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Wednesday 19 November 2013

Mr Sam Haddad - Director-General  
GPO Box 39,  
Sydney NSW 2001

Dear Sir,

## **OBJECTION TO PROPOSED NEW FOURTH COAL TERMINAL, REFERRED TO AS T4, NEWCASTLE**

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We appreciate the opportunity to respond to this dangerous development proposal that will be situated literally in our neighbouring backyard.

The reduction in capacity of the proposal from 120Mt to 70Mt is welcome; however, Port Waratah Coal Services' (PWCS) *Response to submissions and Preferred Project Report* (RS/PPR) does not adequately address the issues raised by submissions to the Environmental Assessment (EA). My family, therefore object to the fourth Newcastle coal terminal (T4) being approved and built due to the unacceptable and significant impacts. These unacceptable and significant impacts include:

- 1. Global warming:** The burning of an additional 70Mt of coal a year reportedly will add in the order of 174Mt of carbon dioxide to the earth's atmosphere. This equals 30% of Australia's total annual GHG emissions. This increase, with resultant contributory temperature increase, is unacceptable to us and therefore we feel that PWCS should not be adding to the global warming issue by the construction of T4.
- 2. The Hunter wetlands:** T4 is proposed to be built on the edge of the Hunter Estuary National Park, 18.5ha of which was removed from the Park to facilitate this project. The project will also develop lands held by OEH under Part 11 of the *National Parks and Wildlife Act*. These lands are legislated for management for conservation. PWCS's response to submissions previously lodged does not address the conflict and possible illegality of industrial development of lands owned and managed under the *National Parks and Wildlife Act*. The Hunter estuary is an internationally recognised wetland protected by the Ramsar Convention [1]. The estuary is already heavily impacted by industry and we fail to understand how the offset strategy proposed by PWCS fully compensates for T4's proposed impacts.
- 3. Endangered species:** The Hunter Estuary supports 112 species of waterbirds and nationally and internationally listed threatened species, including the Australasian bittern (*Botaurus poiciloptilus*), listed as endangered under the Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act), green and golden bell frog (*Litoria aurea*), listed as vulnerable under the EPBC Act and known to breed in the Ramsar site, and the estuary stingray (*Dasyatis fluviorum*), listed as vulnerable on the IUCN Red List. Important habitats that will be impacted by T4 include Deep pond, Railway pond, Bittern pond and Swan pond.

The disturbance and major destruction of these vital feeding and breeding areas for economic gain for multi-national corporations is a joke!

Destroying 80% of Deep pond which is home to and supports at least 11 species of migratory shorebird species, including sharp-tailed sandpipers, curlew sandpipers and marsh sandpiper known to frequent this pond is insidious. Even destroying 2.3 hectares of Swan Pond with its populations for three migratory shorebird species, including sharp-tailed sandpiper, marsh sandpiper and common greenshank is unacceptable.

Swan Pond is public land and has been part of the highly successful long-term Kooragang Wetland Rehabilitation Project (KWRP) restoration project, achieved through the dedication of significant hours of volunteer labour by the local bird watching club. Part 11 of the NSW National Parks and Wildlife Act is supposed to protect this area and should not be repealed to service big industries greed and need for increased profits.

a. **Offsets:** T4 is slated to destroy 28ha of habitat known to support a population of the nationally threatened Australasian bittern. The PPR proposes a highly experimental proposal to build and create habitat for both the migratory shorebirds and Australasian bittern. Though creation of new habitat has worked for other amphibious species, it is not known if this proposed offset will succeed for the birds. Therefore, it is crucial that no clearing or construction begins before this offset site is established, and evidence gathered showing it is used by the species concerned.

The proposed habitat areas at Brundee (near Nowra) and Ellalong Lagoon (near Cessnock) do nothing to offset impacts on species occurring in the Hunter estuary. This will lead to further degradation of the Hunter estuary on a broader scale.

