

Mining and Industry Projects
NSW Department of Planning & Infrastructure
GPO Box 39
Sydney NSW 2001

Forwarded through the on-line submission system

July 6, 2014

Personal Submission Opposing Airly Colliery DA 162/91 Modification 3

1. In summary

I totally oppose this latest move by Centennial to turn the Airly Colliery into a viable operation at the expense of heritage and the environment.

If Centennial cannot make this mine profitable without compromising the environment and industrial heritage of the Mugii Murum-ban State Conservation Area, unacceptably impacting the local tourism industry, and releasing polluted water to the Greater Blue Mountains World Heritage Area, then its proposals should be rejected.

2. The situation

The right to mine coal was originally granted in 1991 under DA 162/91. The operation was effectively mothballed for many years, but Centennial became involved in 1997 and after extensive evaluation, mining was restarted in 2009-10 under a range of very strict conditions which were designed to ensure the integrity of internationally significant pagodas and their associated cliff-lines, and also protect the heritage of the Oil Shale Ruins (currently recognised by the NSW office of heritage). The negotiated conditions, in acknowledgement of the proposed Mugii Murum-ban State Conservation Area (SCA) (formally reserved in March 2011), **involved low-impact extraction such that half the coal resource would be left in the ground to protect the biodiversity and geodiversity of Genowlan and Airly mesas.**

Falling coal prices and 'unforeseen' operational conditions resulted in the mine being placed on care and maintenance in January 2013. Centennial then announced (in 2014) that it would seek approval to renew Airly Mine's existing planning consent. As part of this, it hoped to extend mining operations into the eastern section of the mine's current Mining Lease, continue the underground mining operations, increase the mine's coal extraction capacity and upgrade existing site infrastructure.

Modification 3 is the first component of this 'new' proposal. It aims to extend the original 1991 development consent to October 2015, whilst a substantial mine-extension proposal (SSD 12_5581) is prepared. This is a classic case of Centennial saying 'heads we win and tails you lose'. The modification would essentially legitimise high-impact operations stemming from a time (1991) when environmental outcomes received relatively little attention. By enshrining these past conditions, Centennial will provide a cushion against coal-price fluctuations and effectively renege on the commitments made in relation to preserving the attributes of the Mugii Murum-ban SCA.

In contrast to Modification 3, the Greater Blue Mountains World Heritage Area Advisory Committee contends that the environmental and heritage values of the Mugii Murum-ban SCA are sufficiently important for the SCA to be added to the World Heritage Area once mining has ceased. My knowledge of the area is fully in accordance with this longer term objective.

I strongly believe that Centennial must be held to the commitments made in relation to limiting mine subsidence to 125 mm or less. Whilst these commitments were made when coal-prices were higher, Centennial

Coal and its current owner (Banpu Minerals) made commercial decisions about Airly and now wish to move the goalposts to the detriment of the environment. This is unacceptable. **Environmental and heritage interests should not be sacrificed on the altar of apparently poor business decisions.**

3. Specific aspects

3.1 Inappropriate consent conditions

The 1991 development consent is 23 years old. There has been considerable progress in limiting the worst impacts of underground coal mining over this period. Even the industry recognised the need to limit mining-induced subsidence by supporting the introduction of subsidence management planning in 2004, although the outcomes from this process have left much to be desired¹. This obsolescent consent is of even greater concern when it involves mining beneath an SCA.

Allowing mining under the old regulatory framework which permits up to 1.8 m of subsidence and invites the associated destruction must not be countenanced; it must not be allowed in terms of any variation of Modification 3. Furthermore, if not rejected, a potential precedent might be cited in justification for up to 1.8 m of subsidence under the proposed new major project assessment (Airly Mine Extension Project, SSD 12_5581).

3.2 What should happen instead?

It is clear that the regulatory framework for development control over old consents should stipulate an environmental review and issue of a **new consent for the entire mining operation**. The 1991 development consent for this mine should therefore be revoked and a new development application should be provided for the **whole mining operation**.

The corollary of the above is that, contrary to Centennial Coal's wishes, the environmental assessment for Airly Mine Extension Project, SSD 12_5581 **must not be constrained to the new lease area**.

In the event that (despite the above) the need for a form of Modification 3 remains, it should be varied to ensure that the maximum vertical subsidence not exceed 125 mm, the maximum tilt be 2.5 mm/m or less, and the maximum strain be 2.0 mm/m or less.

3.3 What must be protected?

- **Pagodas, cliff-lines, surface water, groundwater, biodiversity, and oil-shale heritage from major levels of subsidence:** Modification 3 would allow full extraction outside Environmental Protection Zones thereby permitting in the order of 1.8 m of subsidence. This is inconsistent with the objectives of an SCA and should be opposed by the Department of Planning & Environment such that Centennial's original commitment to extract only half the coal is honoured. It is emphasised that the Oil Shale Ruins have major heritage value and must not be desecrated in the interests of Centennial's profit margin.
- **The scenic values of the area and its tourist industry:** there is no argument about the scenic beauty and visual amenity from the viewpoint of tourism. Cliff collapses and rock slides will scar the SCA if not prevented by limiting subsidence parameters to the levels stated in Section 3.2. But there are other eyesores which impact on scenic values: waste dumps and stockpiles constitute visual pollution and should be screened such that they are not visible from frequently visited tourist look-outs. When the coal companies move on, tourism will continue. **It is fundamental that the destructive capacity of mining should not usurp natural values as the basis for tourism.**
- **The Greater Blue Mountains World Heritage Area:** operations under Modification 3 will (if approved) discharge saline mine-make into Airly Creek and thence into the Gardens of Stone National Park within the Greater Blue Mountains World Heritage Area. For too long, approval conditions have failed to

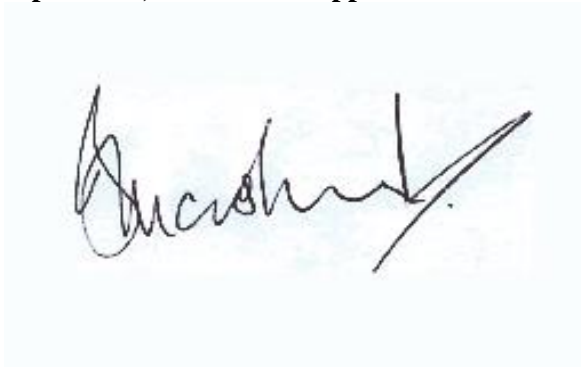
¹ For example, http://www.minterellison.com/nl_200912_erc/

adequately protect surface waters from mine discharges including mine-make and 'leakage' from waste dumps and product dumps. It should be a condition of approval that mine effluent and 'recovered leakage' be treated to a level where its chemistry is consistent with that of the receiving watercourse.

3.4 Acknowledgement and conclusion

I accept that an SCA is a form of reservation which could be compatible with underground mining where the latter is designed to have a low impact on environmental and heritage concerns. The original commitments by Centennial at Airly Colliery largely met such requirements; the Modification 3 and Centennial's current thinking in relation to the Airly Mine Extension Project, SSD 12_5581 largely do not.

Once again, good intentions seemingly negotiated in good faith could be subverted by economic expedience; it must not happen!

A handwritten signature in black ink, appearing to read 'Brian Marshall', with a long, sweeping horizontal stroke extending to the right.

***Dr Brian Marshall,
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LEURA, 2780.***