

Attention: Director, Mining and Industry Projects
Major Projects Assessment
Department of Planning
GPO Box 39
Sydney NSW 2001

To Whom It May Concern,

Objections to Proposal MP 10_0046 MOD 2

I write to object to the proposal of Wollongong Coal (WC) (formerly Gujarat NRE (GNRE)) for Modification to the Preliminary Works Project MP 10_0046. Some of the reasons for my objection are as follows:

Mining accounts for 3001 jobs in the Illawarra⁽¹⁾ out of a workforce of 195,000 and an employed population of approximately 175,000⁽²⁾. Therefore all the jobs in the mining industry in the Illawarra region account for 1.7% of jobs in the region. The less than 250 jobs (allowing for recent redundancies) at the Russell Vale Colliery account for 0.14% (that is one seventh of one percent) of jobs in the region. No-one likes to see people in the Illawarra lose their jobs; this is a region of high unemployment. However, when we are talking about inevitable damage to the swamps and creeks of the Sydney Water Catchment Special Areas that this development entails, it is important to put the actual job losses that would result from this project not being approved (and the colliery/mine going into caretaker mode) into context of the regional economy. Wollongong Coal's Russell Vale operations are a very, very small part of the Illawarra economy.

Over several years, year by year, the financial situation of this colliery has deteriorated. It has become apparent that the colliery is unsustainable given the current price of coking coal and the investment capital available to both the previous proponent, Gujarat NRE and this proponent, Wollongong Coal. Granting of serial stop-gap approvals such as this Modification 2, longwall by longwall, enables a development which has shown that it is not viable to limp along. This causes economic stress in the local region, not only from the company's mounting debt and inability to pay its workers and local suppliers but also by fomenting economic uncertainty.

What is most alarming about this particular proposal is the assertion that if approval is not granted and the mine has to go into care and maintenance mode until WC gets further mining approval there will be "increased risks over time in relation to the Proponent's commercial ability **to continue to meet its environmental and safety obligations**" (my emphasis). If a proponent does not have the financial capacity to meet the environmental and safety responsibilities of the operation between approvals the proponent should not be allowed to mine. (And the delay in GNRE's mining approvals was of its own making.) The proponent especially should not be allowed to mine in an area of such conservation value and strategic importance to the Greater Sydney region as the Sydney Water Catchment Special Areas.

The proposal is out of step with community sentiment

A poll conducted in NSW between April 30 and May 3, 2013 by Essential Research found that 87% of people want coal and coal seam gas **banned** in water catchments and within 2 kilometres of rivers and wetlands.⁽³⁾

Although a less reliable indicator, an Illawarra Mercury newspaper on-line poll opened on 6 May showed at 12 May, 2014 that 68.3% of respondents believed that Wollongong Coal should **not** be allowed to expand its mine operations.⁽⁴⁾

The proponent is unsuitable

- WC has been responsible for multiple compliance failures and has demonstrated that it is unable to self-regulate. The Russell Vale Colliery contains antiquated infrastructure and WC has failed to fulfil requirements of previous development approvals to upgrade the facilities on the site to modern standards. These failures include: construction of a sound wall and coal loading facility and the realignment of Bellambi Creek to prevent flooding of residents downstream in the event of a major flood event. The company has also failed to pay carbon tax and mining royalties. It even failed to pay its own workers for several months in 2013.
- WC, like GNRE before it is using brinkmanship to incrementally establish its unapproved expansion. Jindal Steel's due diligence would have informed them of Gujarat NRE's financial and planning situation before they acquired a majority stake in GNRE.

Mining longwall 6 will cause damage to Sydney Water Catchment Special Area and loss of surface and groundwater