The proposed Brundee offset area is located approx. 250km from the project area so cannot contribute to the conservation of biodiversity values present in the Hunter estuary or offset impacts on them. The proposed Ellalong Lagoon offset area, is 40km from the project area and recognised as providing different habitat attributes to those occurring in the project area. We fail to see how these can both therefore be genuine offsets due to the distance, biodiversity and habitats differences to that of the project area.

We recognise that the proposed Tomago offset area currently provides suitable wetland habitat attributes. However it's acceptance as an offset area as a result of the T4 project will further contribute to the net loss of wetlands in the Hunter estuary, something that is already recognised as significant. We understand that the Green and Golden Bell Frog of the Kooragang area carries disease distinct to its current habitat and possibly attributable to the years of pollution the colony has been exposed to in the Hunter estuary. We also understand that no frogs will be relocated to the proposed Tomago offset area, therefore how is offset demonstrated in this case?

The reservation and development of suitable habitat for respective species elsewhere does nothing to protect these species or ecological communities in the Hunter region where they are significant in a local and regional ecological context. In our view this only contributes further to overall loss across the distribution range or extinction risk. The same principles apply to local and migratory shorebirds, and other species and the loss of habitat generally as a result of the T4 project.

We support that either the proposed mitigation measures should be implemented and demonstrated to be successful in preserving a viable population of any species in the Hunter estuary prior to any impacts on existing habitat areas or the precautionary principle should apply and key habitat areas be protected from any impacts.

b. **Ramsar wetland values:** Little has changed between the Environmental Assessment and the PPR in terms of the proposed degradation of Ramsar wetland values through the removal of existing estuarine habitat. Significant habitat is known to be present within the T4 project area and this cannot be adequately compensated by the proposed mitigation measures and offset strategies.

4. **Air quality:** Newcastle and the Hunter Valley communities are impacted by dust from the mining, transport and stockpiling of coal. The projections for the transport of a further 70Mt of coal for export are estimated at approximately 7,000 additional coal train trips between the Hunter mines, the port and return. This and the extraction of export coal from an additional 8 to 10 mega mines and storage in four new 1.5km coal stockpiles will substantially add to the high levels of PM10 emissions experienced in Newcastle and the Hunter Valley.

Even as late as Monday there is a report in the Newcastle Herald newspaper whereby seven (7) respected public health professionals associated with the University of Newcastle are urging the State government to reject T4 due to serious health issues associated with particulate pollution, clearly something to be a serious side effect of the approval of T4. They report that particle pollution levels in Newcastle already exceed standards set by the World Health Organisation, without the new impacts that T4 will bring.

Port Waratah Coal Services Chief Executive Mr Hennie du Plooy is on record stating the T4 project as planned "meets all the criteria set by the approval authority, including the potential impact on air quality and health". A large part of the submission is devoted to dust generated by coal trains in and out of T4 and Mr du Plooy has also publically stated these were outside the scope of the T4 approval and "typically" dealt with in coalmine or rail project approvals.

Whilst Mr du Plooy is technically correct, IVCG notes that assessing all projects in isolation of each other is what has led to the alarming air quality results now being experienced in the upper and lower Hunter. Major projects such as T4 **should** be considered for their cumulative impacts with all other major developments, such as new coal mines.

a. *Number of PM10 exceedences:* The RT/PPR air quality modelling continues to use 2010 as a base year. The data gathered since monitoring commenced in Newcastle from 2005 however does not support 2010 as being a good year for this as in 2010 only one daily PM10 exceedence was recorded and only one recorded day did PM10 levels exceed 45ug/m3. In 2012 however, recorded PM10 levels exceeded 45ug/m3 nine times and one of these was over 50ug/m3.

