



Contact: Skye Moore

Ph: (02) 49394956

Fax: (02) 4964 9307

Email: skye.moore@cma.nsw.gov.au

File: LVDA088

Your ref: 13/13095

Our ref: A1764719

Ms Rebecca Sommer
Infrastructure Projects
NSW Planning and Infrastructure
GPO Box 39
SYDNEY NSW 2001

Dear Rebecca,

**Subject: Preferred Project Report for Port Waratah Coal Services (PWCS) Terminal 4
(10_0215) – Extension of Exhibition**

I refer to your correspondence of 8 October 2013 seeking comments from the Hunter-Central Rivers Catchment Management Authority (CMA) on the Preferred Project Report (PPR) for the proposed Port Waratah Coal Services (PWCS) Terminal 4 Project (MP 10_0125).

As you would be aware, representatives from the CMA previously attended the planning focus meeting (9/12/10), offset workshop (4/2/11), and provided comments on the draft Director-General Requirements (DGRs) and Preliminary Environmental Assessment (16/12/11) and the Environmental Assessment (23/04/12). The CMA recommends that our previous correspondence be reviewed along with this current submission.

Whilst it is appreciated that PWCS have modified the Biodiversity Offset Strategy outlined in the original Ecological Assessment in response to Government feedback and submissions received, the CMA does not consider the proposed construction of 100ha of estuarine wetlands at the Tomago offset site to be an appropriate mitigation method for the loss of shorebird habitat at the T4 development site and therefore must continue to object to the proposal.

Rationale:

The CMA has reviewed Appendix J – Updated Mitigation and Biodiversity Offset Strategy (September 2013) and provides the following rationale to support this position.

Proposed Tomago Offset Shorebird Habitat Restoration Project

The CMA does not believe that the proposed habitat restoration program for the Tomago offset site will achieve the goals listed in section 1.3 of the Updated Impact Mitigation and Offset Strategy to:

- Mitigate potential impacts within T4 project area;
- Maintain or improve biodiversity values of the surrounding region in the medium to long term;
- Maintain or improve the viability of threatened species that could be significantly affected by the T4 project through securing and/or restoring habitat for the Lower Hunter Valley or elsewhere in their range;
- Ensure there are no residual impacts on key threatened species or ecological communities in the long term as a result of construction or operation of the T4 project

Construction of Estuarine Wetlands

The CMA is concerned that the construction of the lagoon complex at the Tomago offset site will clear 74ha of Swamp Oak EEC; destroy 84 ha of local Eastern Grass Owl habitat and an identified White-bellied Sea Eagle nesting site; create acid sulphate soil management issues and cost a disproportionate amount in relation to the benefits gained. The CMA is not aware of any research which suggests that the construction methods proposed will create habitat any faster than more natural regeneration approaches and believes the proposal will create a raft of significant ecological problems that could otherwise be avoided.

The CMA suggests that PWCS purchases additional offset land in the Lower Hunter Estuary and develops a less engineered estuarine habitat restoration program such as the CMA's Kooragang Wetland and Hexham Swamp rehabilitation projects and the NSW NPWS project at Hunter Wetlands NP, Tomago. These projects clearly demonstrate that once tidal flows are restored, natural regeneration of estuarine communities (including saltmarsh and mudflat habitat) occurs quite quickly and without significant detrimental impact to the local ecology. Applying the construction and monitoring budget currently allocated to the Tomago Offset Shorebird Habitat Restoration Project to a 'softer' engineering solution could secure a greater area of shorebird habitat and a more ecologically sustainable solution in the long term.

Reliance on Bund Structure

The CMA does not deem it appropriate that PWCS rely on the bund wall that is associated with Area 3 of the Hunter Valley Flood Mitigation Scheme (HVFM) to protect the Tomago offset site against climate change related impacts for the next 50 years. The Hunter Valley Flood Mitigation Scheme is legislated under Part 2, Chapter 5 of the *Water Management Act 2000* and is currently valued at \$690 million. The CMA contributes 25% of costs associated with the maintenance of this scheme. A policy decision by Government has not been made on whether the scheme will be used to mitigate the impacts of climate change and it is likely that some scheme assets could be decommissioned if cost benefit ratios become

unsustainable under differing climatic conditions. It is highly presumptuous to forecast that the Government would commit to maintaining this structure at potentially such a high cost. The CMA is keen to point out that this is likely to be a highly contentious issue.

Cumulative Impacts

The CMA notes that there has been several new major infrastructure development projects in the Hunter Estuary in recent times. The cumulative impact of these projects must be addressed in the assessment as the viable areas of freshwater and estuarine habitat are continually being diminished by multiple developments.

If you require any further information please do not hesitate to contact Skye Moore – Senior Lands Services Officer Major Projects on 49384956.

Yours faithfully



Callaghan Cotter
for
Fiona Marshall
General Manager

26 November 2013