- The proposed longwall is in the Sydney Water Catchment Special Area. Falling within the expected subsidence area are two Upland Swamps of Special Significance listed under the Threatened Species Conservation Act 1995. The first of these (CRUS 1) flows directly into Cataract Reservoir. The second (CCUS4) drains into Cataract Creek and then on into Cataract Reservoir. The watercourses and swamps to be undermined are an integral part of the Sydney Water Catchment system that supplies Cataract Reservoir. Longwall coal mining is a listed Key Threatening Process; it is known to damage the surface and crack water courses and swamps, causing water contamination and loss.
- The development is expected to increase groundwater inflows to the mine from an average of 1.1 million litres a day to around 1.6 million litres a day (Ref: EA, p.ii). The four coal mines operating in the Sydney Water Catchment Special Area currently drain 3 billion litres (or 1,200 olympic sized swimming pools) from the Special Areas.
- The proposal involves longwall mining a *third* seam of coal beneath two previously mined seams. *Single* seam subsidence impacts are difficult to predict; the uncertainty is compounded by triple seam mining and this poses unacceptable risks to the water catchment area. Application of the precautionary principle should be the basis of assessment - *and rejection* - of this proposal.

As a local resident, I and my neighbours will suffer health impacts of particulate pollution from Russell Vale Colliery

- Russell Vale Colliery is located in what is perhaps the most densely populated area of any colliery in Australia, with houses and schools bordering the site and just 250m from the huge coal stockpiles. I myself live just a block away from the colliery. Moreover, the only exhaust fan from the Wongawilli seam – not even mentioned in this EA - blows pollutants over West Corrimal. This development will increase human morbidity and mortality from respiratory and cardiovascular disease caused by coal particulate pollution in the area of Russell Vale,

Corrimal, Bellambi and surrounding suburbs. Coal dust will also impact the health of residents along the trucking route to Port Kembla Coal Terminal.

The proposal has not covered Greenhouse Gas emissions

- The fact that information on Greenhouse Gas emissions and mitigation have been omitted from the proposal is a serious omission that should be addressed before the proposal is considered by DoPI.

Irregular, Piecemeal and Opaque Planning process

- Although WC claims the incremental environmental impacts of Mod 2 over and above impacts from existing operations are likely to be minimal, the cumulative impacts to the Special Areas of this mining along with past and proposed future workings in the Wonga East area must be considered. A piecemeal approach driven by the financial imperative of one under-resourced foreign-owned mining company, is not only bad planning, it is negligent.
- An application for mining longwall 6 is already under consideration by DoPI as part of the Underground Expansion Project (MP 09_0013). It is clear that this proposal cannot sensibly be regarded as simply a modification to the Preliminary Works project. WC/GNRE is again attempting to incrementally establish its expansion project. Moreover, recent ICAC findings have exposed extensive corruption in the planning process, in particular in regard to water and coal mining. To stem further erosion of public confidence in the Major Project planning process, DoPI should refuse this application and complete assessment of the Underground Expansion Project in a systematic and transparent manner.
- The application makes the misleading claim that this development is necessary so that WC can continue to mine. In fact, WC has an existing approval to mine the V panel. It is both inappropriate and irresponsible to take up the valuable time of government agencies and community members once again to consider a half-baked application aimed at solving the immediate cash flow problems of this company.

Wollongong Coal employs less than one seventh of one percent of the Illawarra workforce. They appear to have never paid royalties or carbon tax. They have stated that they do not have the financial capacity to meet their environmental obligations if this application to mine longwall 6 is not approved. And yet they are asking us to trust them to carry out an unprecedented scale of three tier mining under the Sydney Water Catchment Special Areas and in very close proximity to the Cataract Dam. This is the very Catchment upon which 4.6 million residents of Greater Sydney depend for drinking water. The proposal should be rejected.

Yours sincerely,

Name: Kaye Osborn

Date: 12 May 2014

1) Cited in Illawarra Mercury, 11 April, 2014. Figures come from a NSW Parliamentary Research paper that uses 2011 census data as its source. <http://www.illawarramercury.com.au/story/2214062/illawarras-changing-workforce-where-the-jobs-are/>

2) [http://www.parliament.nsw.gov.au/prod/parlament/publications.nsf/key/NSWRegionalLabourForceTrends/\\$File/NSW+Regional+Labour+Force+Trends.pdf](http://www.parliament.nsw.gov.au/prod/parlament/publications.nsf/key/NSWRegionalLabourForceTrends/$File/NSW+Regional+Labour+Force+Trends.pdf)

3) <http://nccnsw.org.au/media/coalition-more-50-groups-forms-protect-sydney%E2%80%99s-water>

4) <http://www.illawarramercury.com.au/story/2261989/miner-keen-to-expand-operations/?cs=300>