

1 June 2022



**Jessie Evans**

Director – Resource Assessments, DPE

Email: [Jessie.Evans@planning.nsw.gov.au](mailto:Jessie.Evans@planning.nsw.gov.au)

Dear Jessie,

**RE: Tahmoor South Coal Project Modification (SSD 8445 Mod 1) – Request for additional information**

I refer to the above modification application (SSD 8445 Mod 1) request for additional information (RFI) received from the Department of Planning and Environment (DPE), dated 11/05/2022.

This letter follows our meeting on the 26/05/2022 that presented answers to questions raised in the RFI. The following information below formally responds to the Request for Information.

**Background**

Between 2003 and 2015 a series of Pollution Reduction Programs (PRP) were imposed by the EPA and implemented by Tahmoor Coal to improve water quality discharge to Bargo River, which in summary involved:

- Monitoring and studies
- Consolidation of discharge points; and
- Pilot plant trials designed to reduce pH and conductivity

In 2015, a PRP was imposed to install a Waste Water Treatment Plant (WWTP) to treat Nickel, Zinc and Arsenic. Unfortunately, upon commissioning of the WWTP, the plant technology was deemed to be unsuccessful at achieving the set water quality targets.

Between 2016 and 2018 a number of technical reviews, bench scale testing and plant modifications were undertaken with the intent to improve performance and capability of the WWTP. This was deemed unsuccessful following re-commissioning.

During 2019 to 2020, it was determined that Reverse Osmosis process was the only technology that will provide certainty of compliance to ANZECC Guidelines.

In 2020, the EPA issued a Licence condition to install a Waste Water Treatment Plant prior to Tahmoor South secondary extraction (Condition E1.1, EPL 1389). Condition E1.1 stipulates WWTP to treat a series of analytes to meet criteria based on ANZECC Guidelines for Aquatic Eco-systems, which is more stringent than ANZECC Guidelines for Recreational waters.

A tender to develop a suitable WWTP utilising RO technology was issued to 10 companies (issued January 2020 and closed July 2020). IXOM was shortlisted at the end of the tender process as the

preferred supplier for the plant. After a successful pilot plant trial (of the proposed technology) a contract was awarded in December 2021.

### **Water Treatment Plant Timeline**

The contract for the installation and commissioning of the WWTP has been awarded and executed with IXOM, with orders already placed for long lead time items. The final plant design required to fit the new WWTP within the existing footprint is in the final stage of design reviews, accommodating the technical complexity of the WWTP and spatial constraints.

Specialist components have been ordered and are experiencing considerable delays with delivery time frames, and the majority of components can only be sourced from overseas suppliers. For example, the RO modules and pumps which are sourced from overseas suppliers were originally 6 months for supply but have now been extended to 10 months due to overseas supply chain and logistical issues, citing Covid-19 as the major cause of these delays. Multiple delays for the supply of minor and major electrical components on multiple projects have been experienced over the past 10 months.

In an attempt to mitigate the aforementioned delays, the project team are continually reviewing the manufacturing and installation schedules to determine if there are any opportunities to undertake any pre-work ahead of the submitted project schedule. Unfortunately, there are only a limited number of tasks which can be conducted in parallel to reduce the timeframe. The commissioning of the WWTP is currently forecast to occur in December 2023. Through modification application SSD 8445 Mod 1, a request has been made to allow Tahmoor Coal to continue with current interim licence conditions for water discharge at LDP1 until commissioning of the WWTP.

Tahmoor Coal have investigated “off-the-shelf” hire plant that can treat the feedwater with the current analyte concentrations to meet the nominated discharge limits for Tahmoor South and found that such hire plants do not exist. Consideration was given to the continued operation of the pilot plant, this was found to be impractical due to the following reasons:

- The Pilot Plant is in the same physical location as the Main Plant and would need to be removed in the coming months to allow for the project works to commence
- The pilot plant design only allows for the processing of up to 745KL/D of feed water (maximum of 1ML/D for short periods).
- Tahmoor Coal has maintained compliance with current interim EPL specified analyte thresholds and any further reductions to analyte thresholds within the site EPL to further improve discharge quality would result in the need for specialised treatment technologies and plant items, which have considerable manufacturing lead time in the order of 12 months.

### Impacts of delaying secondary workings

There are currently only 8 weeks of extraction remaining for Tahmoor Coal's Tahmoor North domain before commencing Secondary extraction in the Tahmoor South Domain, currently scheduled to commence in September 2022.

Delaying the commencement of secondary extraction of Tahmoor South from September 2022 to December 2023 (a period of 15 months) is not a viable solution and would essentially result in the closure of the mine, or in it being placed into care and maintenance affecting the employment of over 400 staff.

Not only would the closure of the mine affect the staff of Tahmoor Coal, but the negative financial impacts would be felt across the local community from contractors and tradespeople to business owners and shops. For our local community the effects are far reaching as listed below:

- Loss of long and short-term customers
- Effect on external suppliers (logistical support, operational components, technical support) possible leading to a reduction in their work forces and a major loss of revenue
- Possible impacts on current steelmaking operations at Port Kembla steelworks (BlueScope) may also be experienced
- The State would also see a loss of Royalties in which Tahmoor Coal pay per tonne of coal extracted.

Tahmoor Coal is continually working with relevant contractors to review all opportunities to complete the Main Plant earlier and will continue to provide DPE with updates on progress. It is to be noted that the delivery times and schedule are current at the time of sending this letter. Delivery times and schedule may change due to the current rapid ever changing supply problems.

Please contact me with any queries regarding this letter via email [zina.ainsworth@simecfcfg.com](mailto:zina.ainsworth@simecfcfg.com) or mobile 0438 284 106.

Yours sincerely,



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Manager Environment and Community  
Tahmoor Coking Coal Operations, SIMEC Mining

**Copy to:**

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