



Nature Conservation Council

The voice for nature in NSW

Department of Planning and Environment
Resource Assessments
23-33 Bridge St
SYDNEY NSW 2000

17 June 2016

Mt Owen Continued Operations Project (SSD 5850)

The Nature Conservation Council of NSW (**NCC**) is the peak environment organisation for New South Wales, representing over 150 member societies across the state. Together we are committed to protecting and conserving the wildlife, landscapes and natural resources of NSW.

We welcome the opportunity to provide additional comments on the Mount Owen Continued Operations Project. NCC has previously sent a submission of objection on the above project to the NSW Department of Planning and Environment, and has also made a presentation to the Planning Assessment Commission (PAC) hearing at Singleton on Tuesday 15 December, 2015.

After reviewing the Department's Preliminary Assessment Report, the PAC's review report and Glencore's response to the PAC review report, NCC maintains its objection to the Mount Owen Continuing Operations (Mt Owen) project due to its impact on climate, biodiversity, and water resources, as well as the quality of life for nearby residents. We do not believe that the proponent's additional commitments or the proposed conditions of consent will adequately ameliorate the impacts of the proposal. Our ongoing concerns are outlined below.

Climate Change

The proposed Mount Owen mine expansion will have long-term impacts on the climate due to the significant greenhouse gas emissions that will be produced from the burning of the recovered coal and its contribution to anthropogenic climate change.

In a major international initiative to address climate change, the Paris Agreement was signed by 195 countries on 12 December 2015. The agreement commits all nations, including Australia, to keeping global average temperatures to below 2 degrees C.

NCC maintains that there is a fundamental disconnect between Australia's international commitment to reduce greenhouse gas emissions to a level which will keep global warming below 2 degrees C above pre-industrial levels, and the NSW Government position of what appears to be "business as usual" in continuing to support the approval of new and expanded coal mines.

We do not agree with the Department's position that there remains a clear need to develop coal deposits to meet society's basic energy needs for the foreseeable future¹.

In contrast, the Climate Council of Australia has stated what the Paris target means for Australian coal mining: *"For Australia to play its role in preventing a 2 degree C rise in temperature requires over 90% of Australia's coal reserves to be left in the ground, unburned"*.²

To meet our international obligations and maintain the habitability of our planet in the 21st Century, the NSW Government needs to refuse the vast majority of coal mine projects from now on. The Mt Owen project proposes to mine 92 million tonnes of run of mine (ROM) coal over its 15 year life, and 93% of that product coal is thermal quality, which will be combusted by electricity generators³. The EIS calculates that 131.76 million tonnes of CO₂ equivalent Scope 3 emissions will be generated during the life of the mine operations (excluding scope 3 emissions from mine construction, closure and rehabilitation)⁴.

It is simply not enough to require the proponent to investigate ways to minimise the release of greenhouse gases from its own project. The significant global climate change impacts of coal mining must be recognised and properly considered in the assessment of this project.

In light of the unequivocal evidence that the burning of coal contributes to anthropogenic climate change, we do not consider that the approval of the Mount Owen extension project is in the public interest.

Impacts on Biodiversity

NCC remains concerned that the project will have significant impacts on biodiversity, including threatened species and endangered ecological communities.

In particular, we highlight the following concerns:

- **Ravensthorpe Forest:** The PAC report⁵ states that *"The Mt Owen Complex abuts the Ravensthorpe State Forest which is one of the largest areas of remnant woodland on the central Hunter Valley floor"*. NCC agrees that the Ravensthorpe Forest is critically important, and remains concerned that the assessment of the project fails to mention that under the 1994 NSW Government consent, more than half of the Ravensthorpe State Forest has already been destroyed by the Mt Owen project. It is important that this former environmental destruction is acknowledged. Unless this is done, an accurate assessment of the cumulative environmental impact of the Mt Owen mine cannot be made.

¹ Department of Planning and Environment, *Secretary's Environmental Assessment Report*, November 2015

² Climate Council of Australia (2015): *"Unburnable Carbon: Why We Need to Leave Fossil Fuels in the Ground"*, pp iii – iv, www.climatecouncil.org.au

³ Mt Owen Continuing Operations Project EIS, Greenhouse Gas and Energy Assessment, Appendix 15, p 3.2

⁴ Mt Owen Continuing Operations Project EIS, Greenhouse Gas and Energy Assessment, Appendix 15, p 3.

