

WOLLAR PROGRESS ASSOCIATION

C/O- POST OFFICE

WOLLAR NSW 2850

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Thursday 10 March 2016

SUBMISSION OF OBJECTION

Wilpinjong Extension Project SSD 6764

Wollar Progress Association (the Association) wishes to lodge an objection to the Peabody Energy development application to extend the Wilpinjong Mine disturbance footprint by a further 800 ha including Slate Gully and extend mining operations for a further seven years until 2033.

The Association finds the Environmental Impact Statement (EIS) provided with the development application to be seriously deficient in many aspects. This submission will outline these issues including a number of attached expert reports and related documents.

The Association also wishes to raise concerns in regard to the regulation of the current operations at Wilpinjong Mine and the poor predictions made in previous assessments.

The community has little confidence in the assessment and approvals process conducted for this major development to date. We trust that a more rigorous and independent assessment will be carried out by the Department of Planning and Environment (DPE) to assist in the decision-making process for this significant expansion of mining operations.

The proposal to conduct 24 hour/7 days per week open cut coal mining operations within 1.5 km of Wollar village is a major concern for the remaining private residents of the district.

The social and environmental impacts of the Wilpinjong Mine since approval in 2006 have been substantial and mostly unpredicted and unassessed.

The Association maintains that if the NSW Government has a policy to destroy rural communities in favour of the coal mining industry, then appropriate compensation must be made available to all remaining private residents of the Wollar district. This will enable community members to make the necessary decisions about their future without suffering economic hardship, undue levels of stress and health impacts from ongoing mine pollution.

The 'proactive property strategy' of Peabody Energy is the direct result of the poor assessment and approvals process conducted for the Wilpinjong Mine development over a 10 year period. The strategy has been activated mainly to enable the Wilpinjong Mine to comply with conditions

of approval but also to solve the previous housing shortage for mine workers in Mid – Western Regional LGA and to secure property over unallocated coal resource.

The strategy commenced with the purchase of properties to the south of the mine in Cumbo Valley. The residents did not want to sell up and leave, but could not live with the impacts of the mine operations particularly the noise, dust and spontaneous combustion pollution.

The strategy then moved to purchase the properties on the Araluan Estate to the north-east to maintain compliance and then to houses in the Wollar village to provide accommodation for a drive-in-drive-out workforce.

The purchase by Peabody of the Wollar Shop had a particular social impact because it closed down the only mechanical services for the rural community over a wide radius and removed the long serving Wollar Bushfire Brigade captain from the community.

This purchase occurred because the shop had lost significant business due to the loss of customers through the Peabody purchase strategy and the owners were impacted by mine and rail noise in their residence.

The ongoing loss of community members has not always been a matter of choice. It has been a very difficult decision, made under stress and the conflict between remaining with the strong social ties in the Wollar community built up over generations and deciding to protect ones family from the unpredicted health impacts generated by the Wilpinjong Mine.

The ‘proactive purchase strategy’ ramped up in December 2014 when all remaining private property owners in Wollar village were approached by letter to sell to Peabody. A land valuer and negotiator was employed to encourage all residents to sell out prior to the finalisation of the EIS for this Wilpinjong Extension Project (WEP).

However, no other private property owners in the district were approached with the same offer. Many people remaining in the village do not want to leave the area but they also do not want to be impacted by any increase in mine pollution.

The remaining community members living on the outskirts of Peabody property acquisitions do not want to lose their social connections within the village, nor do they want to be left stranded with increased health impacts from the WEP.

The best outcome for the Wollar community is for the WEP to be rejected on the grounds of unreasonable social impact.

If the NSW Government decides that the greater public benefit of the WEP supports approval then the Association recommends that all remaining private landowners in the Wollar district be offered appropriate compensation based on the following guidelines:

- Value of property based on comparable nearby centres unaffected by mining
- Plus relocation and disturbance costs
- Plus a premium for replacement costs

This compensation package must be included in the conditions of approval.

The Association has considered the information provided in the EIS and finds it to be highly inadequate. Decision-makers have not been provided with sufficient quality information to fully assess the impacts and benefits of the WEP.

While the Association considers that the WEP should be rejected outright we advise the following recommendations to provide better information to assist this decision.

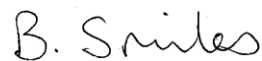
Recommendations:

Further assessment is required:

1. Improved Social Impact Assessment with a focus on the social impacts of the WEP
2. Economic assessment revised with appropriate job numbers and coal prices
3. The noise assessment revised with current PSNL, correct assessment of low frequency noise, sleep disturbance impacts and road traffic noise
4. Biodiversity impact assessment revised including adequate Koala survey and monitoring of current mining operations in Munghorn Gap Nature Reserve and Goulburn River National Park.
5. A more comprehensive description of rehabilitation methods is needed
6. Spontaneous combustion propensity testing in Pit 8 provided
7. Dust emission predictions assessed under the new standards for PM₁₀ and PM_{2.5} ambient air quality.
8. The traffic assessment revised with accurate movements through Wollar village
9. Assessment of all impacts on Peabody owned property is required to give a full understanding of the nature and extent of mine impacts on property into the future.
10. A comprehensive cumulative impact assessment is required

A full discussion of the inadequacy of the EIS is provided in the body of this submission.

