

Submission in Support of the Hume Coal Project

I support the approval of the Hume Coal project. It is my opinion that the project:

1. Is consistent with the NSW government policy
2. Will serve the best interests of the Southern Highlands community
3. Will benefit the economy of NSW
4. Has been designed to minimise risk to environment
5. Is a logical fit for the local area

The project will deliver these benefits while having a minimal impact from an environmental, social or economic perspective.

1. Is consistent with the NSW Government policy

The NSW state government has policies in place to actively encourage the development and operation of coal mining in the state. A number of varied examples from across the NSW government are provided below:

- The “Mining Equipment, Technology and Services Forums” which are being held across NSW to help small to medium sized enterprises working in the mining equipment, technology and services sector are being assisted to boost growth and innovation. The addition of a new underground coal mine, close to many suppliers/manufactures of mining goods will boost the growth of these business.
- The NSW Government’s Dept. of Industry website (www.industry.nsw.gov.au/invest-in-nsw/industry-opportunities/mining-resources-and-energy) actively encourages investment in the New South Wales mining industry. An exert is provided below:

“Mining, resources and energy is an important part of the New South Wales economy, driven by large and diverse mineral and gas deposits, exploration projects and a burgeoning renewable energy sector.

International powerhouses such as Anglo American, BHP Billiton and Peabody Energy already have active mining and exploration programs in the state, often in joint ventures with smaller NSW companies.

Collectively, the NSW mining, resources and energy sector generated about A\$11 billion in revenue in 2014-15, thanks to ongoing demand for raw materials from Asia, especially Japan, Republic of Korea and China.

Coal remains the largest single export product in value terms from NSW, while major metal exports include iron, steel, aluminium, gold, lead and copper.”

- The NSW Government’s *Regional Development Framework* actively encourages jobs growth in regional NSW. The Hume Coal project will provide steady, long term jobs in a regional area with high youth unemployment.
- The NSW Energy Security Taskforce has been established look at how NSW manages energy security and resilience. Thermal coal available for domestic energy production (such as that provided by Hume Coal) will continue to play a large part in this. In the words of the NSW Chief Scientist & Engineer, Professor Mary O’Kane AC, (Chair of the taskforce):

“My top priority as Energy Minister is to ensure that we maintain a secure energy supply for the people of NSW in their homes and workplaces,” Mr Harwin said. “We have a diversified and interconnected energy system that held up in the recent heatwave but I won’t be complacent. Households and businesses should know that the Government is actively pursuing this issue.”

With existing mines that supply domestic power stations approaching the end of their productive lives, it is important that new mines are brought online to maintain energy security into the future.

2. Will serve the best interests of the Southern Highlands community

As resident of the Southern Highlands, I find it offensive that a small number of new arrivals to the area present themselves as ‘community representatives’. These people can be categorised as predominately retired, wealthy landowners whose prime concern is the image that they hold of what the highlands should be... not what it is in reality. Many of the issues raised by these groups could be classed as xenophobic as much of the issue seems to be that a Korean company will be developing the coal mine.

The majority of people I know in the area recognise that they live in an area that needs investment in new jobs and industries to balance out the boom/bust nature of agriculture and tourism. Jobs are required for young people who are seeking long terms careers or want to return to their local areas after finishing university in major centres. Hume Coal will provide these jobs.

3. Will benefit the economy of NSW

The Hume Coal EIS clearly demonstrates the economic benefit to NSW:

- The project requires \$860m in total capital over its life and around \$1.4 billion in operating expenditure (materials and services). Royalties to the NSW Government are expected to be \$256 million (\$114m NPV).
- Peak construction and operational workforces for the mine and rail will be 454 and 316 respectively.
- Total economic benefit (less externalities) to NSW will be \$580m (373mNPV), which includes a net benefit to the local area of \$129m (direct and indirect benefits).
- NSW suppliers are expected to gain from additional margins of \$64m NPV and flow on additional value add in other industries of \$73m NPV.

According to the Local Effects Analysis (LEA), the Wingecaribee LGA will benefit by an additional disposable income of \$85m by residents and \$1m NPV in additional council rates

4. Has been designed to minimise risk to environment

I have been employed in the environmental management of coal mines (including open cut, longwall and closure operations) over the last 10 years. As part of my career I have had the opportunity to work on the design, approval and constructions of major mining projects. My experience is that these projects are often a balance between the economic viability of the project and the requirement to ensure they comply with the government/community social and environmental impact expectations. Hume Coal is an example of where significant economic investment has been made to ensure a truly minimal environmental and social impacts.

Examples of some of the investment and planning actions that Hume Coal have taken to ensure the mine is minimal impact are:

- The non-subsiding mining method. This method, while still economically viable, has been implemented to minimise surface impacts and preserve overlying groundwater resources.
- Conservative modelling of water take and subsequent licencing. The company's commitment to licence all water intercepted by the operation (not just that which is extracted) is far and away the most conservative approach of any mining operation in NSW
- Covered Coal Wagons. While there has been much industry talk about moving towards covered wagon, Hume Coal has actually committed to using them. This is best practice and effectively eliminates the concerns that have been raised in place such as the Hunter Valley. It will set a benchmark for other companies to strive for.

5. It is logical fit for the local area

The Southern Highlands is a diverse community with services, extractive industries, agriculture, aged care and manufacturing all contributing. In the area immediately surrounding the Hume Col Project area there is already significant industry. This includes:

- Boral Berrima Cement Works and (Medway) Colliery
- The Ingham feedworks
- JOY Global Mining
- DUX hot water factory
- Cromwell Polypipe manufacturer
- Omya Limestone Quarry

In 2011, a total of 3777 people were employed in mining, manufacturing and construction in the Wingecarribee Shire (21.2% of the workforce) (Source: Australian Bureau of Statistics, Census of Population and Housing 2011). This is by far the largest area of employment in the shire. The addition of another coal mine will be in keeping with the existing industries and character of the area.

In addition, the design of the mine means that it can safely coexist with other industries and residences in the area. There will no impact to nearby lifestyle farms (Hobby Farms) or the Hume Highway. It has been demonstrated in multiple other coal mining operations that coal mining can coexist with surrounding land uses. Examples of this include:

- The Liddell Grazing Trials:
http://www.liddellcoal.com.au/en/community/Documents/Grazing-Trial-Fact-Sheet-V2_150405.pdf
- Kestrel Coal's work with a major agricultural company and minimal impacts on surface ecological systems: <http://www.acarp.com.au/abstracts.aspx?repId=C22019>
- "Atulya Olives" and the Bulga Coal mine:
<http://www.nswmining.com.au/menu/media/news/2013/may/new-case-studies-show-mining-and-farming-working-t>