Department of Planning and Infrastructure GPO Box 39 Sydney 2001

cc. Andrew Gee, MLA

Dear Sir,

Subject : Coobbara Coal Project

Key Points of Objection

- 1. Cobbora Coal project is inappropriate investment of \$1.5b of NSW taxpayers money
- 2. The project justification is based on outdated electricity demand and coal price projections
- 3. The project will generate additional greenhouse gas emissions, approx 25m tonnes per year, conflicting with State and Federal policy to reduce climate change impacts
- 4. The project will use over 3,000ML of high security water from the Cudgegong River and compete with the general security licence holders including the Mudgee wine and tourism industry for water supply during drought conditions
- 5. Up to 10 coal trains a day will pass through Gulgong to Ulan, Wollar, Bylong and additional export product could be sent through Mudgee in the future.
- 6. The NSW Government has purchased 68 of 90 properties in the affected area. The loss of farming community and broadscale food production has not been adequately assessed.
- 7. The large open cut mine will disturb approx 47km² of land with important high conservation and agricultural value
- 8. The project will destroy 1,867ha of significant woodland providing habitat for 39 threatened species, including nationally listed endangered species
- 9. The project will destroy significant Aboriginal cultural heritage sites

Background:

Cobbora Coal project is proposed in central west NSW north-west of Mudgee and Gulgong.

It is a state-owned coal mining project tied to the sale of the power stations. It will lock NSW into coalfired electricity generation until at least 2036. The proposal is to mine 20mtpa (million tonnes per annum) to produce 12mtpa of usable coal over 21 years – it is extremely poor quality product with high ash content. The project aims to provide cheap domestic coal to power stations in the Upper Hunter and Central Coast.

The justification for the project is based on incorrect projections of demand for coal-fired electricity over the next 10 years. Demand has dropped significantly since this project was proposed.

The price of black coal on the export market has also dropped below the projections used to justify the need to source cheaper coal for domestic use.

The mine will cost the NSW tax payer approx \$1.5b and will be run at a loss. It is a direct subsidy to power generators in NSW. The argument for continued coal-fired electricity in comparison to the long-term benefits of renewable energy sources has not been made. Tax payer's money would be better invested in renewable energy sources.

The mine will need to use up to 3,700 ML (million litres) of water per year from surface water and groundwater interception. The use of high security licenced water from the Cudgegong River will threaten the water security of the Mudgee region wine and tourism industries. It could also threaten the long –term security of urban water supply from Windamere Dam.

Towns and properties along the coal chain will be impacted by additional noise and dust from increased coal train movements.

The open cut coal mine has a very large footprint and will cause major environmental impacts on woodland habitat as well as groundwater and surface water sources and loss of at least 79 Aboriginal cultural heritage sites.

The clearing of 1,867ha woodland habitat will impact on species listed for national protection: eg Grassy Box Woodland; endangered and vulnerable plants, including 100% loss of the local population of *Tylophora linearis*, endangered bird species including Australasian Bittern, Regent Honeyeater, Superb Parrot; and vulnerable microbat species - southern long-eared bat, large-eared pied bat

Also a large number of threatened woodland birds protected under the NSW Threatened Species Act were recorded in the area of impact - Brown Treecreeper, Diamond Firetail, Glossy Black-cockatoo, Grey-crowned Babbler, Hooded Robin, Speckled Warbler, Varied Sittella, Masked Owl, Barking Owl, Powerful Owl.

The cost benefit analysis for the project has not taken into account the social disruption; competition for workforce with other industries, particularly the agricultural industry across western NSW; or the costs of major infrastructure upgrades, particularly rail lines, to accommodate additional coal transport. Yours respectfully

Neville Schrader, OAM