Yours sincerely



Bev Smiles
Secretary

Inadequate EIS assessment

1. Social Impact Assessment (SIA)

The SIA was conducted in a very unsatisfactory manner in January 2015 prior to the release of any information to the Wollar community on predicted impacts of the WEP.

The Wollar community interviews were conducted on Peabody property at the Wollar shop with the option of having a mine employee in attendance. This compromised the independence of the interviews and discouraged free and open discussion.

The community was given very short notice and choice of dates for participating in face-to-face interviews and not all private property owners in the district were given the opportunity of an interview.

The company representatives conducting the SIA declined to meet with the Association.

The formal survey was very biased with very little focus on the WEP.

There are ongoing social impacts occurring in the district cause by Peabody's aggressive purchasing policy. The bushfire brigade is still losing local volunteers with vital training and skills, the possible closure of Wollar shop at the end of the year will interfere with postal deliveries, the possible closure of the school will prevent young families from being attracted to the area in the future and remove a central social connection for the community.

A school has been operating in Wollar for a very long time and it is an indication of the significant social impacts caused by Wilpinjong Mine that the school is threatened with closure. This will have an impact on the long term viability of the village and the district.

Further analysis of the SIA is provided in Attachment 1

2. Noise Assessment

The Association considers the Noise Assessment Report (Appendix A) to be inadequate and have provided a technical review at Attachment 2.

The peer review of the SRL noise assessment by Richard Heggie Associates is unacceptable because this company conducted the original noise assessment for the proposed Wilpinjong Mine in 2004.

The Association has major concerns about the ongoing impacts of noise generated from the current approved operations at Wilpinjong Mine and the assessment of predicted noise impacts of the WEP.

Noise has been the largest single disturbance factor that has caused the major social impacts on the Wollar community. Main Report Figure 4.4 (p 4-17) demonstrates the level of noise impact on the community since the mine commenced operation in 2006. The number of properties identified with acquisition rights due to noise exceedances was very small, 10 across all approvals. The number of properties with mitigation rights was larger, 18 across all approvals. Rather than mitigate the noise impacts Peabody purchased these properties after the residents found the noise levels impossible to live with.

However, the actual property purchases by Peabody are much higher than a total of 28 properties identified with mine noise impacts in the Wollar district.

The validation of noise model predictions for each mine modification has not been provided in the Noise Assessment Report. The number of hours lost to operational shut downs under the noise management plan are not fully reported. The EIS identifies that 600 hours of machinery operation were lost between November 2014 and October 2015 due to noise management to maintain compliance with conditions. However, the number of hours lost since the commencement of mining have not been provided.

The validation of previous noise model predictions and the loss of operational time over the life of the mine is important information with which to compare the predictions and mitigation measures presented in the EIS.

The Association considers that the predicted noise levels for mining operations at Wilpinjong, in the original assessment and for all subsequent modification assessments, have been significantly under estimated.

The Peabody proactive purchase strategy has become the main mitigation measure to maintain compliance with noise conditions. The social impact of this strategy has not been assessed.

Because of the quiet background noise levels in the Wollar area, as measured in 2004, (Table 12, App A) the application of the Industrial Noise Policy (INP) has caused a significant increase in noise disturbance through the conditions of approval for the Wilpinjong mine to operate at 35dBA.

The Voluntary Land Acquisition and Mitigation Policy (VLAMP) recognises that an increase in noise greater than 5dBA is significant. Residents in very quiet rural areas are subject to an unreasonable increase in noise levels through the INP. This has caused a high degree of stress and health impacts in the Wollar district since 2006. This is demonstrated by the large number of local people who have felt the need to sell to Peabody and move away from the district, with no other choice.

The Association strongly objects to the proposal in the EIS to lift the project specific noise level (PSNL) in Wollar village to 37 dBA for maximum intrusion level for evening and night. This is highly likely to cause further unpredicted noise impacts on outlying properties currently identified in the model to have no impact from the WEP.

The Association further objects to the justification for this increase in the PSNL – that it would be too costly for Peabody to attenuate machinery and close down operations, particularly in Pit 8, to maintain the current 35dBA level.

However, it has been acknowledged that with both mining fleets operating in Pit 8 under extreme weather conditions, it is still likely that operations would have to cease to maintain the 37 dBA.

Residents in Wollar village are struggling with the management and mitigation measures used to comply with the current 35 dBA level. Often the real time noise monitor is measuring above this noise level in the village and causing sleep disturbance. It is often complaints from disturbed residents that cause the operation to start closing down machinery to maintain compliance.

The current method of noise management ie responding to distressed residents, has had a major impact on the health of the villagers and surrounding property owners. This method also indicates that the current approved operations, particularly in Pit 3 & Pit 7, cannot comply with conditions of approval despite modelled predictions claiming otherwise. Management of current operations is discussed later in this submission.

