



# Review of Environmental Assessment

Mount Thorley Continuation Project  
SSD-6465

Submission

Construction, Forestry, Mining & Energy  
Union

(Mining and Energy Division)

Northern Mining & NSW Energy District

July 2014

On 23 June 2014 Mount Thorley Operations Pty Limited applied to the Minister, Department of Planning seeking approval for the continuation of Mt Thorley Mining Operations. The proponent is seeking a new Development Consent under Division 4.1 of the Environmental Planning and Assessment Act 1979 to enable mining to continue beyond 2017 at a maximum production rate.

The Director General made the Environmental Assessment publicly available on 25 June 2014 at the DP & I Information Centre Sydney, Singleton Shire Council and Nature Conservation Council.

The CFMEU is pleased to take the opportunity to comment on the Mt Thorley Continuation Project and related activities Environmental Assessment.

The Mining and Energy Division is a Division of the CFMEU under the Federal Workplace Relations Act 1996, with over 120,000 members, one of the largest in Australia. The Division covers several industries including the coal industry, coal ports, metalliferous mining industries, electrical power generation, oil and gas and the Nation's small coking industry.

The Northern Mining & NSW Energy District of the CFMEU Mining and Energy Division, being the branch that on behalf of the organisation which is making the submission, is the principal Union representing coal miners in the Northern District coalfields of New South Wales. The Mt Thorley Mine operation is located approximately 10 kilometres south-west of the township of Singleton and is wholly within the State's Northern District coalfields.

The CFMEU is familiar with the Mt Thorley coal facility site and has engaged the services of an Environmental Consultant with extensive experience in local government and environmental assessments on coal mining related projects.

After reviewing all the material and taking advice, the CFMEU supports the Mt Thorley Continuation Project as proposed.

## **Overview**

The proposal seeks to extend the time for approved mining, which has occurred slower than anticipated, beyond 2017 under Part 4 Division 4.1 of NSW Environmental Planning and Assessment Act 1979. The proposal would enable the extraction of the resources approved for mining, continued use of the existing mining infrastructure, and the transfer of additional overburden from Warkworth Mine to complete the final landform for an additional 21 years from the date of any approval. The proposal does not involve any additional disturbance beyond that currently approved under the development consent.

The Mount Thorley Operation and Warkworth Mine are owned by different entities. This separate ownership is reflected in each mine having its own stand alone mining leases and development consent. A single management team for the adjoining mines provides various cost savings across each operation by way of integration.

Of note, a separate development application for the Warkworth Continuation 2014 under Part 4, Division 4.1 of the EP&A Act has been lodged at the same time as this DA for the proposal. The Warkworth Continuation 2014 would enable, amongst other aspects, the extension of mining at Warkworth Mine beyond the current spatial limits of approval and of the mine life, with the consent life for this proposal being aligned with the timeframe contemplated under the Warkworth Continuation to enable the continued integration of the two operations.

## **Consultation**

The proponent has indicated a long history of consultation between Coal & Allied and key stakeholders as part of its existing mining operations and previous Warkworth Mine proposals in 2003 and 2010. During this time, Coal & Allied has built robust relationships with the communities in which it operates and has assisted in the contribution of their long term sustainability.

A comprehensive stakeholder engagement strategy is in place for MTW and is implemented by Rio Tinto Coal Australia's Community Relations team. The key goals of the stakeholder engagement strategy are to ensure the timely provisions of relevant and clear information and to create a process that provides opportunities for stakeholders to express their views and allows timely feedback on any matters raised.

An extensive consultation program specifically for the proposal has been carried out, with consideration of the Department of Planning's Guidelines for Major Project Community Consultation (2007).

## **Noise**

Acoustic engineers worked collaboratively with mine planners to ensure noise amelioration measures were incorporated into the mine design where reasonable and feasible. The effectiveness of these measures was continually tested in an iterative process with mine planners until adverse modelling predictions at the assessment locations were minimised to the maximum extent that is feasible and reasonable.

A noise and vibration study was undertaken for the proposal in accordance with INP, EPA 2000. This study was independently peer reviewed with the outcomes reflected in the final study.

