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Paul Freeman Assessment Project Officer Resource and Energy Assessments Department of Planning and Environment, GPO Box 39 SYDNEY NSW 2001

Friday 1st December 2017

Submission of Objection

Moolarben Coal Operations Stage 1 Mod 14, Stage 2 Mod 3

Dear Sir,

Central West Environment Council (CWEC) is an umbrella organization representing conservation groups and individuals in central west NSW working to protect the local environment for future generations.

CWEC is lodging a submission of objection to this proposed modification of Moolarben Coal Operations (MCO) for the following reasons:

- 1. The Environmental Assessment (EA) does not adequately address cumulative impacts, as required by the Secretary's Environmental Assessment Requirements (SEARs).
- 2. The biodiversity assessment is inadequate and the proposed biodiversity offset strategy is incomplete.
- 3. Previous predictions of impacts, particularly water interceptions, have proven to be incorrect.
- The owner/operators of MCO have demonstrated that they are not responsible environmental managers and cannot be trusted to meet agreements
- 5. There is no clear justification for the additional environmental impacts, other than the proposal improving the profitability of the mine.
- 6. The impact on the Goulburn River and downstream water users, including the environment, is too great and is not justifiable.

More detailed information is provided in the attached submission.

We expect the Department of Planning and Environment (DPE) to respond to some of the issues raised in this submission, rather than handing the response entirely to the applicant.

There are some outstanding matters relating to the planning process that must be addressed by DPE. One of these is the lack of a current water management plan, as approved under the previous major modification of MCO.

Giving consideration to the proposed ongoing change to the volume of coal extracted, increased land disturbance and associated impacts, while previous approvals have not been finalized, is not good planning.

This is not a good example of orderly development of land as required under the objectives of the *Environment Planning and Assessment Act 1979*.

This modification should not have been accepted by DPE until all outstanding approvals have been carried out and all documents, including approved management plans, made available to the community and other Government agencies.

CWEC would appreciate a response from DPE on this matter.

Yours faithfully

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Cilla Kinross President

Submission of Objection

1. Cumulative Impacts

The EA does not adequately address cumulative impacts, as required by the SEARs.

This is particularly the case for the cumulative impact on the hydrology and water quality of the Goulburn River. The proposal to increase the current approved mine discharge rates into the river system by an additional 10 ML/day has not been adequately assessed.

The current approved mine water discharges into the Goulburn River are 30 ML/d from Ulan Mine, 15 ML/d from Wilpinjong Mine and 10 ML/d from MCO.

An approval of an additional 10 ML/d would bring the cumulative approved releases to the Goulburn River to 65 ML/d. This has no relationship to the natural flow variability of the river system.

The current releases from Ulan Mine have already impacted on the hydrology of the Goulburn River by creating a permanent flow at times when natural flow would have been very low or below the surface through the sand.

The important issue of cumulative salt load into the river has not been assessed. This proposal, when combined with mine discharge from Ulan and Wilpinjong Mine, would result in up to 30 tonnes/d of salt being added to the natural background levels.

There has been no consistency with approvals for salt content in mine discharge between these three major operations across the headwaters of the Goulburn River. Wilpinjong Mine has a limit of 500 EC. This should be the standard for all mine water discharge into the river system.

Other cumulative environmental impacts include the loss of irreplaceable threatened species habitats such as cliff lines and hollow-bearing trees.

The assessment reports do not provide any information on the scale of current disturbance on the mine site or the cumulative impact of the proposal on land disturbance over time.

The ongoing disturbance to groundwater sources is a permanent legacy within the landscape that has not been assessed for cumulative loss. Destroyed aquifer systems are also irreplaceable and should be mapped.

The incremental impacts on Moolarben Creek have not been identified.

The community has been calling for an independent regional water study of the cumulative impacts of mining on the headwaters of the Goulburn River for 20 years. This issue needs to be addressed by DPE and the NSW Government because the legacy issues for future generations are now significant and have not been addressed through the planning process.

The cumulative impact of the extraction of 24mtpa and use of a further 22 mtpa coal until 2038 has not been adequately assessed. The NSW Government has responsibilities to curb greenhouse gas emissions both within the state and at a global scale.

This proposal is a giant backward step in the reduction of emissions intensity.

2. Inadequate biodiversity assessment and offset strategy

The biodiversity assessment conducted for this proposal is highly inadequate and the proposed biodiversity offset strategy is incomplete.

