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Mr Matthew Sprott Planning Officer/Mining Projects Department of Planning and Infrastructure 23-33 Bridge Street Sydney, NSW, 2000 Email: matthew.sprott@planning.nsw.gov.au

31 May 2013

RE: MT ARTHUR COAL MODIFICATION (09_0062 MOD 1)

SUBMISSION OF OBJECTION

Dear Sir,

The Nature Conservation Council of NSW (NCC) welcomes the opportunity to provide comment on the Mt Arthur coal modification project.

NCC is a non-profit, non-government organisation representing more than 120 community environment groups across NSW. We object to the modification to expand the Mt Arthur opencut coal mine for the following reasons.

Overstated economic benefits

No assessment of the impact of this modification on neighbouring properties not located in acquisition zone has been made. The economic impacts on productivity and land values for neighboring properties and land uses has also not been properly assessed.

The report *Economic assessment of environmentally damaging mining and gas developments in New South Wales, by* Economists at Large and The Australia Institute released in April 2013 highlights the economic assessments commissioned by industry routinely inflate the estimates of the benefit of these projects. Common misrepresentations involve including profits accruing to foreign shareholders as "NSW community benefits", even when projects are wholly foreign owned. These same assessments routinuly underestimate or ignore the environmental and social impacts of the mine expansion on the local community.

We see the same lack of transparency in the economic costing in the Mt Arthur economic assessment. The economic assessment for the project is misleading because it ignores long-term environmental costs that must be borne by the community. We call on the NSW government to limit any future modifications and include this commitment in consent conditions.

Cumulative heath impacts

Particulate matter (PM) generated by coal-fired power stations and coal mining can cause serious health impacts, including asthma, birth defects, increased rates of cancer, respiratory, kidney and cardiac disease, damaged lungs and increase the risk of premature death. International research has provided clear evidence that living near coalmines or coal power stations causes serious harm to people's health. The Australian Medical Association, Asthma Australia and Doctors for the Environment have also raised heath concerns and called for independent assessments of the health impacts on mining communities.

Given the importance of air quality and the impact of dust on our communities and agricultural industries, an independent assessment of the cumulative health impacts of this modification and other proposals should be undertaken by respected, credible health experts before any expansion is considered.

Biodiversity Impacts

The proposed extension will disturb 228.9 ha of native vegetation (173 ha grassland and 44.6ha woodland) including about 90 ha of endangered ecological communities (EEC). The project will clear hollow bearing trees and important remnant threatened species habitat on Hunter Valley floor. The vegetation included in the cleared area includes:

- Grassy Box Gum Woodland CEEC (EPBC) 58.4ha
- Central Hunter–Ironbark–Spotted Gum–Grey Box Forest EEC
- Central Hunter Grey Box-Ironbark Woodland EEC
- Hunter Lowlands Red Gum Forest EEC
- Hunter Valley Weeping Myall EEC
- Bluegrass (Bothriachloa biloba)
- Acacia pendula

Threatened fauna recorded on the proposed site includes:

- Grey-headed Flying-fox (Pteropus poliocephalus)
- Eastern Freetail –bat
- Eastern Bentwing-bat
- Southern Myotis
- Grey-crowned Babbler
- Varied Sitella

The proposed offsets for the clearing of these endangered ecological communities are inadequate because they consist of 427ha of mostly cleared grassland. Further, the proposed offset area along Saddlers Creek does not contain any Central Hunter–Ironbark–Spotted Gum–Grey Box Forest EEC.

Surface and ground water

There is no meaningful understanding of the potential water storage and salinity conditions to be experienced on site over the next 15 years, nor are there any significant assessments of salinity in general. There has not been any appraisal of the cumulative impacts of the operation,

no reporting of the long-term open void salinity, and no evaluation of the potential impacts to adjacent licensed water users or ground water dependent ecosystems.

The greatest concern is the potential impact of mining on the alluvial aquifer associated with the floodplan of the Hunter River. The modelling is based on inadequate data. The failure of field results to match trends produced by the conceptual model undermines confidence in Mt Arthur's EA and requires explanation. Due to the inconsistencies in data, the model does not provide a strong foundation for assessing potential risks and impacts. BHP's reporting suggests that at some stage, it is expected that the mine will extend beyond the 150-metre buffer zone from the Hunter River, and provides no details on plausible solutions or management/mitigation strategies.

Single seam subsidence impacts are difficult to predict; triple-seam mining compounds the uncertainty and this poses unacceptable risks to the catchment. Application of the precautionary principle should be the basis of assessment - and rejection - of this proposal. The catchment has already been badly damaged by mining; the limited royalties and jobs do not justify further damage.

Climate change

The long-term cost of climate change caused by increased extraction and use of coal should be taken into account. Any increase in CO2 emissions at a time when the international community is struggling to reduce emissions is irresponsible at best and negligent at worst.

No certainty for communities

Communities need certainty about the life of current mining so they can plan and invest with confidence. Mining modifications change the nature, composition, and open-cut footprints of mining operations, drawing closer to neighbouring landholders, industries, and rural towns. This incremental creep of mining projects seeking regular modifications means that communities cannot plan with certainty. Mine operators have a responsibility to the community to limit modifications. BHP needs to advise the community whether this will be the last modification.

NCC recommends that the Planning Assessment Commission not approve this modification on public health, social and environmental grounds.

Yours sincerely,

Katherine Smolski, Campaigns director