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17 July 2017

**Submission: Mount Pleasant Modification 3**

Thank you for the opportunity to make a submission on this modification proposal.

We object to this modification and urge the Department of Planning to uphold basic environmental standards and principles of comprehensive and transparent mine planning and assessment by refusing it.

The development consent for the Mount Pleasant mine is nearly 20 years old. The environmental, social and economic context for the project has changed substantially since it was comprehensively assessed under the *Environmental Planning and Assessment Act 1979*. The Department of Planning has allowed a modification of the consent twice already and introduced some contemporary management practices into the consent in the process. But the proponent has not, until now, proposed to extend its mining operation beyond the date of the original extent. With this modification and the proposal to extend the life of this mine, the proponent and the Department of Planning must take into consideration the profound changes in the environment that have taken place since this consent was granted. The Environmental Assessment fails to do this and deliberately leaves uncertain the extent and future impact of this project on the surrounding community.

The assessment is inadequate and incomplete but nevertheless reveals that this project will worsen cumulative noise and air pollution impacts that are already beyond tolerable levels and breaching statutory goals in Muswellbrook and the district. This was not the case when the consent was granted but it is the case now and this fundamental change means that this modification to extend the life of mining operations at Mount Pleasant cannot and must not be granted.

Since this project was approved in 1999, the surrounding area has changed substantially. Muswellbrook has changed and grown in that time, growing by nearly 3,000 people. The Mangoooola open cut mine commenced operation in 2007. Even since the first modification of the project, which was assessed in 2010, there has been significant change in the environment and economic context for this project. The Mount Arthur mine was approved to expand in 2008 and in 2010 and then again in 2014. The Bengalla mine was granted approval to expand in 2015. The air quality in the local area has deteriorated and the noise from mining operations in the vicinity has grown worse. Many farms and properties have been bought by mining companies, and the thoroughbred breeding industry has expressed vocal concern about the expansion of further open cut mining operations in the area and the threat such operations pose to its continued existence.

If this mine proceeds, and the expansion of Bengalla and the Dartbrook open cut proceed, then the area immediately to the North of Muswellbrook is going to be a 20 kilometre string of open cut pits. Idemitsu is similarly proposing an adjacent open cut called West Muswellbrook.

The environment in which this project seeks to operate has fundamentally altered and an extension of mine life in such circumstances is not a simple matter but requires a reconsideration of the project's impacts, particularly its cumulative noise, air quality and water impacts, given the expansion of mining around it. Similarly, the Central Hunter Valley Eucalypt Forest has been listed nationally as a critically endangered ecological community, new methods for assessing biodiversity impacts have been introduced, and hundreds or perhaps thousands of hectares of bushland has been approved for clearing in the region since the mine was approved. This changes the assessment of significance of the impact of this mine on biodiversity, though the amount of clearing remains largely the same.

The need for a new and cumulative impact assessment of this project if it is proposed to continue operating beyond 2020 is clear in the Air Quality assessment provided for this modification. Table 4-1 shows that the maximum 24 hour average  $PM_{10}$  concentration recorded at Muswellbrook North West, Muswellbrook and Wybong was above the  $50\mu g/m^3$  criteria every year from 2012-2015. As Table 4-2 shows, annual average  $PM_{2.5}$  concentrations in Muswellbrook are already well over the  $8\mu g/m^3$  criterion and 24 hour average concentrations of  $PM_{2.5}$  are also in breach of the  $25\mu g/m^3$  goal. The Air Quality assessment blames wood heaters for this, citing the seasonal elevation in cooler months, which is the opposite of the spikes of  $PM_{10}$  that occur in the warmer months but this is not relevant to the question of whether this modification, extending the life of this mining project, and adding to the load of particulate pollution in Muswellbrook beyond 2020 is appropriate and acceptable, given the already too-high levels of particulate pollution in Muswellbrook and the surrounding areas.

In January 2017, the EPA gazetted new Approved Methods for the Modelling and Assessment of Air Pollutants in New South Wales, including updated air quality goals for annual concentrations of  $PM_{10}$  and a goal for  $PM_{2.5}$ . The new proponent of Mount Pleasant states that, "these updates are not reflected in the Development Consent and EPL conditions for the Mount Pleasant Operation (or any other project in the vicinity) and therefore are not used to evaluate compliance for the existing operations. (Mod 3 Environmental Assessment Appendix B)." Since operations have not begun for this mine, this statement is misleading and this approach unacceptable. This modification application was lodged subsequent to the updated Approved Methods being gazetted and therefore the operations under Modification 3 must be subject to those approved methods. This certainly includes all mining activities post-2020 but given the 67 hectares expansions of the area that will be subject to overburden emplacement, we argue that the entire operation must be assessed against the current Approved Methods.

It is equally unacceptable that the Department of Planning's Voluntary Land Acquisition and Mitigation Policy is now inconsistent with the Approved Methods. People living with the air pollution impacts of coal mines will be stuck with unacceptable health impacts if the VLAMP is strictly applied using the out-dated and inappropriate criteria. The Department of Planning must ensure that the VLAMP is amended before this and any other coal mine or mine modification is determined.

The Air Quality assessment studies only three years of mining and incorrectly describes these as "scenarios" - "stages" would be a more accurate. This assessment is incomplete and does not provide an adequate basis to inform a decision to grant this modification. Nevertheless, it is clear that this project will contribute to increased cumulative loads of particulates leading to damaging

health consequences for people in and around Muswellbrook. Table 6-1 of the Air Quality Assessment lists six places where this project is expected to contribute to PM<sub>10</sub> levels going above the annual average concentration limit, but the proponent attempts to divest itself of responsibility for this by highlighting the small percentage it contributes to this overall cumulative load. Table 6-4 makes it clear that there will be as many as seven extra days per year when the PM<sub>2.5</sub> goal is breached. This pollution is causing respiratory illness in Muswellbrook and surrounds and the Department of Planning cannot grant approval for this modification and accept this worsening of the burden of pollution on these communities.