The Biodiversity Assessment Review (Appendix C) conducted by Ecological Australia was not completed until 25 October 2017. CWEC fails to understand how this document could have adequately informed the EA findings that were placed on public exhibition less than 2 weeks later.

This tight time frame confirms community concerns that assessment documents are written to prove a required outcome, rather than providing information on the environmental impacts.

We note that the most recent biodiversity assessment for MCO, prior to this proposal, was conducted in 2012.

The proposed disturbance footprint is over 81.5 ha. The proposal includes the relinquishment of 34.5 ha of land previously approved for mine disturbance. This area may still be disturbed by infrastructure such as roads and is a very small percentage of the overall disturbance of the approved Moolarben Stage 1 & 2.

CWEC has significant concerns about the quality of the survey effort conducted during this assessment. This raises questions about the validity of the conclusions put forward in relation to the biodiversity impacts.

2.1 Survey effort in northern disturbance areas

The survey effort for flora and vegetation communities in the northern proposed disturbance areas, as provided in Figs 5, 7 and 8, concentrated most plots in areas previously approved for disturbance or outside the proposed disturbance area.

The area around the proposed conveyor belt disturbance is fully vegetated, yet no plots were undertaken inside the marked disturbance.

No survey plots were undertaken on the disturbance route of the internal road, even though it passes through remnant woody vegetation and derived native grassland CEEC.

The survey effort for fauna in the northern area, as provided in Fig 19, was based only on opportunistic sightings. The habitat mapping provided in Fig 22 does not identify hollow-bearing trees.

This effort is highly inadequate and does not provide sufficient information on which to base a decision in regard to the biodiversity impact of the proposal.

2.2 Survey effort in southern disturbance areas

The survey effort for flora and vegetation communities in the northern proposed disturbance areas, as provided in Figs 6 and 9, demonstrates that more plots were undertaken outside the proposed disturbance areas.

Fig 9 has a large area marked as cleared land that obviously has remnant woody vegetation on it.

The fauna survey effort in the southern area, as provided in Fig 20, again demonstrates that most plots were outside the disturbance area with some in areas already approved for disturbance.

The survey of habitat features, as provided in Fig 23, demonstrates a far greater intensity of cliff line habitat within the disturbance area, than in the proposed relinquishment area. There is no record of hollow-bearing trees.

CWEC considers the biodiversity assessment to be highly inadequate.

2.3 Biodiversity Offset Strategy

Calculations of impacts on threatened species and ecological communities have identified that a considerable number of credits must be offset.

The final analysis for the proposal, with the purchase of an additional offset property, Gilgal, still leaves a credit shortfall of 400 ecosystem credits and 14 koala species credits. (App C p3)

CWEC notes a slight discrepancy in these figures. The EA, Table 6 (p50) has outstanding credits of 404 for ecosystem and 13 for koala.

The proposal that four hectares of koala habitat and 150 ha of ecosystem habitat, including 27 ha of CEEC, can be offset on mine rehabilitation (to replace current standing habitat) is unacceptable.

There is no attempt in the biodiversity assessment to identify the number of hollow-bearing trees to be lost from the landscape. These are critical habitat for a large number of threatened, hollow-dependent woodland species that are in serious decline.

The ongoing loss of these habitat values from the landscape reduces nesting and roosting opportunities and increases the competition pressure on remaining assets. This critical biodiversity issue is not addressed.

The cumulative loss of habitat values on the MCO site has not been identified.

2.4 Groundwater Dependent Ecosystems (GDEs)

The lack of atlas mapping for GDEs in this region means that a desktop assessment is meaningless.

There needs to be a concerted on-ground survey effort to identify important GDEs such as springs and riparian vegetation in the area proposed to be impacted. This requires more rigorous survey effort during the biodiversity assessment. A more reliable understanding of the environmental impact of the proposal is required than through the limited work presented.

3. Poor modelling results

The community has no faith in the validity of assumptions and subsequent predictions made through the modelling process used for the assessment of environmental impacts of MCO and ongoing expansions.

Previous predictions of impacts, particularly water interceptions, have proven to be incorrect. This is particularly the case for the interception of groundwater in Underground Mine 1 (UG1)

The prediction for groundwater inflow to UG1, based on the assumption that the overlying Triassic aquifers were dry, was an average inflow of 0.92 ML/d with a peak of 1.45 ML/d.

This prediction has proven to be vastly incorrect with UG1 making up to 5 ML/d before full coal extraction had commenced. This demonstrates that the assumption that the overlying Triassic aquifers are dry is incorrect and that the impact of dewatering these important water sources, close to the surface, has not been assessed.

