

23 February 2016

Mr. Paul Freeman Team Leader, Resource Assessments Department of Planning and Environment 320 Pitt Street, Sydney NSW 2041

Dear Mr. Freeman,

EnergyAustralia Pty Ltd ABN 99 086 014 968

Level 33 385 Bourke Street Melbourne Victoria 3000

Phone +61 3 8628 1000 Facsimile +61 3 8628 1050

enq@energyaustralia.com.au energyaustralia.com.au

SSD 5594 MOD 2: Springvale Mine Extension – Intermediate Date Amendment

Thank you for the opportunity to make a submission in relation to the modification proposed to Springvale coal mine expansion consent issued in October 2015.

We wish to confirm our strong support for this modification.

EnergyAustralia owns and operates the nearby Mt Piper power station, which provides up to 15% of NSW's electricity. Springvale mine is the only supplier of coal to Mt Piper and without a timely approval to this modification, Mt Piper will have no access to coal beyond 1 July 2017 and would cease operations once coal stocks are exhausted.

Ongoing operation of Mt Piper is critical to provide supply into the NSW and national electricity markets during a time when supply and demand are precariously balanced and to minimise price increases for NSW customers now and into the future.

This modification is a necessary administrative amendment to give effect to the broader condition of Springvale Mine's consent to improve discharge water quality from the mine as defined by the regime specified in Schedule 4 Condition 12 of that consent (SSD 5594). The Planning Assessment Commission¹, following detailed submissions from local environmental groups, recommended a Water Transfer Option that transfers Springvale mine water to Mt Piper for treatment be considered.

This modification proposal must be considered alongside, and considered integral to, the Water Treatment Plant (WTP) project (SSD 16_7592) that responds to the Planning Assessment Commission recommendation. A reverse osmosis WTP is proposed to treat Springvale mine water to enable industrial re-use of the treated water through Mt Piper's cooling system. Furthermore, the WTP proposal has been strengthened by an amendment in December 2016 to enable surplus treated water to be transferred to the Thompsons Creek Reservoir for later re-use at the power station.

In totality, this proposal is a comprehensive, long-term solution to improve water quality in the Cox's River that materially exceeds the requirements of Schedule 4 Condition 12 of the Springvale consent by effectively reducing discharges from the Springvale Mine to negligible levels.

¹ Springvale Mine Extension Project - Second Review Report (Sept 2016). NSW Planning Assessment Commission. Section 4.2 Minewater Discharge.

EnergyAustralia and Springvale Coal have been working together to develop the WTP since the Springvale Expansion Project was approved in October 2015 and the conditions of consent in relation to water discharge quality were imposed. This State Significant Development (SSD) has been fast-tracked with design, planning, procurement and tendering activities well advanced. Given its size and complexity, this project could not proceed at a faster rate. It is not possible to achieve the 1 July 2017 milestone date. The target for commissioning the WTP is by 1 July 2019.

In this context, EnergyAustralia strongly supports the timely provision of approval for this modification. Removal of the 1 July 2017 intermediate salinity target is in the best interests of the region and the state, environmentally and economically.

Yours sincerely,

Mark Collette

Executive, Energy