Indeed, since 2005 there have been 20 exceedences with 17 days above 45ug/m3. This is an average of 2.5 exceedences a year and 2.125 days over 45ug/m3; more than twice the number as in 2010 which justifies that 2010 is not a good year as a base level.

b. *Particle pollution from rail transport:* The RT/PPR does not address air quality issues from rail transport returning to the Upper Hunter Valley. There has been much debate and criticism of the recent Australian Rail Track Corporation (ARTC) dust studies. The Coal Terminal Action Group (CTAG) clearly demonstrated that significant particle pollution is emitted by empty coal wagons returning to mines. Increasing this pollution level is not in the best interests of any community and should not be actively encouraged, particularly given the lack of regulation for mitigation of dust in uncovered coal wagons. Our personal experience of dust levels has risen markedly since we moved to our present location, that extra film of black grainy particulates is not a dream but very real. What does that do for our health?

c. *Air pollution close to rail corridor:* The RT/PPR continues to focus on air quality impacts within 20m of the rail corridor. Only about 100 homes fall within this area between Muswellbrook and Newcastle. As CTAG also recently demonstrated there are over 30,000 people living within 500m of the rail corridor and 23,000 students attend 16 schools. The submission to the EA by NSW Health noted that the contribution of coal dust from coal trains beyond 20m from the rail corridor needs to be carefully considered. This recommendation is ignored in the RT/PPR and must be addressed correctly as part of the process.

d. *Diesel exhausts emissions from ships and coal trains.* The estimated additional 7,000 return train movements and associated return ship movements necessary to deliver 70Mt of coal to and from T4 will significantly increase diesel emissions in Newcastle and the Hunter.

Diesel emissions are listed as a known carcinogen by the International Agency for Research on Cancer. The diesel used by shipping is also referred to commonly as 'dirty diesel' and considered more harmful than that used by NSW motorists as this product is not subject to the same stringent governance.

The submission to the EA by NSW Health noted the failure of the EA to address diesel exhaust emissions and recommended a comprehensive health assessment. The RT/PPR ignores this recommendation. We consider this to be a flagrant breach of the PPR process and should not be tolerated.

**5. Socio economic impacts:** T4 will generate some economic advantage but will also have significant impacts on existing Newcastle and Hunter businesses and communities. These impacts are not adequately offset by the proposed economic benefits of T4.

a. *Justification for the project:* There is no justification for the project. PWCS does not commit to building T4 but simply wishes to have the approval in place should they wish to expand the port's capacity. PWCS only suggests an indicative build date commencing 2015 with operations projected perhaps in 2017. We consider that given the major downturn in global coal demand, Newcastle's approved coal export port capacity of 211Mt seems overly optimistic. During 2012, only 141Mt of coal was exported from the Port of Newcastle meaning 60Mt or 42 per cent of capacity was underutilised. Why then increase the Port's capacity?

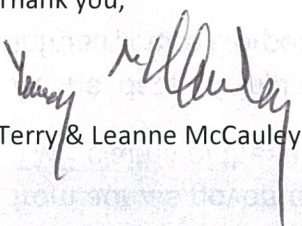
b. *Employment*: The 120 Mt facilities initially proposed in the EA identified no additional employment would result from its operation post construction. The revised T4 project of 70Mt million of the RT/PPR is identified as employing 80 additional people. How is this possible? This dubious additional employment is not explained and sends a negative and bad message regarding the credibility of the whole project application presented to the community by PWCS.

c. *Port diversification*: Many credible world sources suggest global coal demand will peak in 2025 and decline thereafter with a trend decline evident by 2020. Indeed many predict that coal will never recover from its current downturn, predicting average annual growth of one per cent during 2013-17 compared to previous seven per cent experienced during 2007-12.

Therefore, it is a firm view that new alternate industries will be required to replace coal in the near future. The T4 site may be required by these industries for their export facilities.

d. *Privatisation of Newcastle Port*: The heavy reliance of the Port on coal exports may give rise to unique diversification risks. [2] It is widely accepted and acknowledged that the value of Newcastle Port Corporation will increase substantially should approval of T4 be granted. However, approving a major development simply to artificially inflate the value of an asset cannot be justified when it restrains future opportunities on the available limited port land and these opportunities may disappear and be lost given the land constraints.

Thank you,



Terry & Leanne McCauley

[1] Hunter Estuary Wetlands (21/02/84). New South Wales, 2,969 ha

[2] Privatisation of Port Newcastle, Australia. Dr Martyn Taylor, Nigel Deed, 2013.