The Association is very concerned that the EIS proposes to validate the noise model once operations commence in Pit 8 and then decide the best mitigation measures including property purchase. This offers no certainty for the community and demonstrates a complete disregard for social impacts.

The model indicates that noise levels could reach 42 dBA which is 7 dBA above the current PSNL. This prediction should automatically trigger acquisition rights for all remaining residents in Wollar under conditions of approval.

The EIS identifies that the noise management plan would include continuing to purchase property, however, no properties are identified with acquisition rights.

There is a major contradiction in this approach. Either properties will not be impacted by noise or they will. If the noise mitigation measures includes property acquisition, then this must be included in the conditions of approval as an acquisition right.

By proposing to lift the PSNL by 2dBA to 37 dBA, the application of the VLAMP will not provide any property with acquisition rights until the noise level reaches above that predicted in Pit 8 of 42 dBA. This is an untenable impost on the remaining residents in the Wollar area and cannot be accepted as a fair and just approach to noise management in a quiet rural area.

The noise assessment does not adequately assess Low Frequency Noise impacts and sleep disturbance impacts caused by predicted noise emissions from the WEP. Further technical assessment of these issues is provided in Attachment 2.

Road traffic noise assessment

The assessment of road noise is highly inadequate in that it only deals with mine traffic using the Ulan-Mudgee Road. There is no assessment of mine traffic travelling through Wollar village and Main Road 208 to Bylong Valley Way.

There is no assessment of the cumulative impact of traffic movements from the proposed Bylong Mine that proposes to use Main Road 208 as the main route for mine traffic to Mudgee.

3. Biodiversity assessment

The Association considers that the assessment of biodiversity impacts of the WEP, including assessment of impacts on Munghorn Gap Nature Reserve and Goulburn River National Park, are inadequate and need to be redone.

The proposed biodiversity offset package is entirely inadequate and cannot be accepted as a mitigation measure for the proposed impacts of the WEP.

Further analysis of these issues is provided in Attachment 3.

4. Air quality assessment

The Association considers the air quality assessment report (EIS Appendix B) to be highly inadequate. The peer review by Nigel Holmes cannot be considered an independent review because of the close relationship with Alex Todoroski, particularly in the Hunter region.

The air quality assessment has not taken into consideration the new air quality standards agreed to by the National Environment Protection Council in December 2015. The variation to the *National Environment Protection (Ambient Air Quality) Measure 2015* was registered on 3 March 2016 and must be implemented in the assessment for the WEP.

The current assessment has identified the potential for cumulative dust impacts at nearby privately-owned sensitive receptor locations in Wollar. It is proposed that this can be mitigated by closing down mine operations during adverse weather conditions, particularly in Pit 8.

The assessment predicts that potential dust impacts will occur only at mine-owned properties. The leases of these properties have a clause where they cannot complain about mine impacts. The health of families leasing mine-owned property should also be a consideration of the air quality assessment and the cost benefits analysis. (App B p 54 Table 8.1)

The lack of assessment of all properties impacted by air pollution is a significant failing.

The Association is concerned that no PM_{2.5} concentration data are available in the vicinity of the mine site. Assumptions made in the assessment are based on incorrect calculations that need to be independently assessed.

The economic assessment bases its analysis of health costs on the predicted PM_{2.5} emissions as a surrogate for PM₁₀ emissions. It values these emissions at \$1.28 million and \$2.44 million for baseline and WEP cases respectively, in present value terms.

The economic assessment does not include the potential costs of additional nitrogen dioxide, sulphur dioxide and carbon monoxide. There is also no mention of diesel fumes, a recognised carcinogen with the World Health Organisation.

The reporting for Wilpinjong Mine on the National Pollution Inventory demonstrates a considerable load of toxic pollutants generated by the project on an annual basis. There appears to be no correlation between this information and the air quality assessment report.

The assessment of dust emissions from coal wagons does not consider the cumulative impact of increased train movements from the Moolarben and Ulan Mines (App B p49)

The analysis of coal dust emissions (App B p D-4) considers that diesel emissions are a greater source of particle pollution than coal dust along rail lines.

The air quality assessment fails to consider diesel emissions from the mobile mining fleet at the mine and the emissions from idling coal trains in the rail loop directly to the east of Wollar village. This has major implications for the health of village residents with the prevailing easterly winds.

The economic assessment does not put a cost on the loss of production due to the proposed management and mitigation measures for exceedances of dust criteria.

The Association considers that the increase in air pollution generated by the WEP has been poorly assessed and costed.

The continued implementation of the proactive purchase strategy is a major social impact that has not been clearly identified or costed in relation to air pollution impacts.

Further discussion in regard to dust impacts from the current operations at Wilpinjong Mine occurs later in this submission.

5. Traffic assessment

The Association considers the road traffic assessment report (EIS Appendix J) is highly deficient and needs to be redone.

