

OUT13/32449

- 9 DEC 2013

Ms Sophie Butcher
Planner, Mining Projects
Department of Planning & Infrastructure
GPO Box 39
SYDNEY NSW 2001

Dear Ms Butcher

Thank you for your email of 28 October 2013 concerning the public exhibition of the environmental impact statement for the proposed Mandalong Mine Southern Extension Project (SSD-5144).

The Office of Agricultural Sustainability & Food Security (OAS&FS) has reviewed the EIS provided by GSS Environmental in September 2013. Specific issues are included in Attachment 1.

Despite the lack of information on BSAL and acid sulphate soils (and the additional work required in attempting to substantiate the risks of this project), based on the balance of probabilities this underground mine poses a low risk to agricultural soils. As a consequence, no additional conditions of consent have been suggested.

This advice from the Office of Agricultural Sustainability & Food Security is forwarded direct to the Department of Planning & Infrastructure in accordance with agreed arrangements for mining applications that affect agricultural land. Additional advice from the other divisions within the Department of Primary Industries may be forwarded by separate letter.

If you wish to discuss the issue further please call Rob Williamson on telephone 02 6391 3166 or by email robert.williamson@dpi.nsw.gov.au

Yours sincerely



Dr Regina Fogarty
Director Office of Agricultural Sustainability & Food Security

Encl

Mandalong Southern Extension Project

Soils Assessment

Due to discrepancies in information at the adequacy stage, the proponent was asked to revisit two soil landscape units (Doyalson and Yarramalong totalling 157 ha of Land and Soil Capability class 4) and provide detailed soil survey information at a 1:25 000 scale rather than the existing scale of approximately 1:70 000. This was not done. Subsequent to the adequacy review being completed, BSAL maps for the region have been released, with BSAL mapped on a portion of the northern part of the proposed mine extension. Figure 2 overlays the BSAL mapping (in blue) with the proposed mining operations. Given the uncertainties as to whether there is high quality land on this mine extension, DPI is unable to determine the effects of this extension on agricultural soils. Coupled with the insufficient information provided on agricultural enterprises, the extent of impact is unclear.

