

OUT11/24215

Mr Howard Reed Manager, Mining Projects Department of Planning & Infrastructure GPO Box 39 SYDNEY NSW 2001

Dear Mr Reed

Exhibition of Environmental Assessment for the Integra Open Cut and Underground Coal Projects

I refer to your email of 5 December 2011 requesting input to the proposed modification to the Integra Open Cut and Underground Coal Projects.

NSW Trade & Investment Division of Resources & Energy (DRE) has reviewed the *Integra Mine Complex Modification 1 Environmental Assessment* (EA) document dated 2 December 2011 and provides the following comments which are directed at specific areas of DRE's responsibility for this proposal.

MINING TITLE

All mining disturbance and mining purpose activities identified in the proposed modification are within existing mining leases.

MINING ACTIVITIES AND INFRASTRUCTURE

Extensive consultation, including site inspections and meetings, has occurred between DRE Environmental Officers, Department of Planning & Infrastructure (DP&I) Compliance Officers and Integra. This consultation has resulted in this application for modification. DRE acknowledges the stakeholder engagement strategy undertaken by Integra related to the modification.

The modification involves aerial extension of out of pit waste rock emplacement over previous mine disturbed area. A minor increase in emplacement height (from 135 metres AHD to 141 metres AHD) is sought to achieve planning constraints and provide for land shaping at the top of the emplacement. The EA indicates that this can be undertaken with insignificant environmental impact. The modification will provide improved rehabilitation outcomes in the short term by progressive and earlier rehabilitation of 16 hectares of the out of pit emplacement, and in the medium term by progressive earlier capping of TD3 and adjoining disturbed areas.

DRE acknowledges and supports the need for 3 stages of modification to Integra operations to achieve compliance and improved rehabilitation outcomes. This application addresses stage 2 with some modifications to Mine Operation Plan approvals by DRE under the *Mining Act 1992*.

It should be noted that section 3.1 of the EA states that the currently approved MOP allows for out of pit emplacement height to 145 metres AHD. This is incorrect. DRE has clearly communicated to Integra that the MOP approved emplacement height is consistent with the development consent height of 135 metres AHD, thus the request for modification to the maximum emplacement height of 141 metres AHD.

DRE supports approval of the modifications sought by Integra.

Should you have any enquires regarding this matter please contact Tracey Godwin, A/ Principal Adviser, Industry Coordination on (02) 4931 6465.

I understand that the Department of Primary Industries and the Office of Water will provide separate responses to you.

Yours sincerely

William Hughes

A/Director Minerals Operation



Director – Major Projects Assessments
Department of Planning
GPO Box 39
SYDNEY NSW 2001

Attention: Deana Burn

Date 20 December 2011

Dear Deana

Contact Fergus Hancock

Phone (02) 4904 2532

Mobile

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Email Fergus.Hancock@water.nsw.gov.au

Our ref ER20132

Your ref MP 08_0101 MP 08_0102 MOD 1

Subject line: Integra Coal Integrated Development modification of project approval

The NSW Office of Water has reviewed the application for s 75W modification of project approval to the Vale Integra Open Cut and Underground mine approvals. The following comments are made for your consideration in granting modification to the approved mining projects.

Vale Integra Coal possesses access licences to authorise the take of water from the Glennies Creek regulated river and Station Creek, which forms an unregulated river within the Glennies Water Source and works approval to divert an unregulated river within the Glennies Water Source under the rules of the *Water Sharing Plan for the Hunter Unregulated and Alluvial Water Sources* 2009 (WSPHUAWS).

The modifications to the two project approvals do not appear to require changes to the take of water. Some changes to the footprint of the spoil dump TD3 appear to encroach south to the Station Creek diversion below control dam 1. However, this appears to a limit of the south west corner of the dump area.

The Office of Water regulates the management of the Station Creek diversion by a works approval, converted from a s 10 *Water Act 1912* licence on commencement of the WSPHUAWS in 2009. The Office of Water considers the management of the diversion should not be impaired by the extension of mine spoil dumping between the North open cut pit and the tailings management facility. However, any such encroachment on the channel of Station Creek may require revision of the Site Water Management Plan (SWMP) authorised under c 40(d) of MP 08_0101. The Office of Water requests it is consulted in any revision of the SWMP, and in particular, any review of the surface and ground water response plan under c 40(f) which may be required.

Subject to the above, the Office of Water does not oppose the modification of project approval.

Yours sincerely

Per Mark Mignanelli Manager, Major Projects and Mine Assessments









Your reference: Our reference:

Contact:

10/02021 DOC11/56681;

LIC08/100-04 & LIC06/185-

05

Rebecca Scrivener 02 4908 6830

Mr Howard Reed
Manager-Mining Projects
Department of Planning and Infrastructure
GPO Box 39
SYDNEY NSW 2001

Dear Mr Reed

INTEGRA OPEN CUT AND UNDERGROUND COAL PROJECTS - 75W MODIFICATION (08_0101 Mod 1 and 08_0102 Mod1)

I refer to your letter dated 5 December 2011 seeking advice on recommended conditions of approval for the proposed modification to Integra Coal Operations Pty Ltd Project Approvals 08_0101 Mod 1 and 08_0102 Mod 1.

The Environment Protection Authority (EPA) understands the proposed modification seeks to:

- modify the Emplacement Strategy for the North Open Cut by extending the area and height of the approved out of pit overburden emplacement;
- relocate crib huts and associated infrastructure;
- extend the timeframe for the submission of a biodiversity offset strategy by six months; and
- extend the timeframe for installation of an overland conveyor by six months.