The assessment is based on information collected in 2012 for the Modification 5 EIS. This is considered to reflect current usage. However, it fails to identify the increased traffic flow through Wollar village of contractors and goods delivery associated with the ongoing mine expansion in the region.

The assessment of traffic movements to and from Wilpinjong Mine through Wollar village is misleading in that it is based on no service or visitor traffic using that route to the mine (Table 3.7). There have been regular deliveries of gravel on B-double trucks travelling from the Bylong quarry to the Wilpinjong Mine through Wollar village.

Gravel trucks from Bylong quarry have also been travelling through Wollar village to deliver to Moolarben Mine and the rail line.

There are a large number of contractors and heavy vehicles regularly travelling through the village to service the three mines to the west and rail line maintenance. The cumulative impact of these traffic movements through the village have not been clearly identified or assessed

The cumulative impact of the proposed Bylong Mine traffic using Main Road 208 on a daily basis will have a significant impact on Wollar village because this road passes through the village. Neither mine assessments have identified this impact.

The Wilpinjong road traffic assessment identifies the road through Wollar village as an emergency access route in the event of the closure of the Ulan- Wollar road.

This in fact occurred for seven weeks during winter 2015 after the highwall collapse at Moolarben Mine. The constant flow of mine vehicles including regular trips by large heavy cranes and fuel trucks had a major impact on the condition of the road and on the safety of villagers and other road users.

This impact has not been identified or assessed.

The EIS fails to provide the road dilapidation report as requested by Mid-Western Regional Council.

The economic report (Appendix M) puts a \$0.2 million cost on traffic delays at rail crossings until 2033. However, there is no recognition of the ongoing costs to road maintenance caused by

increased traffic use, particularly in the construction phase when there is a large number of heavy vehicle deliveries.

The community has no confidence that these ongoing costs will be picked up in the negotiations with Mid-Western Regional Council for a Voluntary Payment Agreement.

The lengthy negotiations over the upgrade of the Mudgee-Ulan Road, after three major mine expansions were approved and after Voluntary Payment Agreements had been made, is a clear indication that the planning process does not adequately assess or consider the true cost of mine traffic impacts.

We do not want to experience the same failings in relation to increased mine traffic through Wollar village and on Main Rd 208 to Mudgee.

The Association does not support the conclusions of the Road Traffic Assessment Report.

6. Economic assessment

The Association considers that the assessment of public benefit of the WEP is based on incorrect information including that provided through the various assessments conducted as part of the EIS.

The economic assessment is based on inflated job numbers, inflated coal prices and an incorrect assessment of resource availability and quality.

The social and environmental costs are not adequately assessed. The conclusion that there will be no impacts on water sources and biodiversity, therefore no costs attributed, is based on poor assessment and poor mitigation measures.

One of the direct economic benefits of the WEP is identified as the deferral of decommissioning costs (App M Table 5.1).

The Association considers this to be the key justification for the WEP. The approval of an extension to the mine is also considered to add value to an asset sale. This immediate possible benefit to Peabody has not been identified.

The supply of domestic coal contracted to Bayswater Power Station can be met under the current approval. The production of high ash coal until 2033 has no guarantee of an export market at a price that would maintain project viability and predicted job numbers.

The economic assessment vastly over-estimates the public benefit of the WEP and under-estimates the social and environmental costs.

The Association does not agree that the WEP will provide a net benefit of \$735 million and increase gross product in the NSW economy by \$2.2 billion.

The economic assessment calculates a gross revenue from mining activity at Wilpinjong Mine using forecasts of annual production quantities and annual prices for each coal product (p 21).

Previous assessments of product quantities have been vastly incorrect and have caused the ongoing modification of the project to allow more coal to be extracted from larger areas of land to meet approved product volumes.

The Association does not accept that the annual production quantities and annual prices for three coal product types: mid ash thermal coal, high ash thermal coal and domestic thermal coal over a 17 year period can be correct (except for the fixed price of the domestic contract).

The seven year extension period from 2027 to 2033 is expected to solely produce high ash thermal coal. The possibility of a market for this product is highly unlikely by that time.

The Association believes that the predicted production of 144.1 Mt of saleable coal between 2016 and 2033 is likely to be inflated based on the previous record of poor predictions of coal availability at this mine.

The economic assessment is based on very tenuous gross revenue calculations.

The Association considers that the job numbers used in the WEP assessment are also inflated. There is further discussion on this issue.

7. Justification for project

The Association does not support the justification for the WEP.

7.1 Domestic power supply

The original justification for the Wilpoinjong Mine when approved in 2006 was to provide a secure supply of low quality coal to the Bayswater Power Station. The granting of the exploration licence to Excel Coal was based on the success of gaining a 19 year contract with the then government owned generator.

The three community newsletters put out by Peabody, with information about the WEP, all refer to the electricity supply from Bayswater on the front page. This appears to be sending a message about the significance of the WEP for providing power to the people of NSW.

The contract to supply the power station, now owned by AGL, can be met by the current approval.

The proposed extension by 7 years to 2033 will not be supplying domestic coal. There is no indication that there will be a continuing export market for high ash thermal coal into the future. The viability of the Wilpinjong operations is marginal, at best.

