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Submission: Boggabri mine modification 5

Thank you for the opportunity to comment on this proposal.

We object to this modification and urge the Department to refuse it, given the unacceptable additional impact this proposal will have on water users and the environment in the area. Clearly, the original water demand modelling was not fit for purpose and utterly useless.

The fundamental question is: why wasn't a proper site water balance required before a large mine was given approval? Why did the mine not have to have all its water entitlements before the mine expansion could begin? Would the mine have been given approval had the full extent of its water demand, and the effect of this proposed water use on the groundwater, the Namoi River and nearby water users been accurately identified?

Incredibly, the previous water balance modeller assumed:

*that adequate groundwater / surface water allocations or alternative water sources are available to make up the site water deficit (an infinite supply has been adopted in this model). However where the annual water deficit exceeds Boggabri Coals current water entitlements, **it will be necessary for Boggabri Coal to secure additional water to makeup the deficit**¹.*

In other places in the Environmental Assessment, the water balance modeller said, "in the absence of long term stream flow data" and "due to the absence of gauged runoff data from the site," acknowledging that there is little actual surface water information to be modelled. Assuming an "infinite" supply of water in the modelling for the expansion that was approved in 2012 was clearly an error and the businesses of water users in the area should not be put at risk to correct this mistake.

Furthermore, the ground water modelling was deficient. A Peer Review of the Boggabri Coal Ground Water modelling² which is an input to the Water Balance modelling said:

*Using the MDBC guidelines checklist, the modelling is found to be deficient and/or lacking in the areas of calibration, verification, sensitivity analyses and uncertainty analyses – each to varying degrees. The end result is no demonstration or basis, other than conservative assumptions by the modeller, by which to have any real confidence that what is being provided is the best estimate or even worst case. **Therefore, the usefulness of this model is***

¹ Parsons Brinckerhoff, 2010, Continuation of Boggabri Coal Mine Project – Surface Water Assessment

² Water Resource Australia, 2011, Review of Continuation of Boggabri Coal Mine Groundwater Assessment

to a large extent unknown as the reader is left to accept a lot of what has been done on faith rather than demonstrated ability.

The shocking reality is that the company had little knowledge as to the water balance due little surface water data and deficient ground water modelling. The one thing they were clear on was that they would have to find more water from somewhere if they were to continue production in all seasons., Despite the Parsons Brinckerhoff modeller admitting that more water would be needed, condition 3.33 of the proponent's development consent for this mine states that, **"the proponent shall ensure it was sufficient water for all stages of the project and, if necessary, adjust the scale of mining operations on site, to match its available water supply."**

This recommendation was part of a suite of measures recommended by the NSW Office of Water in their submission (see Appendix 1) and was adopted by the Planning Assessment Commission for this mine.

The PAC decision was deliberate and the company as indicated by the water balance assumptions fully understood the implications of the condition. Instead of adopting a precautionary approach or complying with this condition, the company ramped up production and is now seeking a modification in order to access even more water in a semi-arid area with restricted water availability.

Boggabri Coal had full knowledge of the likely shortfall in available water but accepted a condition that they should scale back production, should a shortfall eventuate. The company indicated its acceptance of the decision and acted on it, increasing production and clearing more forest. It follows that the company should be held to that condition, because nothing has changed. Idemitsu has also failed to fulfil condition 38 of the consent, which requires the development of a Water Management Plan within six months of the consent that includes a Leard Forest Mining Precinct Water Management Strategy developed in conjunction with Whitehaven Coal. The Department of Planning has advised local farmers that this strategy has not been deemed adequate by the Department. In our view, this leaves Idemitsu in breach of their consent, and it certainly adds weight to objections to this modification. The company has not been able to fulfil the commitments it has already made. No further approvals should be granted until its operation and management plans are up to scratch.

Idemitsu claims this modification is exempt from the water trigger, because the Guidelines for the trigger exempt activities for mines that are "not part of the extraction process." We reject this premise. High volume water demand is part of the impact of coal mining. This modification represents a significant additional impact on a matter of national environmental significance and must be referred for EPBC consideration.

Mining at Boggabri mine began in 2006, and in 2012 the production rate was increased from 5-7mtpa. The application makes clear that the 2012 approval to expand was made without due consideration of the water needs of the project, and that the proponent has now "identified a number of adjustments and additions to previously approved operations that are required to ensure its efficient continuous operation." This is not acceptable. Water is a constrained resource in the locality, and the mine was assessed and given approval on the basis of the water demand and extraction levels identified in the Environmental Assessment.

