date by the applicant as part of the original approval and subsequent modification approvals, there is an excellent understanding of the site and surrounding environment as well as the environmental issues pertaining to the interim water management strategy for the Springvale WTP.

The following tables identify the key matters for further assessment in the Section 4.55(1A) report, as well as matters where no further assessment is required. A full list of matters is provided in the Scoping Summary **Table 1** in **Appendix A**.

**Table 1 – Categories of Assessment Matters**

GROUP	KEY MATTERS FOR FURTHER ASSESSMENT	NO FURTHER ASSESSMENT REQUIRED
Access	Nil	<ul style="list-style-type: none"> <li>• Port and airport facilities</li> <li>• Road and rail facilities</li> <li>• Traffic and parking</li> <li>• Access to property</li> </ul>
Air	Nil	<ul style="list-style-type: none"> <li>• Gases</li> <li>• Particulate matter</li> <li>• Atmospheric emissions</li> </ul>
Amenity	Nil	<ul style="list-style-type: none"> <li>• Odour</li> <li>• Visual</li> <li>• Noise</li> <li>• Vibration</li> </ul>
Biodiversity	Nil	<ul style="list-style-type: none"> <li>• Conservation areas</li> <li>• Terrestrial flora and fauna</li> <li>• Aquatic flora and fauna</li> </ul>
Built environment	Nil	<ul style="list-style-type: none"> <li>• Public land</li> <li>• Public infrastructure</li> <li>• Design quality</li> <li>• Private property</li> </ul>
Economic	<ul style="list-style-type: none"> <li>• Livelihood</li> </ul>	<ul style="list-style-type: none"> <li>• Opportunity cost</li> <li>• Natural resource use</li> </ul>
Hazards and risks	<ul style="list-style-type: none"> <li>• Groundwater contamination</li> <li>• Land contamination</li> <li>• Environmental hazards</li> </ul>	<ul style="list-style-type: none"> <li>• Biosecurity</li> <li>• Bushfire</li> <li>• Coastal hazards</li> <li>• Dams safety</li> <li>• Dangerous goods</li> <li>• Flooding</li> <li>• Hazardous and offensive development</li> <li>• Land movement</li> <li>• Waste</li> </ul>
Heritage	Nil	<ul style="list-style-type: none"> <li>• Natural</li> <li>• Historic</li> <li>• Aboriginal</li> </ul>
Land	Nil	<ul style="list-style-type: none"> <li>• Stability</li> <li>• Soil chemistry</li> <li>• Land capability</li> <li>• Topography</li> </ul>
Social	<ul style="list-style-type: none"> <li>• Health and wellbeing</li> <li>• Way of life</li> <li>• Surroundings</li> <li>• Livelihoods</li> </ul>	<ul style="list-style-type: none"> <li>• Community</li> <li>• Accessibility</li> <li>• Culture</li> <li>• Decision-making systems</li> </ul>
Water	<ul style="list-style-type: none"> <li>• Water quality</li> </ul>	<ul style="list-style-type: none"> <li>• Hydrology</li> </ul>

GROUP	KEY MATTERS FOR FURTHER ASSESSMENT	NO FURTHER ASSESSMENT REQUIRED
		<ul style="list-style-type: none"> <li>Water availability</li> </ul>

**Table 2 – Key Factors for Consideration**

ISSUE	CONSIDERATION
Water quality	<ul style="list-style-type: none"> <li>A review of the water resources assessments undertaken for previous modifications indicate that the potential environmental impacts fall within the already approved range of predicted impacts for the interim strategy.</li> <li>Mine water would be filtered to partially treat the water to remove solids before being directed to the Thompsons Creek Reservoir.</li> <li>Water quality within Thompsons Creek Reservoir is currently monitored weekly. Water quality in downstream creeks is currently monitored quarterly. This will be continued in line with current approvals and following determination of the proposed modification.</li> </ul>
Water transfer volume	<ul style="list-style-type: none"> <li>The proposed modification does not seek to increase the total volume of partially treated mine water approved to be transferred to the reservoir (5,760ML).</li> <li>2,611.96ML (45%) of the approved water transfer volume has been transferred to the reservoir, with approximately 3,148.04ML remaining that would be permitted to be transferred until 31 October 2023.</li> <li>Partially treated mine water would continue to be transferred to the reservoir via the existing Cox's River Water Supply Pipeline at up to 42 ML/day and no additional infrastructure would be required to support the proposal.</li> </ul>
Reservoir infrastructure	<ul style="list-style-type: none"> <li>Thompsons Creek Reservoir can hold up to 27,500 ML of water. Water in the reservoir is predominantly used as storage to supply the MPPS demand for makeup water.</li> <li>No additional dam infrastructure would be required to support the proposed time extension to the interim water strategy.</li> <li>Water levels within the reservoir are actively managed between high and low operating levels based on catchment rainfall, management requirements and safety freeboard requirements.</li> <li>Thompsons Creek Reservoir is currently operating at low operating level and it is expected that the storage can be managed to accommodate the proposed mine water flows without compromising the storage capacity of the reservoir or increasing the risk of water overflows.</li> <li>Springvale Coal has developed appropriate emergency spill protocols in consultation with the EPA and WaterNSW and has incorporated this into its current Water Management Plan.</li> </ul>
Neutral or beneficial effect (NorBe) test	<ul style="list-style-type: none"> <li>The neutral or beneficial effect test in the <i>State Environmental Planning Policy (Sydney Drinking Water Catchment) 2011</i> does not strictly apply to modification applications. Nevertheless, assessments provided as part of previous modification applications have demonstrated that the interim strategy would have a negligible change when compared to the approved project.</li> </ul>
Economic	<ul style="list-style-type: none"> <li>If the underground workings were to flood into the developed mains headings/roadways it would significantly affect access to approved and potential future coal resources at Angus Place and Springvale collieries.</li> <li>Flooding of workings would increase costs due to additional</li> </ul>

