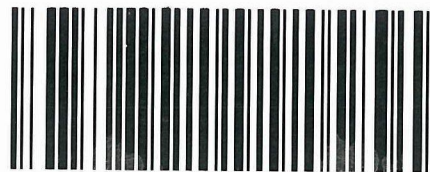




Office of
Environment
& Heritage

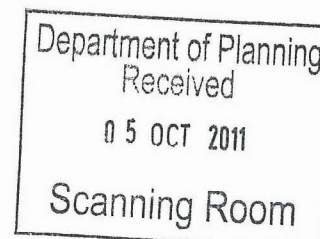


PCU026620

30 SEP 2011

Your reference:
Our reference: DOC11/39900; LIC07/689-05
Contact: Rebecca Scrivener/Ross Brylinsky 4908 6830/4908 6809

Mr Howard Reed
Manager, Mining Projects
Department of Planning and Infrastructure
GPO Box 39
SYDNEY NSW 2001



Dear Mr Reed,

AUSTAR COAL MINE – STAGE 3 MINE PLAN MODIFICATION (08-0111 MOD 2) – EXHIBITION OF ENVIRONMENTAL ASSESSMENT

I refer to your letter dated 26 August 2011 seeking written submissions from the Office of Environment and Heritage (OEH) on the above proposal. I refer also to the document '*Austar Coal Mine – Environmental Assessment – Stage 3 Modification* prepared by Umwelt Environmental Consultants and dated September 2011 ('the EA').

OEH notes that the project approval modification application is to reorientate Stage 3 longwalls to enable more efficient and safer extraction of coal from the Stage 3 area. The proposed modification will remain entirely within the existing mining lease areas and there are no proposed changes to the underground mining method, total approved rate or quantity of extraction or associated surface infrastructure.

OEH has reviewed the information provided and determined that it is able to support the proposal as described in the EA. Recommended conditions of approval are contained in **Attachment A** for consideration should approval be granted. In providing recommended conditions of approval, OEH has assumed the existing Project Approval conditions will remain. Accordingly, the recommended conditions in Attachment A are in addition to those that are already applicable to Stage 3 of the project.

Surface and Groundwater

The surface water and groundwater assessment builds on previous modelling work carried out for Stage 2 and Stage 3 approvals (in the period 2007-2010). Issues considered in the surface water assessment include:

- surface flows and flooding impacts;
- in and out of channel flood depths;
- flood depths at dwellings; velocities;
- flood hazard;
- potential impacts on stream flow and channel stability; and
- impacts on water users.

Groundwater impacts considered in the EA include impacts on existing groundwater resources including consideration of vertical connection between aquifers and the surface as well as the total underground

The Department of Environment, Climate Change and Water is now known as the
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storage void. The EA also provides comment on groundwater monitoring and contingency measures that can be employed should impacts be identified.

OEH notes the quality of groundwater is generally saline. Should any discharge of mine water and/or groundwater occur, the proponent must ensure that water quality discharged to the environment meets current environment protection licence requirements or, if no requirements are specified, ensure water discharged is of the same or better quality of the receiving environment.

OEH has not carried out a detailed assessment of the flood modelling, stream morphology or hydrogeology assessments provided in the EA. Rather, OEH defers to the NSW Office of Water's submission as these components relate to the *Water Act 1912* and *Water Management Act 2000* and associated regulations.

- **Recommended Conditions of Approval**

OEH has not proposed any recommended conditions of approval relating to surface water or groundwater for the Stage 3 modification.

Ecology and Threatened Species

The ecological and threatened species assessment is based on the assessment carried out for the Stage 3 Project Approval, and covers additional areas potentially affected by the proposed modification area not previously covered in the 2008 assessment. The EA also includes consideration of subsidence impact on threatened species.

The survey and assessment methods have been done with reference to the DEC Draft Threatened Species Survey and Assessment Guidelines (2004) and have committed in the Statement of Commitments to honour the biodiversity offset proposal presented in the original Stage 3 EA.

The EA concludes there will not be a significant impact on threatened species or ecology as it is expected that there will be no loss of, or modification to, any vegetation community in the Stage 3 modification area. The proponent commits to expanding the Stage 2 monitoring program to include the Stage 3 modification area. OEH supports this approach.

In April 2011, the introduction and establishment of Exotic Rust Fungi, of the order Pucciniales, pathogenic on plants of the family Myrtaceae, commonly known as 'myrtle rust' was listed as a key threatening process on the *Threatened Species Conservation Act 1997*. There is potential for myrtle rust to occur in the region of the Austar coal mine.

OEH recommends the monitoring program should also include regular monitoring for myrtle rust and development of associated mitigation, management, hygiene and reporting measures be identified, should myrtle rust be detected. Further information regarding the hygiene practices to be implemented can be found at the Department of Primary Industries web site: <http://www.dpi.nsw.gov.au/biosecurity/plant/myrtle-rust>.

- **Recommended Conditions of Approval**

OEH has provided recommended conditions of approval in Attachment A relating to threatened species management to be included in the Project Approval for the Stage 3 modification, should approval be granted.

Aboriginal Cultural Heritage

The proponent is committed to ensuring Aboriginal cultural heritage management of the Stage 3 modification project area is included in the environmental management framework of the broader Austar Coal Mine. OEH acknowledges that the proponent has developed a cultural heritage offset program, has

reduced the potential impact on Aboriginal cultural heritage values and is committed to having an ongoing relationship with the registered Aboriginal stakeholders.

OEH supports these measures and recommends that existing management plans and programs (including Extraction Plan, Subsidence Monitoring Program and Aboriginal Cultural Heritage Management Plan) are updated to reflect these commitments and current management strategies detailed in the Statement of Commitments.