The 2012 modification should not have been granted, clearly. It is incumbent on the Department of Planning to review the claims made by the company, upon which basis approval was granted. It needs to be determined whether it is only due to the 2012 expansion that this additional water is

needed, or whether the original water impact assessment got the projections badly wrong. To run their approved operation, Idemitsu now claim to need 2,082ML more per year to meet demand in average conditions. In dry conditions, they'll need up to 2,600ML.

To meet the demand that they did not expect they would have, Idemitsu seek approval to modify their consent and create six new bores. Two to supply water for the mine, and four “contingency” to feed the 9.5ML per day the company now finds it needs to run the mine, half of which must be sourced off site.

We note that the company does not have sufficient aquifer water access licences to meet this demand, but claims to be in the process of obtaining them. The Environmental Assessment indicates the company has 848ML of aquifer licences, at full availability. Their Namoi surface water entitlements could yield 229ML per year. The Annual Environmental Report for 2014 reveals that the mine used 1027ML of water for dust suppression last year³. This is only 50ML less than the volume represented by all of the water access licences owned by the company. Adding the other water demand, such as the 224ML expected pit inflow, washdown and potable water use, indicates water consumption beyond the water access licences held by the company. This needs to be investigated and clarified before this currently application goes any further.

To fill the annual expected deficit of 1015-1570ML, the company proposes a new borefield, but this will have dramatic and unacceptable consequences for water resources and other water users.

Because the mine is a State Significant Development, still operating under Part3A “transitional arrangements” a water supply work approval is not necessary to construct these bores, but they do need Water Access Licences. They admit they need them for the aquifer, but it appears that they should also need them for the Namoi surface water. As a result of this extra extraction, drawdown will extend to Namoi River itself, with draw down of at least 1m and perhaps over 2m occurring over a 3.8km section of the river. This means there will be lost baseflow to the Namoi, and there will also be loss of surface water into the ground. This is completely unacceptable.

Water in the Maules Creek area and the Murray Darling Basin is highly contentious. Boggabri Coal has discharged mine water into the Namoi and is now short of water. It is our understanding from people from within our network that Maules Creek coal mine is also short of water. Now is the time to stick to commitments upon which the community has had to plan, not reward sloppy modelling and lazy mine planning.

We urge the Department of Planning and DPI Water to adopt a precautionary approach refuse consent for this modification and conduct a thorough audit of Idemitsu (and Whitehaven's) use of and impact on water in the Maules Creek area.

³ Boggabri Coal Operations Annual Environmental Report 2014. page 51.

Appendix 1.

ATTACHMENT B

MP09 0182 BOGGABRI COAL PROJECT

NSW OFFICE OF WATER RECOMMENDED CONDITIONS OF APPROVAL

NOW's recommended conditions of approval focus on key water management matters related to this proposal.

Water Licencing:

1. The proponent must ensure that it has sufficient water for all stages of the project, and if necessary, adjust the scale of operations to match its water supply.
2. The proponent must ensure all monitoring bores are licenced with the NSW Office of Water. All *Form A*'s associated with the bores must be submitted to NOW at the time drilling is undertaken.
3. The proponent must account for the 'take' of all water accessed for the development, including all incidental water and all water required for the mine must be appropriately licensed.
4. All water must be obtained and appropriately licenced prior to mining operations commencing.

Groundwater Monitoring:

5. The proponent must develop an extensive groundwater monitoring plan, in consultation with and to the satisfaction of the NSW Office of Water, to take into account the expansion of the current mining operations. The groundwater monitoring plan must monitor the potential impacts of the mine on other aquifers and surrounding users and include appropriate conditions to mitigate any adverse impacts mining may create.

Surface Water Monitoring:

6. The proponent must develop an extensive surface water monitoring plan, in consultation with and to the satisfaction of the NSW Office of Water, to take into account the expansion of the current mining operations. The surface water monitoring plan must also monitor the potential impacts of the mine of watercourses within the mine site.

Mine Management Plans:

7. The proponent must amend current plans associated with the mine including the Groundwater Management Plan, Surface Water Management Plan and Contingency Management Plan, to take in to account the expansion of mining operations to the satisfaction of the NSW Office of Water.

**Attachment B Ends
17 February 2011**