

“Reclaiming our Valley”

Hunter Communities Network

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Submission of Objection Wambo Mine Modification 17

The Hunter Communities Network is an alliance of community based groups and individuals impacted by the current coal industry and concerned about the ongoing rapid expansion of coal and coal seam gas exploration and mining in the region.

The Wambo Mine operations have had a significant impact on the environment and community since the expanded State Significant Development approval in 2004. Fourteen modifications have been made over the past 13 years vastly changing the extent of the original mine and the scale of the operations. There is no certainty for the community when large mines are in a continual state of change and ongoing expansion.

The cumulative impact of the fourteen modifications to the Wambo Mine operations have not been adequately assessed, particularly in relation to the other significant expansions to open cut and underground mining operations in the adjacent area.

The extent of the social impacts, including significant loss of private land ownership and private water ownership in the area, and the highly significant impacts on environmental amenity, biodiversity, integrity of water sources and cumulative loss of Aboriginal cultural heritage has not been adequately costed or mitigated. The rapid increase in greenhouse gas emissions from the expansion of coal mining in this area of the Hunter Valley leaves decision makers culpable of long-term loss of intergenerational equity through the approval of known harm.

We strongly object to the proposed seventeenth modification of the Wambo Mine for the following reasons:

1. The proposal should not be considered as a 75W modification because it is outside the current DA 305-7-2003. It requires additional land through an extension of the development application area (Fig 16) and a new mining lease area. This proposal should be considered as a new project under Part 4 of the NSW *Environmental Planning and*

Assessment Act 1979 (EP&A Act). We consider that nine new longwall panels is a significant increase in mining activity outside current boundaries, leases and approvals.

2. The proposal is aimed at extending the existing Wambo Mine approval to align with the United Wambo Joint Venture that has not yet been approved. The South Wambo Mine modification 12 was only just approved in December 2016. This modification aims to delay that approval. The cumulative impact of the changes to long wall mining operations in modification 12 with the proposed impacts of modification 17 have not been assessed.
3. The proposal is not justified because it includes the delay of the currently approved Wambo South Mine. There is no analysis provided of the volume of coal, number of jobs, royalties and taxes held up in this delay. The public benefit of this newly approved mine expansion will not be delivered as assessed.
4. The proposal will cause additional cumulative impacts to groundwater and surface water sources, particularly associated with North Wambo Creek that has a significant length of natural and diverted creek bed directly above the proposed mine workings. The current cumulative impacts on groundwater and surface water sources are already too great and have not been adequately assessed in the context of existing regional impacts of mining.

We note that the groundwater sources associated with the North Wambo Creek have already been permanently damaged.¹ This is not a valid argument for continuing to inflict additional permanent harm to this water source. It is, in fact, a very strong argument to reject the proposal. Further impacts on surface water include ponding and pooling, changes in grades, potential of diversion of streamflow and cracking of bedrock. There is no confidence that proposed remediation work will be successful, or indeed carried out.

5. Peabody Energy has demonstrated that it cannot be trusted to meet commitments for remediation of mine damage to water sources. The company has not met current commitments to fix previous subsidence impacts on land and water courses. The legal agreement to fix the subsidence damage on the Fenwick's property and permanent damage to Wambo Creek has not been honoured.
6. Peabody Energy has also recapitalised under the US Chapter 11 bankruptcy process by reneging on \$2.7b of rehabilitation commitments. This company cannot be trusted to meet any of its long term environmental commitments.
7. The proposal is estimated to release an annual increase of 0.05% of the Australian national greenhouse gas emissions until 2039. As Australia works to meet its commitments under the Paris Agreement of 2016, this percentage will increase over time and become a significant hurdle to reducing the national greenhouse gas emissions. Wambo Mine is a very gassy mine and no further coal extraction should be approved. The predicted Scope 1 & Scope 2 emissions have not been assessed using the National

Greenhouse Accounts Factors (Department of the Environment and Energy, 2016), as required in the SEARs re-issued in December 2016.

The emissions assessment in Appendix J does not appear to include the volumes of gas needed to be drained from the underground workings. This information should be separate from fugitive emissions because coal seam gas management is a significant element of the proposal.

