

4 May 2012

NSW Department of Planning

Submission Against the Port Waratah Coal Services Terminal 4

Climate Action Newcastle (CAN) is a committed group of local residents from all backgrounds working together to address the single biggest issue facing humanity: climate change. We are a community based non-party-political group of volunteers who dedicate our time to advocating renewable energy solutions for the Hunter and beyond, as well as opposing policy and developments that lock in dangerous climate change, such as new coal mining and exporting projects. CAN has more than 60 active members as well as more than 600 supporters who receive regular email updates about ongoing campaigns and projects.

There are many environmental, social and also economic reasons why the proposed PWCS Terminal 4 (T4) project should not go ahead; and also many areas where the Environmental Assessment (EA) has been inadequate or fails to address key issues about the development and its far-reaching impacts. These are addressed under separate subheadings below.

Rapid Increase of Coal Mining in NSW

T4 has a proposed export capacity of 120 mega tonnes per annum; this is approximately double the current export capacity from the existing three loaders and will facilitate the development of at least 15 new 'super-pit' mines in NSW, principally in agricultural and forest lands of the Hunter Valley and Liverpool Plains, whose communities are already feeling the negative health and environmental impacts of excess levels of open-cut coal mining. The extent of irreparable destruction wrought by open-cut coal mining is already becoming too much for human and ecological communities in the Upper Hunter; another 120 million tonnes worth of new mining activity is almost inconceivable and any government that could countenance this is grossly irresponsible and thinking only of very short-term and short-lived economic gains at the expense of future generations and other species.

The devastating environmental impacts of open-cut mining has been well documented in recent years; and despite the mining industries' claims of 'best practice' remediation and rehabilitation of mine sites, the depth of extraction, total removal of living flora and fauna years of stockpiling soils means that no site can ever be the same again. Coal mining uses vast quantities of water for coal processing, dust suppression and equipment wash-down, sourced from local river systems such as the Hunter River in the Hunter Valley. Furthermore, open-cut mining substantially disrupts and contaminates regional groundwater systems, which are relied upon for ecosystem health as well as indirect and direct agricultural supply.

Acceleration of Global Climate Change

The demand for 120 mega tonnes of coal to be exported annually from T4 at peak capacity would fuel at least 15 more large power stations around the world, emitting 288 million additional tonnes of carbon pollution each year, which will double the carbon pollution impact of coal exported from NSW. For PWCS to claim that these 'Scope 3' emissions from burning the exported coal "is beyond the control of PWCS" demonstrates a major failing of NSW and Australian legislation. The bottom line is that coal dug up from NSW lands is being exported to be burnt in power stations and metallurgical industries overseas; the more that we export, the more that will be burnt and significantly contribute to accelerating global climate change. Conversely, if we do not expand our coal export capacity, the annual tonnage of carbon dioxide resulting from the burning of NSW coal will peak and decline as export customers move to cleaner alternatives. The inevitable and tired argument that 'if we don't export it, someone else will' is immature and fails to recognise the real and meaningful efforts of these countries to move towards renewable electricity sources. The desperation of the coal industry to increase coal exports for the short time that coal will still be profitable demonstrates a profoundly short-sighted, extreme greed which completely disregards the principles of sustainable development and risks the tenure of future generations.

The CSIRO released the 'State of the Climate 2012' report recently and it paints a very sobering picture of human-induced climate change, which is accelerating due to the burning of fossil fuels such as coal. In looking at future temperature increases, the report found that:

" Australian average temperatures are projected to rise by 0.6 to 1.5 °C by 2030 when compared with the climate of 1980 to 1999. The warming is projected to be in the range of 1.0 to 5.0 °C by 2070 if global greenhouse gas emissions are within the range of projected future emission scenarios considered by the Intergovernmental Panel on Climate Change."