It is also important that the proponent is familiar with the new requirements of the *National Parks and Wildlife Act 1975*, particularly as they relate to the development and any subsequent assessment processes. Further advice regarding Aboriginal cultural heritage can be found on OEH's web-site at: www.environment.nsw.gov.au/cultureandheritage.htm

• **Recommended Conditions of Approval**

OEH has provided recommended conditions of approval in Attachment A relating to Aboriginal cultural heritage to be included in the Project Approval for the Stage 3 modification, should approval be granted.

Greenhouse Gas and Energy

The EA relies on the 2008 assessment provided for the Stage 3 project. This approach is appropriate as the work methods and processes are not proposed to be varied by the Stage 3 modification. Accordingly, the impacts associated with Greenhouse Gas and Energy has been addressed in the existing Project Approval 08-0111.

Land-Owner Consent

Figure 1.6 of the EA indicates sections of the approved surface infrastructure site as well as Longwalls A7 and A8 are located on and under Werakata State Conservation Area which is managed by OEH through the National Parks and Wildlife Service (NPWS). Prior to commencing construction and mining operations in this location, land owners consent will need to be sought from the Minister for the Environment.

In order for OEH to prepare the brief and recommendation to the Minister for the Environment, the EA and any subsequent amendments made in response to submissions will need to be reviewed.

Accordingly, the proponent will need to submit the following documents to OEH for determination of the land owner consent:

- Stage 3 EA for the approved surface infrastructure site (as approved via Project Approval 08-0111); and, should consent be granted,
- the Stage 3 Modification Area EA, including any amendment made in response to submissions.

The EA documents should be sent to the following address:

Mr Steve Wright
NPWS – Bulga Office
Level 1, 2156 Putty Road
Bulga NSW 2330

Any questions or further discussion regarding land owner consent from OEH should be directed to Mr Steve Wright in the Bulga office on 6574 5555.

Submissions Report

OEH would appreciate receiving a copy of the submissions received by the Department of Planning and Infrastructure (or a report summarising these submissions) in response to the exhibition of the EA. This will

enable OEH to review the appropriateness of, and determine the need for any amendments to, recommended conditions of approval.

If you have any questions, or wish to discuss this matter further, please contact Rebecca Scrivener on 4908 6830 or Ross Brylinsky on 4908 6809.

Yours sincerely

A handwritten signature in blue ink, appearing to be 'Bill George', written in a cursive style.

30.9.11

BILL GEORGE

A/Head Regional Operations Unit – Hunter Region

Environment Protection and Regulation

Office of Environment and Heritage

Department of Premier and Cabinet

ATTACHMENT A**OEH COMMENTS ON ENVIRONMENTAL ASSESSMENT****AUSTAR COAL MINE (08-0111 MOD 2)**

The recommended conditions of approval provided below relate to the development as proposed in the documents and information currently provided to OEH. In providing this advice, OEH notes that the Department of Planning and Infrastructure will address generic construction and operation management requirements. Consequently, recommended conditions focus on key environmental matters specific to this proposal.

Note: Although the Environment Protection Authority (EPA) is now a part of OEH, certain statutory functions and powers continue to be exercised in the name of the EPA. This includes licensing functions under the *Protection of the Environment Operations Act 1997*. In these instances, reference is made to the EPA instead OEH.

THREATENED SPECIES

1. The proponent must carry out ground inspections on at least a six-monthly basis to:
 - (a) Identify any surface disturbances and changes in drainage lines or watercourses that may be attributable to mine subsidence; and
 - (b) Determine how such disturbances and changes are impacting or may impact on Endangered Ecological Communities within the approved project area.

Reports of the survey findings must be submitted to OEH on an annual basis.

2. The proponent must take remedial action in the event of any mine-subsidence related impact that is likely to significantly adversely affect the ecological viability of any Endangered Ecological Communities within the approved project area.
3. The proponent must carry out a field survey and assessment for the presence of Exotic Rust Fungi, of the order Pucciniales, within the approved project area.

Reports of the survey findings must be submitted to OEH within four weeks of the survey being carried out.

4. The proponent must develop a reporting procedure to be followed should Exotic Rust Fungi, of the order Pucciniales, be identified within the approved project area. As a minimum, the proponent must report the siting, including the GPS location of the siting, to OEH's Environment Line via phone (131 555) and the NSW Department of Primary Industries by telephoning the Exotic Plant Pest Hotline - 1800 084 881 or by sending photos to biosecurity@industry.nsw.gov.au.
5. The proponent must develop a hygiene protocol to be followed when surveying for Exotic Rust Fungi, of the order Pucciniales. The protocol should be developed in accordance with hygiene recommendations outlined on the Department of Primary Industries website at <http://www.dpi.nsw.gov.au/biosecurity/plant/myrtle-rust>.

ABORIGINAL CULTURAL HERITAGE

6. The Aboriginal Cultural Heritage Management Plan (ACHMP) for the project area shall be updated by the proponent to reflect the management outcomes for Aboriginal cultural heritage. This should include but be not limited to:
- a. detailing the involvement and responsibilities of the Aboriginal stakeholders in the implementation of all cultural heritage management actions;
 - b. incorporating Aboriginal cultural heritage management requirements from previous consents and approvals;
 - c. detail Keeping Place arrangements for any Aboriginal objects salvaged during the project;
 - d. detail the current legislative requirements and environmental management standards following recent legislative amendments; and
 - e. detail compliance procedures in the unlikely event that non-compliance with the ACHMP is identified.

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