The EPA has reviewed the environmental assessment document titled, 'Integra Mine Complex Modification 1' dated 2 December 2011 prepared by EMGA Mitchell McLennan ("the EA") that was provided in support of the modification application.

The EPA cannot support the modification application and specifically objects to the modification to the North Open Cut Emplacement Strategy and the requested extension of time for the biodiversity offset strategy.

As such, the EPA has not provided any Recommended Conditions of Approval for the proposed modification.

Emplacement Strategy Modification

The modification to the North Open Cut Emplacement Strategy proposes to use ex-pit dump Area 9 for additional waste-rock emplacement with the intention to utilise the waste-rock in capping Tailings Dam 3. Figure 3.1 of the EA depicts the extent of ex-pit dump Area 9. It appears that the northern section of ex-pit dump Area 9 overlaps the southern portion of the Southern Biodiversity Offset area. The EPA does not support waste emplacement areas encroaching on areas already identified as biodiversity offset areas.

The proponent should clarify the extent of ex-pit dump Area 9 and confirm if it encroaches on the Southern Biodiversity Offset area. If encroachment is proposed, the proponent will need to identify measures to be employed to prevent impact on the Southern Biodiversity Offset Area.

Biodiversity Offset Strategy Timeframes

The EPA notes the reasons for seeking an extension in time for the biodiversity offset conditions with the current Project Approval, specifically conditions 41 to 44 inclusive.

Condition 41 specifies five offset areas and associated land sizes. There is no timeframe specified in Condition 41.

Condition 42 requires the proponent to provide a revised offset strategy to include 140ha of the Narrow-leave Ironbark-Spotted Gum Forest Red Gum Forest and 6ha of Central Hunter Swamp Oak forest in addition to the offset areas identified in Condition 41. The date by which the revised offset strategy was to be provided was 30 June 2011.

On 29 June 2011, the EPA received a letter from the proponent that provided details of an additional offset area, being 'Martins Creek Offset Area', to meet the requirements of Condition 42. The EPA reviewed the information provided and advised the proponent on 30 August 2011, that the provision of the Martin's Creek Offset Area met the requirements of Condition 42.

It is not clear to the EPA as to why an extension is required for Condition 42 as it appears the requirements of this condition have been satisfied.

Condition 43 requires the provision of long term security for all offset areas. The EPA notes the comment in the EA regarding the need for further investigations into appropriate mechanisms, however the proponent has been aware of the need to secure biodiversity offsets for over 12 months since the Project Approval was issued in November 2010 and prior to that, the proponent was aware of available mechanisms through discussions with the EPA during the preparation of the EA for the original Project Approval.

The EPA believes adequate time has elapsed for the provision of long term security for all offset areas identified in the Project Approval and does not support an extension to the completion date for Condition 43.

Condition 44 requires the proponent to prepare and implement a biodiversity management plan by the end of December 2011. The EA states that further consideration of the current biodiversity strategy and formulation of a revised strategy may be required.

The EPA is concerned that the proponent appears to be moving away from their commitment to implement the agreed Biodiversity Offset Strategy provided in the original EA (June and July 2009) and associated previous consents for the Project. From information provided in the 2010 Annual Environment Management Report (dated June 2011) it appears that mining has already commenced in the areas of impact and yet the offsets have not been secured or implemented. The EPA is concerned that vegetation communities and habitats have already been disturbed and/or destroyed yet an offset for the impact is yet to be established.

The EPA does not believe it is appropriate to extend the completion date for Condition 44.

Given that the completion dates have passed, the EPA recommends the proponent be required to provide the information specified in Conditions 43 and 44 as a matter of urgency.

If you wish to discuss any of the above please contact Rebecca Scrivener on 4908 6830.

Yours sincerely

REBECCA SCRIVENER

A/Head Regional Operations Unit – Hunter

envierner 9/1/2012.

Environment Protection Authority

Deana Burn - Integra Mine Complex Modification No 1 (08 0101 Mod 1 and 08 0102 Mod 1)

From: "Ihlein, Mark" <mihlein@singleton.nsw.gov.au>

To: <deana.burn@planning.nsw.gov.au>

Date: 12/13/2011 7:56 AM

Subject: Integra Mine Complex Modification No 1 (08_0101 Mod 1 and 08_0102 Mod 1)

CC: "Hyam, Lindy" < lhyam@singleton.nsw.gov.au>

Dear Deana

I refer to our telephone conversation on 12 December 2011 regarding the abovementioned proposed modification of the Integra open cut and underground projects, for which consent was granted on 26 November 2010.

Firstly, Council is concerned regarding the timing of the public notification of the proposals leading into the holiday period and concluding on the 23 December 2011. This is very awkward time to expect open and transparent community feedback. Further, Singleton Council has had no time to consider the matter and will not be in a position to do so until it's meeting on 6 February 2012. Would you please confirm the Department would accept a submission at this time.

Secondly, I would foreshadow the Council raising concerns regarding the proposal to extend the time to comply with the conditions relating to the Biodiversity Strategy and the possibility of revising the offset arrangements. The Environmental Assessment (EA) states "recent geological information indicates that the biodiversity offset areas described in Condition 41 overlie substantial coal resources. Whilst there are no current plans to disturb or mine these areas, Integra does not wish to take any immediate action that will potentially sterilise this identified resource." It is understood Integra is seeking more time to investigate an alternative offset package. There is no discussion in the EA which provides any information regarding what principles will be applied to investigate a different offset arrangement.

I am not aware Integra has discussed the proposal with Singleton Council.

Please do not hesitate to contact me should you require further clarification.

Regards

Mark Ihlein Director Planning & Regulated Services Singleton Council

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