7.2 Predicted job numbers

The WEP is based on a conflicting number of jobs with no rationale provided for the numbers used in the EIS. The volume of coal to be extracted will not change from the currently approved 16 mtpa with a workforce of 550.

The prediction is for a peak operational workforce of 625 plus 'up to approximately' 100 construction workers in the first 18 months and 'up to' 40 construction workers at other times.

The economic report is based on an operational workforce of 549 FTE in 2017, before peaking at 623 FTE in 2024, and gradually declining to 149 FTE in 2033 (App M p16). The construction jobs forecast include 75 FTE in 2017, 30 FTE in 2018 and 30 FTE in 2024.

The SIA is based on peak employment periods of 650 in 2017 and 663 in 2024. (App N p6)

The traffic assessment report is based on current employment of 476 - 223 employees and 145 contractors at March 2015 while the minutes of the June 2015 CCC meeting quote a current workforce of between 420 and 440.

The high discrepancy between job numbers used to extract and process 16 mtpa ROM coal needs to be addressed.

Table 1.1 Project Summary in the EIS Main Report summarises the key changes to current operations in the WEP. These consist of an additional open cut pit, an additional 8.9 Mbcm annual waste rock, an additional 0.4 mtpa product coal.

Main Report p 2-23 states that the EIS provides indicative project general arrangements for approximately Year 2, Year 4, Year 8, Year 12 and Year 15 (shown in Figures 2-8 to 2-12). These general arrangements are based on planned maximum production and mine progression.

'The mine layout and sequence may vary to take into account localised geological features, coal market quality and volume requirements, mining economics and Project detailed engineering design'

This indicates that quite different arrangements, coal volumes and employment requirements may occur.

Main Report p 2-36 Table 2.3 *Indicative Mine Schedule* gives a prediction of the volume of waste rock and volume of ROM coal to be produced each year for 17 years. There appears to be no indication that a major increase in production will occur in 2024.

The noise assessment is based on the same number of total mining fleet in 2018 and 2024 (App A, AppH1 & H2)

Main Report p 2-41 Table 2-4 *Indicative coal processing and production schedule* demonstrates that ROM production, processing rate and product coal volume all drop by 2024.

There is no indication given as to why job numbers will peak in 2024 (WEP Yr 8) as assessed in both the economic and social impact assessments.

Main Report p 2-59 includes the following extract on workforce numbers:

'Wilpinjong Coal Mine has an approved workforce of approximately 550 people. The project would require would require an increase in operational workforce of approximately 75 personnel.'

Therefore, at full development, the proposed Project operational workforce would be in the order of 625 on-site personnel. This would occur in the period between Year 2 and Year 8 and would comprise a combination of direct WCPL employees and on-site contractor's personnel.'

No rationale has been provided for these predictions and no description of what the additional workforce will be doing.

The Association considers that the predicted job numbers are highly inflated and need to be explained more thoroughly.

7.3 Noise mitigation measures

As outlined in the above section on the noise assessment, the Association objects to the rationale to increase the PSNL based on the cost of noise mitigation. This is cost shifting the impacts of the WEP onto the community with no assessment of health impacts and cannot be justified. The consideration of property purchase to be one of the most cost effective mitigation measures has not been assessed for social impact. The proposal to mine in Pit 8 will have greater impacts than assessed in the EIS. The assessment of the full impacts of noise from operations in Pit 8 cannot be left till after the approval. This issue needs to be dealt with during the assessment process.

7.4 Final voids

The Association does not support the proposal to leave three final voids in the landscape. The Association does not accept the justification for the retention of final voids based on cost effectiveness for the mining operation. This is a long-term cost shifting exercise onto the environment and future generations, not only the toxic legacy of highly saline water polluted with heavy metals, but also the sterilisation of land for productive use.

The cumulative impact of the proposal to shift the Pit 6 final void immediately adjacent to the Moolarben Open Cut 4 final void is not acceptable and has not been assessed.

The impact of possibly combining of two voids has not been assessed and cannot be left to discussions between the two mining companies. This issue must be thoroughly examined through the assessment process. If there is an option to rationalise the voids between the two mines (Main Report p 3-9) this should be assessed in an open and transparent manner, as part of the WEP assessment.

If the operation cannot generate enough income to backfill all open cut disturbance, then it is not a viable mine and should not be approved.

8. Rehabilitation Plan

The Association considers that the plans for rehabilitating an increased 800 ha of disturbed land in addition to the currently approved 1900 ha are not comprehensive and require more detail.

The proposal for mine rehabilitation to provide ecosystem and species credits to achieve biodiversity offsets has not been clearly addressed in the EIS.

The climate change projections for Australia and Central West NSW are presented in the EIS. By 2030 warming of mean temperatures in the central west climate is predicted to rise by 0.7° C. A

substantial increase in days over 35°C, fewer frosts and increased evaporation is considered likely. The variations in rainfall will impact on planning for farming operations and the success of mine rehabilitation.

