

Our Ref: DOC19/405917

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By email: andrew.ode@planning.nsw.gov.au

Airly Coal Mine Modification 2: Adequacy of the Statement of Environmental Effects (SEE) and Request for General Terms of Approval

Dear Mr Rode,

I refer to your email dated 29 April 2019 inviting the Resources Regulator to review the Statement of Environmental Effects (SEE) and the provision of General Terms of Approval for Airly Coal Mine Modification 2.

Airly Coal Mine Modification 2 has been classified as Integrated Development pursuant to the *Environmental Planning and Assessment Act 1979* (EP&A Act) and therefore requires both development consent under the EP&A Act as well as the granting of a Mining Lease under the *Mining Act 1992*.

The Resources Regulator has undertaken this review to determine whether the applicant has provided sufficient information in the SEE to assess the potential impacts of Airly Coal Mine Modification 2. Specifically, the review has been undertaken to determine whether sustainable rehabilitation outcomes can be achieved as a result of the project and that any identified risks or opportunities can be effectively regulated through the conditions of mining authorities issued under the *Mining Act 1992*.

Development Details

The Airly Coal Mine is an underground operation located approximately 5 kilometres north-east of Capertee, NSW. The Airly Coal Mine – Modification 2 proposes the following:

Centennial Airly Pty Limited is proposing a modification to Airly Mine's consent SSD 5581 to receive up to 170 ML/year of water at the Airly Mine pit top from Charbon Colliery using rail transport. The 170 ML/year water corresponds to the process water deficit identified in the site water balance in a dry year for the approved activities in SSD 5581 consent.

The proposed modification elements are:

- *importation of up to 170 ML/year of water from Charbon Colliery by rail*
- *minor amendments to existing water management system at the pit top to allow discharge of water from the trains to existing onsite storages.*

The proposed modification will facilitate mining at Airly Mine at the approved level. It is proposed to operate one water laden train per day in the water transfer scheme to allow the

transfer of up to 170 ML/year of water. However, trains will be operated on an as needs basis. Fewer trains may be operated for the deficit forecast on average, while in a wet year the water transfer scheme may not be operated regularly because no deficit has been forecast.

The SSD 5581 Project Application Area boundary will remain unchanged and no major changes to the site infrastructure will be required. The existing water management will not change. Surface water harvested from the site and water available from the Production Bore will continue to be utilised as process water prior to importing additional water from Charbon Colliery. Hours of operations are not proposed to change from the approved 24 hours per day and seven days per week.

The approved train movements comprising 5 maximum train movements per day and an average of 2 train movements in a calendar year will not change. The proposed one water laden train per day to arrive at Airly pit top will fall within the limits of train movements approved in SSD 5581.

Environment and Rehabilitation

Compliance Operations within the Resources Regulator has responsibility for providing strategic advice for environmental issues pertaining to the proposed project in so far as they relate to or affect rehabilitation.

That Resources Regulator advises that the Airly Coal Mine – Modification 2 is unlikely to significantly affect existing rehabilitation commitments associated with the site as no specific changes to existing infrastructure facilities are proposed as part of this application.

Therefore, the Resource Regulator has determined that sustainable rehabilitation outcomes can be achieved as a result of the project and that any identified risks or opportunities can be effectively regulated through the conditions of mining authorities issued under the *Mining Act 1992*.

The Resources Regulator requests that DPE – Planning Assessments notify the proponent of the following general terms of approval associated with the granting of a mining lease pursuant to the *Mining Act 1992*.

- Any disturbance resulting from the activities carried out under the mining lease will need to be rehabilitated to the satisfaction of the Minister.
- The lease holder must apply to the Minister for approval of a Mining Operations Plan (MOP) prepared in accordance with the relevant Resources Regulator guidelines. An approved MOP must be in place prior to commencement of any significant surface disturbing activities, including mining operations, mining purposes and prospecting. The MOP must identify the post mining land use and set out a detailed rehabilitation strategy.
- The lease holder will be required to prepare an Annual Rehabilitation Report to the satisfaction of the Minister. The report must be prepared in accordance with the relevant Resources Regulator guidelines and must provide a detailed review of the progress of rehabilitation against the performance measures and criteria established in the approved MOP.
- The lease holder will be required to provide and maintain a security deposit to secure funding for the fulfilment of obligations of all and any kind under the mining lease, including obligations of any kind under the mining lease that may arise in the future.

It should be noted that this review does not represent the Resources Regulator's endorsement of the proposed rehabilitation methodologies as presented in the SEE. Under the conditions of a mining lease granted under the *Mining Act 1992*, the Resources Regulator, requires a mining lease holder (holder) to adopt a risk-based approach to achieving the required rehabilitation outcomes. The applicability of the controls to achieve effective and sustainable rehabilitation is to be determined based on the site specific risk assessments conducted by a holder. This risk assessment should be used to not only establish a basis for managing risk when planning an activity, but it should also be used and updated (as required) to continuously evaluate risk and the effectiveness of controls used to prevent or minimise impacts. A holder may also be directed by the Resources Regulator to implement further measures, where it is considered that a risk assessment and associated controls are unlikely to result in effective rehabilitation outcomes.

Mine Safety

Mine Safety Operations within the Resource Regulator is responsible for ensuring mine operators manage the risk to worker health and safety through compliance with the *Work Health and Safety (Mines and Petroleum Sites) Act 2013* and the subordinate mining legislation. In particular the effective management of risk associated with the principal hazards as specified in the *Work Health and Safety (Mines and Petroleum Sites) Regulation 2014*.

For enquiries regarding this matter please contact minres.environment@planning.nsw.gov.au

Yours sincerely



Greg Kininmonth

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On behalf of

Matthew Newton

Director Compliance Operations

Resources Regulator

NSW Department of Planning and Environment

16 May 2019