This water make into UG1 is consistent with previous findings from underground mining impacts at Ulan Mine. The same assumptions of dry, or unconnected Triassics, were made in the past. The Ulan Mine groundwater model has been significantly upgraded over a period of time.

The lack of consistency in assumptions in groundwater models in neighbouring mines, extracting from the same coal seams in the same landscape and topography, is a key failure of the planning system. This is another strong case for an Independent Regional Water Study of the headwaters of the Goulburn River.

The Ulan groundwater model now has a very conservative horizontal to vertical permeability ratio of 40 to model the hydraulic conductivity of the Triassics. The MCO model uses a ratio of 5,000. This is a significant difference that must be questioned.

CWEC does not support the conclusion of the groundwater assessment for this proposal based on the above information.

There is also a major concern with the noise and air quality models developed for the assessment of impacts at MCO. The conclusion that the proposal will meet the criteria for noise and dust impacts is based on the ongoing purchase of property in the vicinity of the mine, over and above those identified for acquisition.

Many more properties have been purchased than those identified for acquisition rights based on model predictions. This creates a high level of doubt in the model assumptions. There is a lack of social impact assessment and no offered rationale for ongoing property purchase, above those predicted.

We can only conclude that MCO is meeting noise and dust criteria because they are continuing to purchase properties without any social impact assessment. These then become exempt from approval conditions for noise and dust impacts.

4. Poor environmental record

The owner/operators of MCO have demonstrated that they are not responsible environmental managers and cannot be trusted to meet agreements.

Environmental incidents at MCO have resulted in three successful court cases in the NSW Land and Environment Court and another five penalty infringement notices with fines, the most recent occurring in October 2017.

This is a very poor record of environmental management and provides no assurance that the mine can be operated within the conditions of approval.

The combined impacts of Moolarben Stage 1 and 2 are highly significant, have been poorly assessed and cannot be guaranteed to be contained, as

approved. The proposed 14th modification to mining operations is an unacceptable risk to the surrounding environment with no certainty that increased impacts will not occur.

The fact that Yancoal has not honored The Drip Agreement, as signed with the NSW Government in 2015, is further evidence that the company cannot be trusted.

Under that agreement the remaining land within Lot 45 and an additional strip on the southern side of the Goulburn River were to be gazetted as State Conservation Area by March 2017.

This agreement must be honored before any further consideration of mine expansion can be undertaken.

The community is deeply disappointed that the iconic and highly valued GDE at The Drip is still not fully protected, as anticipated by Government promises.

5. No justification for proposal

There is no clear justification for the additional environmental impacts, other than the proposal improving the profitability of the mine.

There will be no additional jobs created. Therefore the cost-benefits analysis for social benefits will be very minor.

There has been a lack of assessment of the social impacts of MCO through ongoing loss of local landowners, loss of volunteer fire brigade members, loss of agricultural production, loss of pupils at Ulan School and various other cumulative social impacts in the Ulan area.

The conclusion that there will be no significant impacts on the environment, particularly on water sources, is based on very poor assessment that should not be accepted by DPE.

The increased greenhouse gas emissions from an additional 22 Mtpa for another 21 years will have significant environmental, social and economic impacts that have not been costed. This is unjustifiable.

6. Impact on the Goulburn River not justifiable

The impact on the Goulburn River and downstream water users, including the environment and Goulburn River National Park, is too great and is not justifiable.

The extent of this impact has not been adequately assessed, as outlined in Point 1 above.

CWEC strongly disagrees with the conclusion in the EA that there would be no significant impact on water resources as a result of the proposal. These types of predictions have been proven wrong in the past.

MCO already has an approval to discharge 10 ML/d into the Goulburn River. This condition has not been triggered. There is no justification to double this volume to 20ML/d.

The mine should be able to operate under the current discharge conditions.

It is of significance that this operation originally sought approval to pipe excess water from the Ulan Mine. Now it is proposing a need to discharge up to 20 ML/d into the Goulburn River.

This is an indication of the poor history of assessment for this mine.

The increase salt load, loss of natural variability and probable increase in heavy metals is too great a risk to this major tributary of the Hunter River system.

Conclusion

The proposed MCO Stage 1 Mod 14, Stage 2 Mod 3 has been poorly assessed and is not justifiable.

This proposal should be rejected on the grounds of ecologically unsustainable development.

CWEC urges DPE to take into account the various issues raised in this submission, particularly the urgent need for an Independent Regional Water Study.