The rehabilitation strategy aims at progressive rehabilitation of disturbed areas revegetated with native woodland/open forest species and pasture with scattered trees. There is no indication of how this will be achieved and finalised within the context of climate change variables.

Weather conditions post 2030, when final landforms for the WEP are expected to be completed, will be more extreme than those occurring today. It is important that the rehabilitation management plan consider extreme weather events and their likely impact on the successful rehabilitation of the mine site.

This assessment needs to occur at this stage of the planning process.

9. Water impacts

The Association is concerned that the groundwater assessment identifies that the bore at Wollar School will drop by up to 6 metres due to drawdown impacts from mining.

There is no analysis of the impacts on bores associated with Peabody owned property. Many houses in Wollar village depend on bore water to supply laundry and toilet requirements. The long term impacts on this housing stock post mining needs to be addressed.

10. Cumulative Impact assessment

The Association considers that the EIS comprehensively fails to assess cumulative impacts on all aspects of the assessment requirements.

The WEP assessment fails to meet the Secretary's Requirements and should be rejected on this count.

Objectives of Environmental Planning and Assessment Act 1979 (EP&A Act)

The Association considers that the WEP fails to meet the objectives of the EP&A Act. In particular Section 5 a) to encourage:

- (i) the proper management, development and conservation of natural and artificial resources, including agricultural land, natural areas, forests, minerals, water, cities, towns and villages for the purpose of promoting the social and economic welfare of the community and a better environment,
- (ii) the promotion and co-ordination of the orderly and economic use and development of land,

The systematic destruction of the Wollar community and threat to the viability of Wollar village has been counter to the above objectives in that there has been a failure of *'proper management, development and conservation'* of Wollar village with the *'social and economic welfare of the community'* being basically destroyed.

There has been no ‘orderly’ development of the Wilpinjong Mine. The various expansions have been ad hoc and haphazard with no consideration of the social and economic consequences on the local community.

A case in point was the application for Modification 6 being lodged prior to the approval of Modification 5. This piecemeal planning approach has been very detrimental to the Wollar community with no genuine assessment of the cumulative social impacts.

The poor assessment of resource availability and coal quality, in the first instance, has caused the proponent to seek ongoing approvals for increased extraction rates and increased areas for extraction because of the poor quality of the resource and the need to mix various quality extractions to meet contract specifications.

These modifications involved increased numbers of mobile plant & machinery, increased blasts, increased train movements and a range of other environmental impacts that have escalated since the Wilpinjong Mine was approved in 2006.

This development has not been conducted in an orderly manner.

The Association considers that the WEP is another example of the lack of co-ordination and orderly approach to land development. A number of serious issues have not adequately addressed in the EIS including cumulative impacts, sterilisation of land in final voids and the long-term use of land currently in Peabody Energy ownership.

Peabody commitments

The Association notes that the Peabody mission statement includes:

- *‘Sustainability: We take responsibility for the environment, benefit our communities and restore the land for generations that follow.’*

We consider that the long-term social damage inflicted on the Wollar community and the proposal to leave three final voids in the post-mining landscape is an abrogation of these values.

The cumulative environmental impacts of the WEP have not been clearly or adequately assessed in relation to the current mine impacts or in relation to the impacts of the Moolarben, Ulan and Bylong mines.

There is deep community concern about the long-term outcomes for all the land owned by mining companies between Ulan and Bylong. The current example of land ownership and sale arrangements associated with the nearby Cobbora Mine in the Laheys Creek area demonstrates the extent of disruption to rural enterprises and generational farming skills caused by the purchase of large tracts of land to mitigate mining impacts.

There appears to be very little consideration of, or planning for, land use opportunities post-mining in this large extent of land owned by mining companies in the Mid-Western Regional LGA.

The aim of the Local Environment Plan is to:

'to provide a secure future for agriculture through the protection of agricultural land capability and by maximising opportunities for sustainable rural and primary production pursuits'

It is very difficult to see how this aim will be achieved in the long-term with so much agricultural land now in the ownership of mining companies.

The EIS claims that *'WCPL has a strong record of compliance with its environmental obligations for the Wilpinjong Coal Mine under Project Approval 05-0021 (as modified). WCPL has established and is committed to continuing open and constructive dialogue with the local community and stakeholders regarding environmental management as part of its operations.'*

The Association disagrees with this statement on a number of levels.

The strong record of compliance has been met mostly through the 'proactive purchase strategy' ie the ongoing, unassessed social impacts of removing private landowners from the Wollar community. Many land owners taking up purchase opportunities do so because their health and amenity has been seriously impacted by mine pollution. It has been a difficult choice for them to sell property that has had a lot of personal time and capital investment.

Peabody has not been able to comply with conditions of approval without the decimation of the Wollar community.

Ongoing problems for the community relating to noise, dust, spontaneous combustion odour, blasting, mine traffic and general loss of amenity are caused through a combination of current NSW Government policy, monitoring methodology and poor regulation. These issues will be expanded on later.