The IPCC has clearly stated that global temperature increases need to be kept to less than 2°C to prevent runaway climate change with the escalating impacts of positive feedback loops such as loss of reflective sea ice and melting of permafrost. Exporting colossal amounts of coal as is proposed for T4 perpetuates the old-world business-as-usual paradigm which will lock in dangerous, potentially catastrophic climate change. No amount of money is worth the serious risks posed by a rapidly changing climate, and the governments of today who seek to line their own pockets over and above the livelihoods or even the lives of future generations deserve the highest censure.

Ecological Impacts at the Site

The site contains a significant area of National Parks lands which is habitat for a 23 threatened fauna species, including many migratory bird species as well as the Green and Golden Bell Frog (*Litoria aurea*). The freshwater pond on the site, which is to be destroyed, is one of the last of the freshwater refuges for shorebirds in the Hunter Region. The EA appears to give much higher significance to the *Litoria aurea* population and habitat than the many threatened bird species which use the site; and

concludes without any proffered evidence that the project will not impact on the neighbouring Ramsar site. Given the scale and scope of the project - the dredging, dumping and clearing during construction and the dust, chemical, noise and light pollution during operation, the claim that neighbouring wetlands will not be adversely impacted is utterly ludicrous and the Department of Planning should require PWCS to undertake more detailed studies at the very least. The idea that 'biobanking' sites elsewhere will compensate for the loss and degradation of these unique freshwater and estuarine wetland habitats is ludicrous - migratory species cannot be told to divert their migrations to areas that are not suitable to support them.

Ecotoxicological Impacts at the Site

The site is largely comprised of former industrial lands which were also used as a chemical and heavy metal dumping ground for Port industries for many decades. The site is heavily contaminated with a range of toxic contaminants, including a range of metals, BTEX, PAHs, cyanide, anions and physico-chemistry at selected sites. These levels often exceed respective guidelines (e.g. NSW EPA Health based criteria for industrial/commercial land use; the ANZECC Water Quality Guidelines for slightly to moderately disturbed sites). Most of these contaminants are bound up in the soil and in the sediment in the Hunter River that is to be dredged for the project.

The EA acknowledges that the construction of T4 will 'squeeze' the soil and potentially mobilise contaminants into groundwater systems and thence off-site, into other lands and the harbour environment. The groundwater sampling indicates high concentrations of selected contaminants in the two aquifers on the site; some of which still exceed ANZECC water quality guidelines. Testing carried out for the EA showed that surface waters commonly exceeded water quality guideline levels for existing ponds on the T4 site and for wetlands, ponds and the Hunter River offsite. This indicates that the Kooragang Island/Lower Hunter River area is heavily contaminated from decades of industrial use. The T4 site currently has a part in adding to this and future surface water runoff is acknowledged to have similar concentrations. The cumulative impacts of these discharges on the Kooragang wetlands and lower Hunter River system needs to be considered.

We, along with many other community groups in the Hunter, do not believe that the management strategies proposed to deal with the risk of contaminant leaching are adequate to address the problem. The proponent's approach seems to be to build the loader, then observe the effects and mitigate where possible. This is too risky a strategy given the human populations and sensitive ecological communities that live in very close proximity to the site.

Health Impacts from the Site and Train Movements

We have touched on the health impacts of increased open-cut coal mining on the rural communities of NSW affected by mining; and note that the NSW still has not commissioned a study into the health effects of mining and burning coal near these communities.

T4 will have direct health impacts on the people of Newcastle and those who live near the coal rail corridors, as well as the people who are forced to breathe in the dust and emissions from mining and transporting coal in the Hunter valley and beyond.

The Environmental Assessment of T4 downplays impacts on air quality stating: "The T4 project is not expected to result in any criterion exceedences on any additional days of the year"¹. It defies belief that extra, uncovered coal stockpiles will not increase the amount of coal dust effecting Newcastle suburbs.

The EA only considers the impact of increased coal train movements on residencies within 20m of the rail line. However, the impacts of coal dust are likely to extend far beyond this area. The current guidelines are out-dated and fail to account for the findings of recent health studies which demonstrate that total suspended particles (coal dust) are of greater detriment to human health than when the T4 guidelines were put in place.