ISSUE	CONSIDERATION
Social	<p>dewatering infrastructure.</p> <ul style="list-style-type: none"> <li>• Springvale provides significant flow on economic benefits to the Lithgow community. Any potential impacts to coal reserves at the mine would have significant flow on social impacts to the Lithgow community.</li> <li>• Springvale is the main supplier of coal to MPPS, which provides approximately 15% of the electricity to NSW and is critical to maintaining energy security.</li> </ul>

If the DPIE has any specific commentary for inputs in the Section 4.55(1A) report in addition to the above, the proponent welcomes such commentary for consideration.

## 7.0 CONCLUSION

Thank you for consideration of this correspondence. The applicant looks forward to undertaking a Scoping Meeting with the DPIE (if required) to further elaborate on the content of this submission and discuss the proposal in further detail.

Yours faithfully,



**ZAC SMURTHWAITE**  
**SENIOR PLANNER**  
 ADW JOHNSON  
 HUNTER OFFICE

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**Encl:**

- **Appendix A**                      Scoping Summary Table

# Appendix A

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## SCOPING SUMMARY TABLE

**APPENDIX A – SCOPING SUMMARY TABLE  
SPRINGVALE WTP MODIFICATION APPLICATION**

<b>LEVEL OF ASSESSMENT</b>	<b>MATTER</b>	<b>CIA</b>	<b>ENGAGEMENT</b>	<b>RELEVANT GOVERNMENT PLANS, POLICIES AND GUIDELINES</b>
Standard	Economic - Livelihood	No	No	<ul style="list-style-type: none"> <li>• <i>Mining Act 1992.</i></li> <li>• <i>Guidelines for the Economic Assessment of Mining and Coal Seam Gas Proposals.</i></li> </ul>
Standard	Hazards and Risks – Groundwater Contamination	No	No	<ul style="list-style-type: none"> <li>• <i>Protection of the Environment Operations Act 1997.</i></li> <li>• <i>Guidelines for the assessment and management of groundwater contamination.</i></li> </ul>
Standard	Hazards and Risks – Land Contamination	No	No	<ul style="list-style-type: none"> <li>• <i>Protection of the Environment Operations Act 1997.</i></li> <li>• <i>Contaminated Land Management Act 1997.</i></li> <li>• <i>Managing Land Contamination: Planning Guideline (SEPP 55).</i></li> <li>• <i>Guidelines on the Duty to Report Land Contamination.</i></li> <li>• <i>SEPP 55 – Remediation of Land.</i></li> <li>• <i>National environment protection (assessment of site contamination) measure.</i></li> </ul>
Standard	Hazards and Risks – Environmental Hazards	No	No	<ul style="list-style-type: none"> <li>• <i>Environmental Health Risk Assessment.</i></li> </ul>
Standard	Social – Health and Wellbeing	No	No	<ul style="list-style-type: none"> <li>• <i>Social Impact Assessment Guideline 2021.</i></li> <li>• <i>Undertaking Engagement Guidelines for State Significant Projects.</i></li> <li>• <i>Cumulative Impact Assessment Guidelines for State Significant Projects.</i></li> <li>• <i>Social Impact Assessment for State Significant Resource Projects.</i></li> </ul>
Standard	Social – Way of life	No	No	<ul style="list-style-type: none"> <li>• <i>Social Impact Assessment Guideline 2021.</i></li> <li>• <i>Undertaking Engagement Guidelines for State Significant Projects.</i></li> <li>• <i>Cumulative Impact Assessment Guidelines for State Significant Projects.</i></li> <li>• <i>Social Impact Assessment for State Significant Resource Projects.</i></li> </ul>
Standard	Social – Surroundings	No	No	<ul style="list-style-type: none"> <li>• <i>Social Impact Assessment Guideline 2021.</i></li> <li>• <i>Undertaking Engagement Guidelines for State Significant Projects.</i></li> <li>• <i>Cumulative Impact Assessment Guidelines for State Significant Projects.</i></li> <li>• <i>Social Impact Assessment for State Significant Resource Projects.</i></li> </ul>
Standard	Social – Livelihood	No	No	<ul style="list-style-type: none"> <li>• <i>Social Impact Assessment Guideline 2021.</i></li> <li>• <i>Undertaking Engagement Guidelines for State Significant Projects.</i></li> <li>• <i>Cumulative Impact Assessment Guidelines for State Significant Projects.</i></li> <li>• <i>Social Impact Assessment for State Significant Resource Projects.</i></li> </ul>

Standard	Water – Water Quality	No	Yes	<ul style="list-style-type: none"> <li>• <i>Water Management Act 2000.</i></li> <li>• <i>NSW Water Strategy.</i></li> <li>• <i>Protection of the Environment Operations Act 1997.</i></li> <li>• <i>Australian and New Zealand Guidelines for Fresh and Marine Water Quality.</i></li> <li>• <i>NSW Water and River Flow Objectives.</i></li> <li>• <i>NSW Marine Water Quality Objectives.</i></li> <li>• <i>Water NSW Act 2014.</i></li> <li>• <i>State Environmental Planning Policy (Sydney Drinking Water Catchment) 2011.</i></li> <li>• <i>Developments in the Sydney Drinking Water Catchment – Water Quality Information Requirements.</i></li> </ul>
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