The issue of open and constructive dialogue with the local community is also a concern. The engagement with the Community Consultative Committee (CCC) is a regulatory requirement. Committee members have had a range of poor experience with company responses to questions raised during CCC meetings, including outright refusal to provide an answer.

An example of this was in the March 2015 CCC meeting when the company was asked why all private property owners in Wollar village had been approached to sell in December 2014.

A regular turnover of staff over the past 9 years, particularly the role of community liaison, and some very aggressive behaviour in relation to property acquisition, has not been constructive from the community perspective. Many residents also find that responses to complaints are not constructive or open.

The regular monthly 'Have a chat' sessions at Wollar Shop have not been taken up by many remaining private residents in the district because it is considered to be a waste of everyone's time.

The Association requested that Peabody conduct a public meeting in Wollar during the development of the EIS in 2015 to update the community on the WEP. This request was refused.

The Association then conducted our own public meeting in June 2015 to inform the broader community of information received through the CCC. Peabody was invited to attend this meeting to provide information and declined the invitation.

Alan Aylward of Opteon Property Group, employed by Peabody as an independent valuer to negotiate the sale of private property in Wollar, was also invited to attend the public meeting to explain the valuation process. Mr Aylward also declined the invitation.

In regard to Peabody benefiting the community, the Association has lost a large number of active volunteer members because the unbearable impacts of the mine has caused them to take up offers of acquisition and leave the district. The company has supported the Association with a one-off grant to cover insurance liabilities in 2014. A letter was received in 2015 stating that Peabody would no longer provide financial support to the Association.

The main dialogue with the community has been in relation to negotiating acquisition of property. The current push to purchase all remaining private properties within Wollar village is related to both meeting current compliance and demonstrating that the WEP would have no impact on private property.

The Association considers that the company approach to community dialogue over the past 9 years through a number of different members of staff has been less than 'open and constructive.'

The community is also distrustful of the industry because the original mine proponents, Excel Coal, had promised prosperity to the Wollar community, jobs for local people and no impacts from the mine.

The experience over 10 years of modification and expansion since the sale to Peabody Energy has had the opposite outcome for the community. The level of distress caused by the WEP is considerable.

Current operations & regulatory failure

1. Noise

Current conditions of approval for noise require the operation to comply with a 35 dBA limit at evening and night in Wollar village and at all times at all other private properties. As the operations move to the east within the current mining lease, it has been increasingly difficult for mining to continue uninterrupted by shutdowns.

It is noted that mining operations apparently cannot be conducted concurrently in Pit 3 and Pit 7 without breaching noise conditions. This is despite all previous predictions indicating that the mine could operate under the 35 dBA noise limit to the eastern extent of the mining lease.

All attended monitoring reported to the CCC, with pit operations, since June 2015 has demonstrated that full mining fleets are not operating in both Pit 3 & Pit 7 while compliance monitoring is occurring.

The noise management strategy includes an alarm system that causes machinery to shut down when the real time monitor in Wollar approaches 35 dBA. However, residents in the village have often found that it is only through a complaint that noise levels are reduced.

The mine operators allow the noise breach to occur for up to 30 minutes before starting to shut down the source. This causes sleep disturbance and annoyance impacts.

There has been no record of a formal breach of noise conditions at the mine, even though, over a long period of time, private residents have been aware of noise levels going above 35 dBA.

This is a regulatory failure in that real time monitoring results are not used as a compliance measure for noise.

The Association considers that the Industrial Noise Policy does not protect rural communities from the impacts of intrusive industrial noise produced by large mining operations. The key reason for this is the blanket background noise level of 30 dBA which is not representative of quiet rural areas.

2. Spontaneous combustion

Conditions of approval include the management of Odour:

16. The Proponent shall ensure that no offensive odours are emitted from the site, as defined under the POEO Act.

Under the POEO Act offensive odour is defined as:

‘ *offensive odour* means an odour:

- (a) that, by reason of its strength, nature, duration, character or quality, or the time at which it is emitted, or any other circumstances:
 - (i) is harmful to (or is likely to be harmful to) a person who is outside the premises from which it is emitted, or
 - (ii) interferes unreasonably with (or is likely to interfere unreasonably with) the comfort or repose of a person who is outside the premises from which it is emitted,’

The Wollar community has been regularly impacted by offensive odours emitted from the Wilpinjong Mine through various sources of spontaneous combustion events.

However, there has been no attempt by Government agencies to penalise the company for these breaches of condition. While a lot of effort has been put into upgrading the spontaneous combustion management plan, removing the Keylah Dump and better monitoring of coal stock piles, there are still instances occurring when offensive odours leave the mine site.

The Association strongly disagrees with the conclusions of the study commissioned by Peabody (Pacific Environment Limited, 2014) that it was ‘*unlikely that spontaneous combustion at the mine was the primary source of the odour nuisance.*’

This report is a perfect example of lack of open and constructive dialogue with the Wollar community. There have never been sulphur dioxide odour problems in the district prior to the commencement of mining operations at Wilpinjong Mine. To commission a report that attempts to prove otherwise has not helped community relations.