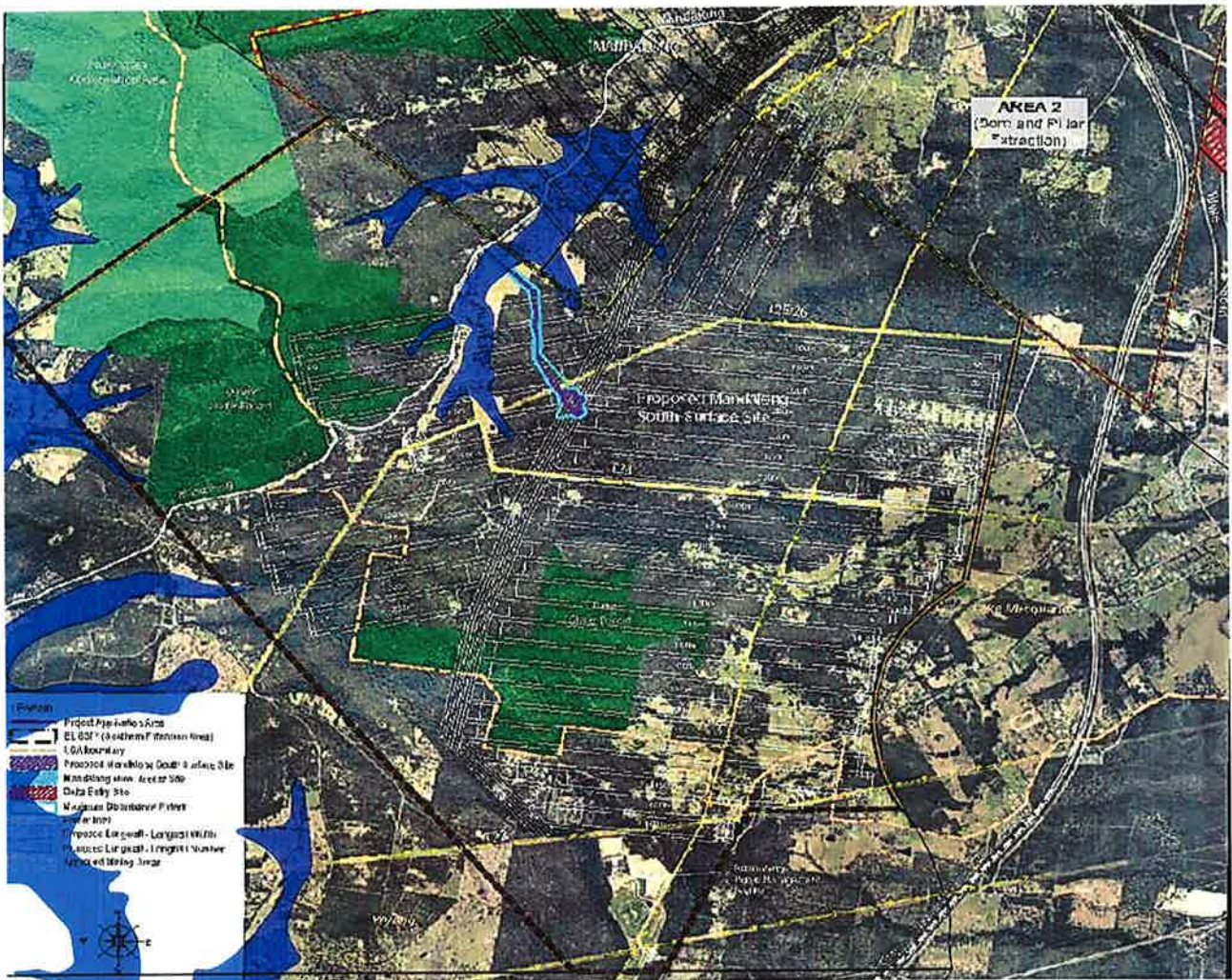


Figure 2: BSAL on the Mandalong Southern Extension

The proponent was also asked to provide more information in relation to acid sulphate soils (ASS). The extra information provided amounts to less than 5 lines of text and discounts any risk due to the relevant 'at risk' landscape being away from the surface site. Despite a request for the acid sulphate maps from Wyong and Lake Macquarie Councils that they have referred to, these have not been provided. A search of the Wyong and Lake Macquarie Council websites produced ASS mapping for relevant areas in Lake Macquarie Council (with little to no ASS mapped) and suggested there is no ASS in the relevant Wyong Council area. There is expected to be mine subsidence which has the potential to affect drainage across all of the underground operations. This therefore has the potential to drain and mobilise acid sulphate soils, should they be present. However, based on current knowledge, this risk should be low.

Comment:

DPI's additional work to ascertain the importance of BSAL and ASS suggests that both are relevant to the expansion project, but due to the small areas affected the expansion project is unlikely to have a significant impact on regional agricultural productivity.

No additional conditions of consent have been suggested.

Socio-economic Assessment:

The following provides a review of the socio-economic components of the Agricultural Impact Statement (AIS) provided as part of the Mandalong Southern Extension Project Environmental Assessment. The AIS and supporting documentation were reviewed with reference to the following material: Strategic Regional Land Use Policy Delivery Guideline – Guideline for AISs (March 2012), AIS Fact Sheet (September 2012), and the Strategic Regional Land Use Policy Guideline for AISs (Re-issued October 2012).

1. Impacts on agricultural enterprises, including farm productivity, land values and flow on impacts to regional communities and the environment.

a) Farm productivity

The Project will "temporarily remove 20 ha of land from potential agricultural production" for 25 years (AIS Section 4.1.1.1). This land is classified Land and Soil Capability Classes 4, 5 and 7 (Table 4.1, AIS Section 4.1.1.1, p.27) and is described as having low agricultural productivity, with an estimated total gross margin (from grazing) of \$1507 per annum.

b) Land values

This issue is not addressed in the AIS, so an assessment cannot be made.

c) Flow on impacts to regional communities

The proponent states that "The flow-on effects to employment and local business are considered to be minimal as the quantity of land to be disturbed and relative agricultural productivity is low" (AIS Section 4.1.1.1). The proponent also states that "in summary, the Project will provide economic benefits to the region whilst having negligible impact on agricultural resources, enterprises or related industries" (AIS Section 7.0).