8. The issue of climate change impacts on intergenerational equity under Environmentally Sustainable Development principles has not been included in the assessment. The proposal demonstrates that it will contribute to increased national greenhouse gas emissions for another 22 years.
9. The cumulative impact of poor air quality due to the intensity of mining in this area of the Hunter Valley has not been adequately assessed. The Regional Air Quality Monitoring Network frequently measures exceedances of the national criteria for PM₁₀ dust particles. Assessment under the new national standards for PM₁₀ and PM_{2.5} dust emissions has not been carried out, although required in NSW from 20 January 2017. The proposed extension of the open cut mine until 2039 will prolong increased dust emissions. This modification needs to be assessed in the context of the cumulative impact on air quality of the surrounding superpits, including assessment of the new national standards.
10. The proposal is too close to the Wollemi National Park World Heritage Area. It is acknowledged that subsidence impacts could occur.² The subsidence report states that non-conventional movements can occur and have occurred in NSW Coalfields.³ We do not agree that the distance of the physical offsets of longwalls from the Wollemi National Park World Heritage Area are adequate enough to be considered a precautionary measure.⁴
11. The area contains habitat for 37 threatened species, including 11 species listed for protection under the EPBC Act and a critically endangered ecological community. The conclusion that predicted subsidence, particularly on steep slopes, will not impact on the condition of the *Central Hunter Valley Eucalypt Forest and Woodland CEEC* is not based on any evidence provided in the assessment.
12. The impact of subsidence on Aboriginal cultural heritage, particularly in rock shelters, should not be accepted. It is also unacceptable that 34 ha of impacted land has not yet been surveyed for cultural heritage values. This work must be conducted and released for public comment prior to any recommendations being made. It is also unacceptable that monitoring of impacts after mining is to be the key management and mitigation measure. The cumulative loss of Aboriginal cultural heritage caused by large-scale mining development in the Hunter Region has not been assessed.

² Main Report Table ES-2 p ES-6

³ Appendix A Part A p 56

⁴ Main Report p 75

Conclusion

Hunter Communities Network submits that this proposal and the planning and approvals process relating to Wambo Mine does not meet the objects of the EP&A Act, in particular:

a) to encourage:

(ii) the promotion and co-ordination of the orderly and economic use and development of land,

There has been no orderly approach to the development of the Wambo Mine.

In January 2013, Modification 11 was approved to construct the Montrose Dam. The justification for this development application was:

*'The Modification is required to ensure adequate water storage is available at Wambo while the existing South Wambo Dam (approximately 840 ML capacity) is subsided by the approved North Wambo Underground Mine (Longwall 8). Water stored in the South Wambo Dam will be transferred to other water storages at Wambo (e.g. the proposed Montrose Water Storage) prior to the South Wambo Dam being subsided.'*⁵

However, the application for Modification 17 states that the approved Montrose Dam has not yet been constructed and that *'Construction of the Montrose Water Storage Dam would not commence until following extraction of the Modification longwalls'*.⁶

It also appears that longwall extraction at the North Wambo Underground Mine was finished in January 2016.⁷ Therefore, there appears to be no justification for the construction of the Montrose Dam. This renders the Modification 11 application and approvals process obsolete and a waste of Government time and public resources. This outcome is not a demonstration of orderly development of land.

Likewise Modification 12 for the South Wambo Mine was approved in December 2016. The justification for this development application was:

*'The Modification would enable the continued use of existing Wambo infrastructure and workforce and would promote the more efficient and economic recovery of coal resources.'*⁸

And without the modification:

*'existing employment would be discontinued for approximately 230 existing underground mine personnel and other support personnel in late 2018 (for a period of approximately 2 years);'*⁹

⁵ Mod 11 Main Report p ES-1

⁶ Mod 17 Main Report p 34

⁷ Ibid p 11

⁸ Mod 12 Main Report p ES-8

'direct net benefits to NSW of around \$101M would be foregone;

- company income tax revenue in the order of \$50M (NSW share) in present value terms would not be generated; and*
- royalties to the State of NSW in the order of \$43M in present value terms would not be generated.'*¹⁰ (mod 12 p 92)

*'the proposed extension to the RWEF areas would not be established'.*¹¹

However, the application for Modification 17 states that the South Wambo Mine would be delayed until after the proposed extraction of additional 9 longwall panels at the South Bates Mine:

*'Mining at the approved South Wambo (Woodlands Hill and Arrowfield Seams) Underground Mine is planned to commence after completion of mining at the South Bates Underground Mine.'*¹²

*'and associated delay to the commencement of South Wambo Underground Mine.'*¹³

Therefore, all the stated justifications for Modification 12, as approved in December 2016, will not be met during the time of that approval.

It appears that the key purpose of Modification 17 is the integration of operations with the proposed United Wambo Open Cut Coal Mine Project.¹⁴

This major joint venture superpit is currently within the planning process, at the stage of the proponents providing a response to submissions. It is inappropriate for the Department of Planning and Environment to be processing an application to change existing approvals at Wambo Mine, made as recently as December 2016, in the context of a project proposal that has not yet been approved.

Hunter Communities Network submits that this is inconsistent with the EP&A Act object of orderly development of land. Modification 17 is not required to provide continued use of existing infrastructure and workforce because Modification 12 was approved for this purpose.

There is no demonstrated justification for Modification 17. The cumulative environmental impacts have not been adequately assessed, will not meet the principle of intergenerational equity and will outweigh any perceived public benefit of the proposal.

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⁹ Ibid

¹⁰ Mod 12 Main Report p 92

¹¹ Ibid p ES-8

¹² Mod 17 Main Report p 14

¹³ Ibid p 25

¹⁴ Ibid