Figure 2-5 in the EIS Main Report demonstrates a high propensity for spontaneous combustion. An offensive odour is often noticeable during mining operations, eg driving past Pit 3 at night. Management of mining emissions is also required as well as the management of coal stockpiles and rejects emplacement.

Main Report p103 indicates that a review of spontaneous combustion propensity characteristics is being conducted throughout the target coal seams, including partings. It is imperative that this information is provided as part of the assessment for the WEP.

The original assessment in 2004 concluded that there would be low or no propensity for spontaneous combustion at the Wilpinjong Mine. This again indicates a poor assessment and approvals process that has caused major environmental impacts.

The Association strongly objects to the proposal to undertake spontaneous combustion propensity testing in Pit 8 after approval. It is essential that this information is available to the community and decision-makers during the assessment process.

The Association also objects to the conclusion in the air quality assessment for the WEP that the source of odour appears to be upwind of the Wollar village and the mine ie to the east. (App B p 27). There is no attempt to explain what this source might be and why it has not emitted offensive odour prior to the commencement of mining at Wilpinjong.

The removal of the Keylah Dump, a key source of spontaneous combustion and offensive odour, has been afforded a number of extensions of time over the past few years. The latest deadline of October 2015 has been extended to June 2016. Peabody plans to excavate the remaining dump between April and June. Temperature inversions during this time are likely to cause offensive odours to leave the mine site.

The Association considers that the regulation of condition 16 has been very poor to the detriment of the environment and community well-being.

3. Dust

While current methods of monitoring dust demonstrate compliance with regulations, this has not stopped coal dust from entering homes, public buildings and water tanks in the Wollar district. Dust swab analysis undertaken by the EPA in Wollar in 2014 demonstrated traces of coal dust on surfaces in kitchen areas and other parts of residences and community buildings.

The Association considers that the current management of coal dust from mining and passing coal trains is not protecting community health.

It should not be a community responsibility to prove the source of coal dust entering homes. The industry should be managed more rigorously so that coal particles do not leave mine sites or rail wagons.

The broader issue of dust management from exposed land and overburden emplacements needs to be addressed.

The Association notes that the NSW Government signed a Commonwealth Agreement in December 2015 that requires new standards for dust management to be applied, *Variation to the National Environment Protection (Ambient Air Quality) Measure 2015*.

This includes an annual average PM₁₀ standard of 25µg/m³ and an annual average PM_{2.5} standard of 8 µg/m³. The Association considers that the dust emissions from the WEP must be

assessed under these new standards, as they will be informing the new conditions of approval, if approved.

This reassessment may have an impact on identified acquisition rights for private property. Therefore, it is critical in understanding the social impacts of the proposal.

4. DPE position on property acquisition

The Association was dismayed to find the DPE comments on the Peabody property acquisition policy as provided in the Secretary's Assessment Report for Wilpinjong Modification 6.

These comments included the following quotes:

The Secretary's Assessment Report notes on p7 that Peabody has 'acquired several properties surrounding the mine at the request of various landowners, even though it was not required to do so under conditions of approval. The Department has been and is supportive of this proactive approach.'

The Secretary's Assessment Report also notes in Table 3 p9 that 'While the Department does not consider the reduction in residences, services and facilities to be a desirable outcome for the area, it notes that property acquisitions have led to a substantial buffer around the mine, and given many people living close to the mine the opportunity to move away.'

The Association is concerned that DPE did not recognise that landowners approaching Peabody to sell were being impacted by the mine to a greater degree than predicted. To paint Peabody as a benign buyer of property, even though not required under conditions of approval, is to misunderstand the extent of health and social impacts caused by current operations.

The EIS notes these comments and considers them an endorsement for the possible ongoing purchase of property and decimation of the community structure.

The Association would appreciate a clear policy position from DPE on the land use conflict between mining and rural communities. We also seek assurance from DPE that the full social impact of property acquisition will be taken into account.

CONCLUSION

The Association considers that the social and environmental impacts of the WEP far outweigh the perceived public benefit. The EIS has provided a highly inadequate assessment of these impacts in order to present a biased picture of the proposal.

The Association believes that the WEP should be rejected on the current information provided.

Recommendations:

The Association considers that decision-makers have not been provided with adequate information to fully assess the impacts and benefits of the WEP.

Further assessment is required:

1. Improved Social Impact Assessment with a focus on the social impacts of the WEP
2. Economic assessment revised with revised job numbers and coal prices
3. The noise assessment revised with current PSNL, correct assessment of low frequency noise, sleep disturbance impacts and road traffic noise
4. Biodiversity impact assessment including adequate Koala survey and monitoring of current mining operations in Munghorn Gap Nature Reserve and Goulburn River National Park.
5. A more comprehensive description of rehabilitation methods is needed
6. Spontaneous combustion propensity testing in Pit 8
7. Dust emission predictions under the new standards for PM₁₀ and PM_{2.5} ambient air quality.
8. The traffic assessment revised with accurate movements through Wollar village