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Dear Ms Butcher

**Chain Valley Colliery SSD 5465 Modification**  
**Environment Protection Authority – Comments and advice on recommended conditions of approval**

I refer to your email dated 3 June 2014 requesting assessment of Lakecoal Pty Limited's (Lakecoal) Chain Valley Colliery – Modification 1 SSD- 5465 and the Statement of Environmental Effects (SEE) titled "*Chain Valley Colliery – Modification 1 Statement of Environmental Effectives Section 96 Modification to SSD- 5465*" prepared by EMM dated April 2014.

The Environment Protection Authority (EPA) understands that the proposed modification involves:

- The development and use of up to four first working headings within the Fassifern Seam to connect Mannering Colliery and Chain Valley Colliery;
- The installation, and use of an underground conveyor belt system and ancillary services, enabling Run of Mine coal to be transferred between Chain Valley Colliery and Mannering Colliery; and
- The use of existing Mannering Colliery infrastructure to transport coal from Chain Valley Colliery underground workings to the Vales Point Power Station (VPPS) at a rate not greater than 1.1 million tonnes per annum.

Lakecoal has an existing Environment Protection Licence (EPL) for Chain Valley Colliery. The EPA has reviewed the information provided, and has determined that, should development consent be granted, it would be able to vary Lakecoal's EPL under section 58 of the *Protection of the Environment Operations Act 1997* (POEO Act) to facilitate this modification and enable the transfer of coal to Mannering Colliery, subject to conditions.

The SEE identified in section 2.33 (vii) that a variation would not be required. EPA advises DPE that Lakecoal would need to submit an application for a licence variation in order for the premises description to be amended in relation to the border with Mannering Colliery in the underground workings.

The EPA has reviewed the SEE and has the following comments.

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## Water Quality

Lakecoal were required to develop and implement a Water Management Plan as a condition of the previous development consent SSD-5465 dated 23 December 2013 within six months of the date of that consent. The EPA recently undertook an inspection of Chain Valley Colliery and was concerned about operation and maintenance of the site with respect to tracking off site of coal, separation of clean and dirty water management systems, water pollution control structures, sewage management and the structural integrity and seepage of the dam wall of the final water pollution control device. The SEE identifies that the Water Management Plan for the site has been developed. At the time of the inspection EPA had not seen any improvement in water management systems on the site. As a result the EPA has initiated a number of Pollution Reduction Programs (PRP) to ensure that Lakecoal addresses these water pollution issues in a timely and environmentally acceptable manner.

## Dust

The EPA advises NSW Department of Planning and Environment (DPE) that the provision of an underground road and receival and coal handling at Mannering Colliery will alleviate some of the tracking of coal offsite, reduce coal truck movements on the local service road and would most likely reduce noise and dust generation from the premises.

## Groundwater Dewatering

The SEE identifies an increase in median annual groundwater inflow to the Fassifern workings to 3832 megalitres. There was no assessment of whether this would increase the volume of dewatering required. As a result the EPA would maintain the current volumetric discharge limit from Chain Valley Colliery at 12,161 kilolitres per day from licensed discharge /monitoring point number 1 and would not approve any increase in discharge of pollutants without an appropriate environmental assessment commensurate with objectives of section 45 of the POEO Act.

EPA advises DPE that apart from these comments with respect to Chain Valley Colliery, it would consider the current conditions of approval for SSD-5465 dated 23 December 2013 would be acceptable for this modification.

If you wish to discuss this matter further please contact Natasha Ryan on 02 49086833.

Yours sincerely



27 JUN 2014

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