



Mr Gary Brassington
Approvals Manager
South32 Illawarra Coal

By email: Gary.M.Brassington@South32.net

20 April 2020

Dear Mr Brassington

**Dendrobium Mine Extension Project (SSD 8194)
Response to Submissions – Request for Further Information**

Thank you for South32's Response to Submissions (RTS) received following public exhibition of the Environmental Impact Statement (EIS) for the Dendrobium Mine Extension Project (SSD 8194).

Additional Information

The Department has given careful consideration to the RTS and the further responses received from State agencies and local councils on the RTS, which I understand have already been provided to South32.

The Department notes that some of the agencies (i.e. WaterNSW, the Department's Biodiversity Conservation Division, the Heritage Council of NSW and Wollongong City Council) have expressed the view that the RTS has not adequately responded to concerns raised in their original submissions on the EIS.

The Department also considers that the response to the issues raised by the Dams Safety Committee, the Commonwealth Independent Expert Scientific Committee and the Department's Water Group are not adequate or sufficiently detailed.

Given that many of the matters raised are material to the assessment of the project, I can advise you that the Department requires a further detailed response to the issues raised by these agencies in their original and more recent submissions on the RTS.

The Department also notes that the RTS contained a number of references to a 2019 MSEC letter report analysing the subsidence effects associated with varying longwall widths. However, that report was not attached to the RTS and was also inaccurately referenced in the RTS (as the EIS's Subsidence Impact Assessment).

Given that longwall width and resultant subsidence impacts are such critical issues for assessment of the Project, the Department suggests that this letter report is included in your response and thereby reported to affected agencies and published.

Water Offsets

The Department fully supports the following high-level commitment by South32 in the RTS, and notes that it is consistent with recent statements from the Minister for Planning and Public Spaces about the need for mining companies in the Special Areas to ensure they make a positive contribution to the broader metropolitan water supply:

South32 commits to implement or fund works such that the Project results in net neutral or net beneficial effects to Sydney's drinking water supplies from subsidence-related surface water losses from the Metropolitan Special Area.

This would include beneficial use of mine water to reduce existing demands on the drinking water system, and/or funding or implementing works that reduce existing losses (e.g. pipe losses or evaporation).

To allow the Department to consider this issue in the assessment of the project, it would be appreciated if you could provide details about the proposed offsets, including in regard to the specific water source losses you are proposing to offset and the mechanism for offsetting these losses in the short, medium and longer term. This should include further information in regard to:

- what water take is to be offset (e.g. loss of surface flows, near surface groundwater, baseflow, and/or stored waters);
- whether groundwater take is to be offset, and if so, to what depth or strata;
- how water take is to be modelled, measured and/or monitored (which may vary according to the source of water);
- what allowance should be made in respect of water quality impacts (e.g. arising from streambed cracking) and how this would be modelled, measured and/or monitored;
- how the commitment would work in respect of rising and falling water take during the life of the project;
- how the commitment would work in respect of continuing water take following the life of the project; and
- whether and how the groundwater component of mine water can be used to offset surface water take.

You are also requested to provide additional details regarding potential beneficial uses of mine water or other offsetting measures currently under consideration, together with indicative timetables as to when these initiatives may be able to be implemented.

Finally, it would be appreciated if you could advise the Department about the timing for the provision of the requested additional information, noting that the Department would be happy to discuss providing the information progressively to enable the assessment to continue with minimal disruption.

Please do not hesitate to contact me to clarify any of the above.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Michael J.", with a stylized flourish at the end.

Mike Young
Executive Director
Energy, Resources and Compliance