The findings confirmed:

- All reasonable and feasible measures have been applied to control noise from MTO;
- The State Environmental Planning Police non discretionary standard for cumulative amenity noise levels at privately-owned residential dwellings is met for Bulga Village and, therefore, noise impacts are below the acceptable noise levels and amenity of the village should not be reduced;
- The determining factor for the project specific noise levels (PSNLs) for all residences is the intrusiveness criteria. Background levels have been

determined in full compliance with the required processes in the INP for setting background levels;

- A significant exceedance >5dB(A) of the PSNL is predicted to occur at one assessment location at Mount Thorley Industrial Estate (149) which is currently afforded acquisition rights from MTO under the development consent. It is noted that operational noise levels from the proposal are not expected to be materially different from current noise levels for locations east of the mine given there are relatively no changes to current activities in the eastern parts of the mine site;
- Noise levels would be within 1 or 2 dB of the OSNLs for the majority of the residences at Bulga. Current government practice is not accord mitigation rights to residences unless noise levels are greater than 3dB(A) above PSNLs;
- Low frequency noise levels predicted from the proposal meet current Government policy requirements. Noise levels are predicted to meet relevant Broner criteria for low frequency noise and INP criteria for sleep disturbance at representative assessment locations; and
- Cumulative noise levels would satisfy INP night time criterion at all but two representative assessment locations in Warkworth Village (77) and Mount Thorley (146). As these are representative locations, the criterion is also likely to be exceeded at two neighbouring locations in Warkworth Village (102 and 264) and two neighbouring locations in Mount Thorley Industrial Estate (144 and 915). It should be noted that these assessment locations are currently afforded acquisition rights from MTO or Wambo Mine with the exception of 264, which is inferred to have acquisition rights from Wambo Mine but is not currently included in its approval.

In summation, no additional privately-owned receivers would be significantly impacted due to predicted noise impacts under the proposal.

A noise management system is currently implemented at MTW which consists of real-time and attended noise monitoring, administration, substitution and elimination controls, engineering measures, and a commitment to continual improvement.

These management practices would continue under the proposal. Compliance assessment monitoring for MTP including independent reviews, according to the proponent have demonstrated a high level of compliance with noise criteria.

## **Air Quality**

An air quality and greenhouse gas study was undertaken for the proposal in accordance with the Approved Methods for the Modelling and Assessment of Air Pollutants in NSW (DEC 2005b). The findings of the study were:

- All reasonable and feasible measures have been applied to control dust from MTO'
- Air quality impacts would be primarily experienced at Warkworth Village due to mining activities moving closer as the mine progresses westward;
- The Mining SEPP's non discretionary standard for cumulative air quality at privately-owned residential dwellings is met at all but two assessment locations (77 and 264). These assessments locations, and one non-residence (102 – Warkworth Hall) may experience concentrations above the relevant air quality goal for annual average  $PM_{10}$ . Assessment location 77 is currently afforded acquisition rights from Wambo Mine but is not currently included in its approval;
- The Mining SEPP's non discretionary standard for cumulative air quality at privately-owned residential dwellings is met for Bulga Village and, therefore, air quality impacts are below the acceptable air quality concentrations and amenity of the village should not be reduced;
- Dust from mining is generally coarse in fraction ( $>PM_{2.5}$ ) whereas the fine fraction dust ( $<PM_{2.5}$ ) of concern to human health typically originates from combustion sources;
- Cumulative  $PM_{2.5}$  concentrations would be below the National Environment Protection Measure advisory reporting standards at all of the assessment locations where the concentration of other pollutants are below the relevant air quality goals;
- No air quality impacts are predicted to result from diesel emissions ( $NO_2$  and CO) and blast fume emissions and

- Estimated annual average greenhouse emissions over the 21 year life of the proposal are conservatively estimated at 0.559Mt C)<sub>2-e</sub> (Scope 1 and 2) which represents approximately 0.1 per cent and 0.35 per cent of Australia's and NSW emissions, respectively.