⁵ PAC Mt Owen Continued Operations Review Report, p 8

- **Offsets:** We have a number of concerns regarding the proposed biodiversity offsets for this project. Firstly, we are concerned that the *Interim Policy on Assessing and Offsetting Biodiversity Impacts (Interim Policy)* which is said to apply to the Policy⁶, does not seem to be publically available. Given the interim policy is said to apply to the project, and to ensure complete transparency in the assessment process, the Interim Policy should be available publically. Secondly, even with additional measures proposed by the proponent, we are still concerned that the proposed offsets are inadequate and will not compensate for anticipated loss of wildlife habitat and biodiversity. As raised in our earlier submission, we are concerned that the proposed offsets are not 'like-for-like', particularly given that they are mainly cleared cattle paddocks with negligible habitat value and too far away to provide habitat relief for threatened species displaced by mining at the Mt Owen site.
- **Fauna Impacts:** The statement that "*the Commission recommends that the Department consider the relocation and re-use of hollow-bearing trees...*"⁷ does not make sense. This is an unfortunate, and surely unintended use of language, suggesting that mature eucalypt trees which are decades old can be 'relocated' – surely not feasible since they would die even if they could be removed and replanted in some way. Further, we are concerned that the proponent has dismissed the PAC's recommendation to specify performance measures in relation to hollow resources for species such as the swift parrot (*Lathamus discolor*) and regent honeyeater (*Anthochaera phrygia*). Hollow bearing trees have significant biodiversity value and this issue must be adequately resolved before the project can be determined.

Final Landform and Rehabilitation

The PAC's review report recognises that concerns were raised in submissions from the public and various agencies about the conceptual nature of the final landform and the absence of a detailed rehabilitation mine plan⁸.

NCC has significant concerns with allowing final voids to be approved as a part of the final post-mining landscape. Mine voids can have significant long-term impacts on water due to elevated water acidity and high salinity. There are also concerns in relation to the cumulative impacts of final voids in the Hunter landscape.

These concerns have been recognised by the NSW Planning Assessment Commission (PAC) who does not accept that a mining legacy of large voids across the Hunter landscape is acceptable. The PAC recommended that a study should be undertaken by Government as a matter of priority to review the cumulative impacts of voids in the Hunter Valley including the impacts of these voids on the short, medium and long-term on the water table and on the future of agriculture and other associated industries in the Hunter Valley⁹.

⁶ Planning Assessment Commission, Mount Owen Continued Operations Project Review Report, p 10

⁷ PAC Mt Owen Continued Operations Review Report, p 12

⁸ PAC Mt Owen Continued Operations Review Report, p 17

⁹ NSW Planning Assessment Commission, *Warkworth Continuation Project Review Report*, 4 March 2015,

A recent report, *The Hole Truth – The mess coal companies plan to leave in NSW*, commissioned by the Hunter Community Network documents the environmental problems associated with mine voids¹⁰, including that selected coal mine voids will not reach water equilibrium for up to 1000 years.¹¹

The report states: *“In the United States, filling in coal mine final voids has been required by law since the 1970s. ... In Australia, it is standard practice not to fill coal mine final voids”*¹²

NCC believes that, if it is good enough for US regulators to require the backfilling of mine voids, then it is good enough for NSW regulators to require the same level of environmental responsibility. What gives the current Government the moral, social and legal right to approve mine voids which will create environmental problems for centuries into the future? What right does the current NSW government have to fetter the environmental management options of future state and local governments due to the toxic legacy of coal mine pit lakes they have approved for a short term financial gain?

Given the uncertainty around the long-term impacts of final voids, and the clear recommendation from the PAC that these issues must be given further consideration by Government as a matter of priority, we strongly recommend that in accordance with the precautionary principle, no approval is given to mining applications that propose final voids as part of the project application until there is a clear policy on final voids.

Glencore’s Mt Owen Continued Operations Project as it stands should be refused by the PAC, and no further open cut coal mine development applications anywhere in NSW should be considered unless filling in any mine voids is part of the development design and a financial bond is required up front to cover the cost of remediating mine voids in the event of proponent bankruptcy.

The NSW coal industry is in structural decline, and a different way of government assessment of coal projects is urgently required. Mineral royalties make up only about 2% of NSW government revenues¹³. That figure includes **all** mineral royalties – the coal component of that figure is related to coal prices (which are at record low levels at present) and is declining. Mineral royalties are less significant sources of State revenue than gambling and betting taxes, for example¹⁴.

It is time the NSW government adopted world’s best practice and ensure that mine voids are no longer allowed to remain as a toxic legacy for future generations of NSW citizens.

¹⁰ “The Hole Truth – The mess coal companies plan to leave in NSW”, Energy and Resource Insights, June 2016.

¹¹ The Hole truth, p 10

¹² The Hole Truth, pp4-5

¹³ R Campbell, *“Seeing Through the Dust: Coal in the Hunter Valley Economy”*, The Australia Institute, June 2014, p 10

¹⁴ Ibid

Impacts on water resources

As outlined in our earlier submission, NCC has concerns about the impact of the proposed mine expansion on water resources. The PAC has recommended that prior to determination the Department seeks further comments from the EPA and DPI Water. While the applicant's response refers to discussions with DPI Water, the exact detail of those discussions is not available and it is unclear whether the PAC's concerns have been adequately addressed. These issues should be resolved prior to the determination of the application.

Conclusion

The continued expansion of coal mining operations in NSW contributes to air and water pollution, impacts on community health, destruction of sensitive environmental areas and climate change. In particular, the Mount Owen expansion project will have significant impacts on biodiversity, climate, water resources and the final landscape. We do not consider that the applicant's additional information has adequately addressed these concerns.

For the reasons outlined above, NCC does not support the proposed project and recommends that the proposal be refused.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Kate Smolski', with a stylized, cursive script.

Kate Smolski
Chief Executive Officer