

11 May 2021

Mr Stephen O'Donoghue
Director, Resource Assessments
NSW Department of Planning, Industry and Environment
Locked Bag 5022
Parramatta NSW 2124

Dear Stephen

RE: Charbon Coal Mine MOD 2 and Clarence Colliery MOD 6 Response to Request for Additional Information No. 3

I refer to the Department's third request for additional information dated 1 April 2021 regarding a summary of environmental, social and economic impacts associated with extending the transfer of water to Airly Mine until 2037 in addition to a timeline for rehabilitation and closure of Charbon Colliery. Our response to these matters is set out below:

Impacts associated with continued water transfers

Water resources – The annual average decrease in discharge to Cumber Melon Creek of around 148 ML/year outlined in Mod 1 will continue as a result of the water transfers. Electrical conductivity (EC) of discharges to Cumber Melon Creek will remain unchanged and there will be a slight decrease in water availability and slight improvement in water quality (decrease in EC) for downstream water users. This mimics what occurred during the many years that Charbon Colliery mined coal and operated a coal handling and processing plant. Groundwater will not be used by the continuation of water transfers with the local and regional aquifers unlikely to be impacted.

Noise – No exceedances of the EPL limits on rail transportation noise are predicted as a result of the continued water transfers and coarse coal reject (CCR) laden train. The rail noise will comply with the trigger levels in the *Rail Infrastructure Noise Guideline* (EPA, 2013) for the day and night periods and pass-bys. Total train movements will be within previously assessed and approved train movements (i.e. eight rail movements between 7 am and 10 pm). Rail noise on the country rail network (CRN) was assessed as part of Mod 1 which was based on 10 train movements per day (eight trains in the day period and two trains in the night period), equivalent to the number of train paths allocated on the Wallerawang-Gwabegar Railway at the time of assessment. The predicted cumulative train noise emissions reported complied with JHR's Environment Protection Licence (EPL) 13421 noise limits under Condition L2.1. As part of Mod 2 being proposed, one CCR-laden train will be used per day to transport CCR from Clarence to Charbon and one water transfer train from Charbon to Airly. This is well within the previously assessed and approved eight train day time movements with no consequential impact on the noise limits under Condition L2.1 of JHR's EPL 13421.

Biodiversity – No native vegetation clearing is required for the continued transfer of water. The modification will have no impacts on any threatened species, populations and ecological communities, and their habitats, listed under the *Biodiversity Conservation Act 2016* or the *Environment Protection and Biodiversity Conservation Act 1999*.

Aboriginal heritage – No disturbance is required for the continued transfer of water from Charbon to Airly. Cultural heritage matters will continue to be managed in accordance with the existing Aboriginal Cultural Heritage Management Plan.

Traffic and transport – There are no expected road traffic consequences due to the continuation of water transfers. Train movements for the water transfer scheme will remain within the approved train movements in Charbon Colliery's consent. The existing level of safety of all assessed level crossings is considered acceptable and no capacity constraints have been identified on the assessed sections of the rail network.

Air quality – Continued water transfers will not affect the local air quality. Dust levels are currently monitored to ensure the site meets relevant air quality criteria in accordance with the Air Quality Management Plan.

Greenhouse gas – Continued water transfers will generate GHG emissions attributable to the diesel fuel consumed by the locomotives. These however are not considered significant with one locomotive travelling approximately 32 km to Airly Mine.

Socio-economic – Continued water transfers will enable Airly Mine to mitigate the risk of a significant water shortfall given Charbon Colliery has a licensed surplus which is not required for site management or rehabilitation. Transfer of water from one site to the other provides benefits to Airly Mine from an employment and economic perspective as the mine will continue to be operated at the capacity approved under SSD 5581. Airly Mine is a critical supplier of coal to EnergyAustralia's Mount Piper Power Station and currently produces up to 1.8 million tonnes of coal per year and employs up to 155 full time equivalent personnel.

The Charbon to Airly Mine water transfers, approved in 2019 under Mod 1, are currently on hold due to good recent rainfall and water utilisation at Airly Mine. Charbon's Community Consultative Committee (CCC), which includes a representative from the respective local government authority, will be advised of any future water transfers should the need arise. Any future water transfers will be undertaken in accordance with the Water Management Plan in addition to license/development consent conditions.

Timeline for rehabilitation and closure of Charbon Colliery

The proposed rehabilitation schedule is presented in Table 9 of the approved Mining Operations Plan (MOP) which aligns with the Development Control Orders issued by the Department on 12 June 2019. The schedule is a forecast of rehabilitation earthworks requirements on a machinery utilisation basis noting that the final duration may change dependent upon weather events and other impediments experienced during its practical implementation. Should the opportunity for the use of Clarence CCR in void in-fill and landform formation being the focus of Mod 2 be approved, it is anticipated that a revision of the MOP will be required.

We trust this satisfies Request for Additional Information No. 3. If required I am available to discuss further by phone (02) 4935 8901 or email ian.hornshaw@centennialcoal.com.au.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Iain Hornshaw', with a stylized flourish at the end.

Iain Hornshaw
Approvals Manager