

Mr Stephen O'Donoghue
Senior Planner
Mining and Industry Projects
Department of Planning and Infrastructure
GPO Box 39
SYDNEY NSW 2001

Attention: Matthew Riley

Dear Mr O'Donoghue

**Watermark Coal Project (SSD 4975)
Environmental Impact Statement Review**

I refer to your email of 26 February 2013 regarding the Shenhua Watermark Coal Pty Limited (Shenhua) application to develop the Watermark Coal Mine.

NSW Trade & Investment, Regional Infrastructure & Services, Division of Resources & Energy (DRE) has reviewed the *Watermark Coal Project Environmental Impact Statement* (EIS) dated February 2013 and provides the following comments which are directed at specific areas of DRE responsibility for this proposal.

MINING TITLE

As coal is a prescribed mineral under the *Mining Act 1992*, the proponent is required to hold appropriate mining titles from DRE in order to mine this mineral. DRE understand the proposed mining activities for the Watermark project are within Exploration Licence 7223 and that Shenhua will submit a mining lease application for the whole of the Watermark Coal Project Area, as define in the EIS.

Under the *Mining Act 1992*, mining and rehabilitation are regulated by conditions to the mining lease, these include requirements for the submission of a Mining Operations Plan (MOP) prior to the commencement of operations, and subsequent Annual Environmental Management Reports (AEMR).

REHABILITATION

DRE recommends the following issues be addressed by the Proponent prior to the granting of any planning approval.

The EIS has identified general rehabilitation strategies and objectives that may be considered satisfactory to achieve a safe, stable and non-polluting final landform, but does not provide an adequate description of the Watermark

Project's functional domains including tailings dams, waste emplacements, final voids, infrastructure areas. In addition, the EIS does not adequately describe the functional domains of the project for rejects and coal tailings other than they will be disposed of within the emplacements.

A broad foundation of rehabilitation planning has been developed, but it does not identify the location for the establishment of native vegetation communities for conservation outcomes. It is not clear where, for example, agricultural pursuits would be located, or how remnants woodlands area would be linked to areas where new woodlands would be established.

The development of trigger criteria for remedial actions has not been described or defined. Contingencies have not been described on how rehabilitation would progress during adverse conditions such as drought, or how the area of disturbance would be lessened when rehabilitation is not meeting performance targets. DRE requires functional domains to be identified, incorporating specific domain objectives and closure criteria prior to the granting of any planning approval.

Requirements Prior to Granting of Approval

DRE require the following issues to be addressed by the Proponent prior to the granting of any planning approval.

1. **Domain Specific Objectives:** Identify the functional domains of the project and describe the rehabilitation objectives for each domain.
2. **Completion Criteria:** Propose strategic completion criteria for each domain having regard to the various phases of rehabilitation (ie. Decommissioning, Landform Establishment, Growth Medium Development, Ecosystem Establishment, Ecosystem Development) and outline the proponent's commitment to progressive rehabilitation. [Note: Detailed completion criteria for each phase of rehabilitation will be developed through the Rehabilitation and Environmental Management Plan process].

REHABILITATION PLAN

DRE recommends that the following condition be incorporated into any planning approval:

The Proponent must prepare and implement a Rehabilitation Plan to the satisfaction of the Director General of Department of Trade & Investment, Regional Infrastructure & Services. The Rehabilitation Plan must:

- a. be prepared in accordance with DRE guidelines and in consultation with relevant agencies and stakeholders including Forests NSW;
- b. be submitted and approved by the Director General of Department of Trade & Investment, Regional Infrastructure & Services prior to the commencement of construction;

- c. address all aspects of rehabilitation and mine closure, including final landuse assessment, landscape, final void management, rehabilitation objectives, domain objectives, completion criteria and rehabilitation monitoring.

The Proponent should liaise with DRE in developing the above documents for their proposed operation.

DRE does not object to the approval of the Project provided the above recommendations are taken into account and implemented.

Should you have any enquires regarding this matter please contact Julie Moloney, Principal Adviser, Industry Coordination on (02) 4931 6549.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Adrian Delany', written over a horizontal line.

Adrian Delany
Acting Director, Industry Coordination

26.4.13