2. Any water that is transferred or will no longer be available for agricultural use.

The proponent states that “at the completion of mining operations and following rehabilitation, water licences held by Centennial Mandalong, which are surplus to requirements, may be sold on the water transfer market. This means the water will again be available for agriculture or some other beneficial use” (AIS Section 4.2.3.2).

In the EIS, with regard to surface water, the proponent states that “the Project will not result in adverse cumulative impacts on water use, flows or qualities within or surrounding the Southern Extension Area (EIS Section 10.3.2, p.175). With regard to groundwater, the proponent states that “Any impacts on basic landholder rights and existing registered bores (noting that no registered alluvial bores are located in the Southern Extension Area) are expected to be minor and acceptable” (EIS Section 10.3.2, p.175).

3. Impacts on agricultural support services, processing and value adding industries and regional employment.

a) Agricultural support services

The proponent states that “the flow-on effects to employment and local business are considered to be minimal as the quantity of land to be disturbed and relative agricultural productivity is low” (AIS Section 4.1.1.1).

b) Processing and value adding industries

See 3 a) above.

c) Regional employment

See 3 a) above.

4. Impact on visual amenity, landscape values and tourism infrastructure relied upon by local and regional agricultural enterprises.

a) Visual amenity

Based on a *Visual Impact Assessment*, the proponent states that the Project will have a “negligible to low visual impact” and a “negligible impact on visual amenity ... relied upon by local and regional agricultural enterprises” (AIS section 4.6.1).

b) Landscape values

Based on a *Visual Impact Assessment*, the proponent states that the Project will have a “negligible impact on ... landscape value relied upon by local and regional agricultural enterprises” (AIS section 4.6.1).

In the EIS, the proponent states that “existing land use, rural characteristic, the manner in which residents and visitors access and move around the area, and the aesthetic quality of the area” will remain unchanged as a result of the Project (EIS Section 10.18.2, p.329).

c) Tourism infrastructure

The proponent states that an impact assessment “has not identified any tourism infrastructure in the local area upon which agricultural enterprises are reliant. Therefore

the Project is not anticipated to have an impact on local agriculture-related tourism” (AIS Section 4.6.2).

5. Mitigation measures for minimising adverse impacts on agricultural resources, including agricultural lands, enterprises and infrastructure at the local and regional level.

a) Agricultural lands

The proponent acknowledges that the Project has the potential to impact on agricultural lands, but that “mine planning will minimise land clearance in advance of operations and will include prompt progressive rehabilitation of disturbed areas. This will reduce potential impacts on agricultural land” (AIS Section 5.2.1.1). The proponent also states that “any areas subject to mine-induced subsidence will be inspected. Where there is any evidence of cracking, or other related surface expressions related to subsidence, all remedial works will be undertaken in accordance with the requirements of the approved site Extraction Plan” (AIS Section 5.2.1.1).

b) Agricultural enterprises

The proponent states that “the flow-on effects to employment and local business are considered to be minimal” (AIS Section 4.1.1.1). The proponent also states that “In summary, the Project will provide economic benefits to the region whilst having negligible impact on agricultural resources, enterprises or related industries” (AIS Section 7.0).

c) Agricultural infrastructure

See 4 c) and 5 b) above.

6. Documented consultation with adjoining land-users and Government Departments.

The proponent presents a summary of stakeholder consultation in AIS Section 6.0. Detailed information is presented in EIS Section 8.0. The main issues raised by the community during the consultation process were structural impacts to dwellings as a result of subsidence, increased flooding potential for dwellings as a result of subsidence, and noise emissions from the construction and operation of the proposed Mandalong Southern Surface Site and associated access road (EIS Section 8.1.1). The proponent states that “there were no issues regarding impacts to agricultural resources, enterprises or stakeholders raised during the community consultation process” (EIS Section 8.1.1).

Sufficient documentation has been provided for consultation.