We note that Medicine and Public Health academics from the University of Newcastle have prepared a detailed submission about the health impacts from T4, in which they state: "As public health professionals, we regard the Port Waratah Coal Services Terminal 4 development as a significant threat to public health." The facts detailed in that submission are reason enough in themselves to prohibit the development of an additional coal loading facility in the port of Newcastle, regardless of all the other negative impacts touched upon in our submission (and others).

Economic Viability

The proponents claim that T4 will be needed to accommodate the NSW coal export industry; whereas in reality the existing three coal loaders are running below capacity and demand for coal will decline dramatically in coming years as the countries that buy our coal, such as South Korea and Japan increase their renewable energy supplies and draw down their reliance on fossil fuels. In recent days South Korea has passed an Emissions Trading Scheme which will expedite this process.

Thermal coal prices are "expected to fall by 25 per cent on average to 2020" SMH April 28 and coal mining companies are desperate to mine and sell as much coal as they possibly can in as short a period of time as possible. It is irresponsible governance to allow this to happen, given the fact that barely any full time jobs will be created by T4 and the deleterious social, health and environmental impacts of the project will far outweigh the increased royalties to the NSW government. We note that PWCS is owned by Xstrata and Rio Tinto; multinational corporations with largely foreign ownership and shareholders. On the whole, the people of the Hunter will not significantly benefit from this development.

Employment Claims

Professor Bill Mitchell of the Centre for Full Employment and Equity at the University of Newcastle has analysed the employment claims in the EA, and concludes that "The Company has to use its estimated impacts in a highly selective fashion to justify its advertised claim that it will generate over 2000 jobs," once

operational; and that following construction, "the employment impact drops dramatically and becomes relatively modest on a steady-state basis." The information supplied in *Appendix R Economic Assessment* does not make clear what permanent ongoing jobs will eventuate from T4 post-construction, and we find the advertised claims of more than 2,000 jobs following construction to be misleading and dishonest.

Conclusions

This submission briefly touches on some of the key reasons why T4 - or any other coal loader - should not be permitted to be built in the port of Newcastle. There are very serious and cumulative environmental, public health, food and water security impacts from the mining of the coal that will supply the 120 mega tonne capacity loader. Like many other community groups in the Hunter Valley and beyond, we strongly feel that coal mining should be phased out and replaced with renewable energy sources such as concentrating solar thermal plants, wind farms, and distributed photo voltaic systems to name but a few. Building T4 will lock in a dramatic expansion of coal mining in NSW with compounded impacts for communities, farmland, aquifers and river systems and what is left of our natural bushland and biodiversity.

There are also serious local environmental and public health impacts in the construction and ongoing operation of T4. As mentioned in this submission, the site comprises and lies adjacent to critical habitat for threatened fauna species. The site is heavily contaminated from previous industrial uses and dredging and construction will disturb these contaminants and will almost certainly mobilise a proportion of them into the soil, air, groundwater and surface waters including the Hunter River estuary. Furthermore, placement of heavy infrastructure will, by the EA's own admission, squeeze the contaminated soil beneath it resulting in leaching of contaminants to groundwater. Dust from the additional coal stockpiles and trains, as well as emissions from diesel trains and plant, will have detrimental impacts on health of nearby residents, of which there are more than 30,000 immediately surrounding the port of Newcastle.

For the above reasons alone no new coal exporting infrastructure should be built in Newcastle (or anywhere in NSW for that matter); however, it is also clear that this project will only be economically viable for a short period of time relative to the cost negative impacts of its construction and operation. The proponents claims of substantial economic benefits and a significant number of ongoing jobs are dubious; and we are convinced there is more PR spin than truth in such claims.

We trust that the Department of Planning will seriously listen to the grave concerns held by a great many individuals and community groups in Newcastle, the Hunter Valley and indeed throughout NSW. Coal is a 19th and 20th century fuel; the big mining companies know this which is why they are trying to rip out and sell as much as they can, as quickly as they can. It is grossly irresponsible for any government to allow them to do so.