Air quality and greenhouse gas impacts are currently managed at MTW through an existing integrated management system which involves the implementation of a monitoring network, best practice mitigation measures, and operational control strategies and measures with the objective of continuous improvement. Recent air quality monitoring for 2012 and 2013 have shown that MTW operations are complying with the relevant air quality criteria.

## **Ecology**

The proposal would not result in additional vegetation clearance and is expected to have negligible impact on the ecology of the Site and the local area. Potential direct and indirect impacts of the proposal would have very low to no residual impacts after implementation of current mitigation measures.

## **Groundwater**

A groundwater study was undertaken to assess the potential impacts of the proposal and address the requirements of the NSW Office of Water's Aquifer Interference Policy and Mining SEPP. The study applied a groundwater model rigorously calibrated with data from the extensive MTW monitoring network. The groundwater model was independently peer reviewed with the outcomes reflected in the final study. A summary of the findings of the study indicates:

- The groundwater model has predicted a water take from the Permian alluvial sources less than the currently approved water take;
- No privately-owned water supply bores would be impacted above the minimal harm criteria presented in the Aquifer Interference Policy;
- The proposal is not predicted to significantly change the water table in alluvium that supports groundwater dependent ecosystems;

- The reduction in saline Permian groundwater discharge to the Wollombi Brook alluvium is predicted to reduce the salinity in the alluvium during the life of the proposal; and
- Groundwater, surface runoff and rainfall inflows would slowly fill the backfilled depression in Loders Pit forming a water table within the backfilled area with the water level eventually reaching a state of equilibrium.

Groundwater and surface water at MTW are currently managed through an overarching water management plan (WMP). The MTW WMP includes a groundwater monitoring program that would continue under the proposal. No additional mitigation measures, to those already implemented, are required for the proposal.

## **Surface Water**

The water management system (WMS) for MTO and Warkworth Mine are currently integrated across MTW. Water engineers have worked closely with mine planners and operational teams over many years to design a WMS that minimises the risk of adverse impacts occurring on surface water resources.

Water requirements would be predominantly sourced from water collected onsite with some water sourced offsite through water sharing agreements with nearby mines and from the Hunter River in accordance with MTW's current licence entitlements. Water would continue to be discharged from MTW's licensed discharge points. All saline discharges would be controlled to meet the requirements of the Hunter River Salinity Trading Scheme so that offsite water quality impacts are managed.

The results of the surface water study indicate that the impacts of the proposal on surface water resources are unlikely to be significantly different to the existing approved operations and would not have a significant impact on surface water quality of the adjacent water features. Surface water would continue to be managed under the MTW WMP and the existing surface water monitoring program. No



additional mitigation measures, to those already implemented, are required for the proposal.

## **Aboriginal Heritage**

Previous Aboriginal cultural heritage baseline studies have identified a number of heritage items or places within and around the Site. There are 48 extant places of material cultural heritage identified within the Site. These places primarily consist of stone artefacts. None will be disturbed or destroyed as a result of the proposal or are the subject of any specific requirements to address issues of cultural sensitivity. Further, it is considered that there are no Aboriginal cultural heritage places with scientific values that constitute a constraint on the proposal.

Aboriginal cultural heritage at MTO would continue to be managed under the auspices of the Coal & Allied Upper Hunter Valley Aboriginal Cultural Heritage Working Group, established in 2005, and the applicable management plan. In particular, the Loders Creek Aboriginal Cultural Heritage Conservation Area would be established for long-term conservation and management of Aboriginal cultural heritage places and values.

## **Historic Heritage**

The historic heritage study identified 50 historic features within the Site and its surrounds including seven registered and 43 non-registered items or places. There are three non-registered historic heritage features within or on the boundary of the Site. These are on land that would not be disturbed under the proposal and, therefore, would not be impacted.

## **Traffic and Transport**

As there are no changes proposed to the average existing MTW workforce, truck traffic or annual train movements, the proposal is not expected to have any traffic or transport impacts.