The air quality assessment claims that the mine's air quality impact is effectively reversed by "predictive/reactive measures" mentioning only "temporarily pausing activities in the pit and overburden during periods of elevated dust." These measures, it is claimed reduce to zero across the board in all years the number of days when air quality standards are exceeded. These enhancements or measures are described in the barest terms and there is no information about how the model incorporated them. This is not credible, and we request peer review of the air quality assessment of this modification.

The Mount Pleasant transport corridor has been approved for mining by the Bengalla mine and the two proposals are now in conflict with each other because Mount Pleasant was supposed to have concluded by 2020. For this reason, the company admits it will need to modify again: "The engineering studies will identify alternative potentially viable infrastructure arrangements that would provide product coal transport for the life of the Mount Pleasant Operation that are located outside of the approved Bengalla Mine open cut." With this modification, the company is seeking approval to extend operations to at only 2026 and also reveals that further modifications will be sought to extend beyond this date.

Indeed, in the Air Quality assessment the scenario, Year 2025 is nominated as the time "when activity is at a peak level and the active pit has reached its full extent." It is unacceptable for the proponent of this mine to not bother assessing the ongoing impact of mining beyond 2026 and to the mine's eventual closure. The Department of Planning and the Planning and Assessment Commission cannot and must not grant a consent for a mine that does not continue through to the completion of mining and rehabilitation of the site.

The same unacceptable failure to assess the full life of this project is evident in the assessment of its impact on water. The "site water balance assessment" discusses both water demand and supply and proposed discharge of mine affected water. The discussion of the water discharge does not provide any chemical analysis of the water that will be discharged. A rough estimate of the likely salinity of this water is based on the salinity of water at Bengalla but there's no information about the toxicity of the water or analysis of the impact this will have on water quality in the Hunter River. Like the air quality assessment, the discussion of water impacts considers the impact of only three indicative years and gives no indication of what will happen on the site or what the impacts of activities will be beyond 2025. This water assessment is unclear but seems to indicate that the proponent does not expect to have sufficient water available to undertake its dust suppression activities at all times.

The demand for water from the Hunter River is confusingly predicted to be "at least approximately 700ML" but Figure 14 indicates that at times demand for Hunter River water is going to be more than twice that amount. The proponent claims to have 714ML of High Security licences and 829ML of General Security licences. The water balance is not presented in a manner that provides clear information to the public and we seek the Department's assurance that this assessment will be

amended so that the full life impact of the operation is presented and a peer review conducted of both the water demand and impact of discharge is undertaken.

The economic context for this project has also changed. Following the crash in the coal price two years ago, production has stabilised and so has the price. Additional thermal coal supply being brought into the Hunter Valley Coal Chain runs the risk of returning to oversupply and another drop in the price of coal. This in turn puts existing jobs and the viability of the industry overall at risk. The Office of the Chief Economist released its latest *Resources and Energy Quarterly* in June 2017. This predicts, for perhaps the first time in two decades, a fall in thermal coal production in Australia and in export volumes this financial year and next. Prices for black coal price are also predicted to fall. Relatedly, the Resources and Energy Quarterly predicts a fall in thermal coal imports into Asia overall and into China, India and South Korea specifically. The global coal trade is predicted to contract for the next three financial years.<sup>1</sup> This context is the reverse of the context in 1999, when rapid and long-term growth in thermal coal demand was forecast. Approval of this modification and the extension of mining at Mount Pleasant beyond the originally approved 2020 end point could have significant negative economic consequences for the Hunter and Namoi thermal coal industry that is not considered anywhere in this environmental assessment.

Apparently, the proponent is counting on the Department of Planning and the Planning Assessment Commission to grant a further modification at a later date to extend mining in time, and, for all anyone in the public knows, in space as well. This is an abuse of the development assessment process and an unacceptable corner-cutting. The proponent must present a full life of mine assessment, informing the public as to the number of years that mining is intended to continue beyond the current expiration of 2020, and outlining when and how mining will wind down, cease and be rehabilitated.

The Mount Pleasant Environment Impact Statement proposed 21 years of mining and the assessment for this modification confirms that “it is anticipated that the Mount Pleasant Operation would continue to operate for at least the originally approved 21 year period.” And yet, the proponent is seeking this modification to extend the life of the consent only until 2026. No explanation is offered for why the impact of a further eleven years of mining has not been assessed. This is completely unacceptable and this modification cannot be granted for such an open-ended proposal.

Seeking this modification, without having resolved the conflict with Bengalla and determined where the alternative transport corridor will be located and without laying out a full life of mine plan for the site shows a contempt for the long-suffering local community. Surrounding landholders have lived with uncertainty over this project for years and this modification continues and deepens that uncertainty. This modification should be refused and the company compelled by the Department of Planning and Environment to draw up a final and certain proposal that can be assessed on its merits and refused if it is found that the change in surrounding land use since this project was approved render its cumulative impacts unacceptable.

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<sup>1</sup> Office of the Chief Economist. June 2017. Resources and Energy Quarterly. Accessed 17 July 2017 <https://www.industry.gov.au/Office-of-the-Chief-Economist/Publications/ResourcesandEnergyQuarterlyJune2017/index.html>