## **Visual Amenity**

Existing topography and vegetation would continue to provide screening to MTO as mining within Loders Pit continues and overburden is emplaced within the site. Some residences west of the site, such as elevated residences around Bulga Village, may experience high visual amenity impacts. Progressive rehabilitation of disturbed areas and implementation of visual impact mitigation measures would be undertaken to minimise impacts on visual amenity. In addition, residents would be able to request site specific visual assessments to be undertaken at potentially sensitive properties which may identify the need for site specific mitigation measures.

## **Justification and Socio Economic**

The MTO and the adjoining Warkworth Mine are long standing members of the community having commenced operations in 1981. Even though for consent purposes the Warkworth Continuation and the Mount Thorley Continuation Projects are separate, the mine operates as one mining operation. The submission of the CFMEU with respect to the Warkworth Continuation Project on this criteria is also relevant to the consideration of the justification on socio economic benefits. The two operations have a purported workforce of approximately 1 300 people including full-time contractors employed at MTW. There is no doubt based on socio economic grounds for the Project to be approved. In summary, the proposal should be approved for the following reasons:

- It enables the extraction of resource already approved for mining;
- It allows for the ongoing provision of services to Warkworth Mine which is critical to the viability of both mines;
- It enables an improved final landform, including the infilling of the currently approved final void in Loders Pit, thereby preventing a post-closure final void;
- No additional disturbance would result from the proposal and impacts on near neighbours have been minimised to the greatest extent possible while maintaining an economically viable mine plan;
- It meets all government policies;

- MTO has a long history of minimal non-compliances with government approvals;
- It ensures maximum return on hundreds of millions of dollars invested in the mine since it commenced operations and, as an existing mine, it has established access to product transport and distribution infrastructure such as road, rail and port;
- It provides a state significant economic benefit to the local, regional, state and national economies; and
- It contributes to the long-term security of approximately what the Proponent asserts is approximately 1 300 jobs.

There is no doubt the consent, if approved, would provide ongoing socio economic benefits and the CFMEU strongly supports the approval of the consent on this basis. The CFMEU submit there should be some consent requirements to guarantee the full purported scope of the justification on a socio economic basis can be met by the proponent.

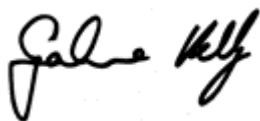
The CFMEU reviews all coal related development consent applications and makes submissions. Of interest in these submissions is employment numbers. The CFMEU also has the opportunity to review, because of the extensive union membership in the coal mining industry, how these employment numbers are maintained. What is clear is that in the vast majority of Environmental Assessments the socio economic benefits, specifically in employment and full time employment numbers are misrepresented, sometimes by many hundreds of employees. The proponent asserts 1 300 employees including full time contractors will be maintained. The proponents in an application to approve an Enterprise Agreement for Production and Engineering employees, the employees who do the vast majority of work, provided a Statutory Declaration indicating there were 755 Production and Engineering employees. On 4 June 2014 Ms Phoebe Burgess, a Senior Human Resource Manager for the proponent, in documented material indicated in response to the number of permanent, casual and part time employees there were 1 082. Any additional roles that may be from supplementary labour or contractors are not full time positions but are casual positions, many of them are only employed per

engagement. This makes the assertion of the proposal providing long term employment of approximately 1 300 persons exaggerated. The mine recently had retrenched a number of employees.

The development consent should contain a term that guarantees full time employment of 1 300 people directly by the mine in full time capacities or contracted full time capacities. If there is a reduction in labour required then full time employee positions are to be protected and retained over casual transient positions or contractor positions. There should be a further guarantee to ensure maximum socio economic benefits, being that labour not directly employed by the Proponent through contractors, should receive coal mining industry conditions and not to permit the Proponent to bring in external labour doing work that can be done by direct employees of the mine on lesser wages and conditions.

### **In Summation**

The CFMEU considers that the Mt Thorley Continuation Project is consistent with the objectives of the EP&A Act, and therefore strongly supports the proponent's application and we ask the consent be granted with the modifications that we have referred to in the justification and socio economic components of our submission

A handwritten signature in black ink, appearing to read 'Grahame Kelly', is positioned above the printed name.

**Grahame Kelly**  
**DISTRICT SECRETARY**