

Our Reference: V13/301

OUT13/29353

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

Attention: Mr Colin Phillips

Email: Colin.Phillips@planning.nsw.gov.au]

Dear Mr Reed

Review of Environmental Impact Statement Western Coal Services Project

I refer to your recent request for Trade & Investment, Division of Resources and Energy (DRE) to review and provide comments on the proposed Western Coal Services Project Environmental Impact Statement (EIS).

Project Summary

The Western Coal Services Project is located approximately 4 kilometres north west of Lidsdale and will cover a 25 year period.

The Project covers the ongoing operation of the following sites:

- the Springvale Coal Services site (including the former Lamberts Gully Open Cut mine);
- the Wallerawang Haul Road;
- the Mt Piper Haul Road;
- the Springvale Overland Conveyor system (connecting Springvale Colliery, Mt Piper Power Station, Wallerawang Power Station, the Springvale Coal Services Site and the Lidsdale Siding), and;
- the Kerosene Vale Stockpile Area.

The project also covers the following activities;

 the expansion of the Springvale Coal Services Site Washery and associated infrastructure – through the construction of a new washery to operate in tandem with the existing washery - which will increase total capacity of the washery to 7Mt per year (up from 2Mt per year) and the total site capacity to 9.5Mt per year;

- extension and enlargement of the current Reject Emplacement Area (REA) to cover a 25 year period, with total reject production of up to 25Mt and a size of approximately 1000 metres long, 700 metres wide and 70 metres high;
- a new haul road link of 1.3 kilometres in length connecting the Angus Place Haul Road with the Springvale Coal Services Site;
- upgrades to the site water management system at the Springvale Coal Services Site including a perimeter drain around the REA, a new 15ML pollution control dam and improved differentiation of the clean and dirty water systems;
- continued operation of infrastructure, facilities and activities, and;
- ongoing rehabilitation, monitoring, water management and reporting.

Construction will take place over a 12 to 18 month period.

DRE has reviewed the EIS and provide the following comments on issues and activities related to its areas of responsibility.

Rehabilitation & Mine Closure

Mining Operations Plan/ Rehabilitation Management Plan

A Rehabilitation and Landscape Plan has been prepared for the Springvale Coal Services Site and a Draft Kerosene Vale Rehabilitation Plan has been prepared for the Kerosene Vale site.

A single Rehabilitation Plan is proposed for the Project Application Area, to be developed within 6 months of the project approval. DRE supports this proposal, but recommends a reduced time period for Plan preparation of 3 months from the project approval. This can be extended if the proponent is unable to meet this timeframe.

The proposed Rehabilitation Plan should be prepared in accordance with the current DRE Mining Operations Plan guidelines dated September 2013. It would be expected that this Rehabilitation Management Plan/ Mining Operations Plan (RMP/MOP) would replace the Rehabilitation and Landscape Plan for the Coal Services Site and would either replace the Kerosene Vale Rehabilitation Plan or have it included as an attachment.

Separate MOPs would be required for the Western Coal Services Project, the Springvale Colliery and the Angus Place Colliery. It should be noted that at present the Coal Services Site and the Springvale Colliery are combined in a single MOP and the Kerosene Vale site is covered within the Angus Place Colliery MOP.

Retention of Haul Roads

The EIS indicates the new link haul road will be retained as part of the existing road network (Figure 11 and Section 5.5.8) following project completion. This proposal needs to be accepted by another party, including a commitment for ongoing maintenance, otherwise the haul road and bridge should be removed. Unless future responsibility by another party is demonstrated, the removal must be considered and documented in the forthcoming RMP/MOP.

Rehabilitation of areas owned by Delta Electricity and Lithgow City Council
Areas related to the Delta Electricity Ash Emplacement and the Lithgow City Council
(LCC) Municipal Waste Emplacement are excluded from proposed rehabilitation
activity. The statement on page 42 of the EIS is that "...these areas have already
been completed to the requirements of both Delta Electricity and LCC and no further
work is proposed". DRE does not believe that this statement has been clearly
demonstrated to the point where rehabilitation of these areas can be excluded from
the project. As such, the forthcoming RMP/MOP must cover the rehabilitation of
these areas unless a clear and legally binding transfer of land management
responsibility and rehabilitation has been demonstrated.

Figures 13 to 16 within the EIS show the REA extending onto land owned by Delta. The acceptance of this arrangement by Delta needs to be demonstrated.

Vegetation Species to be used in Rehabilitation

It is noted that no rehabilitation species list has been provided and that Figure 21 identifies a land cover of "Native vegetation suitable for reject emplacement". The species used in the rehabilitation program will need to be provided in the forthcoming RMP/MOP and the species used should aim to re-establish some of the threatened species identified in Section 9.5 of the EIS.

The proposed vegetation species used should be determined in consultation with and to the satisfaction of Forests NSW, Office of Environment and Heritage and DRE.

Post Mining Land Use – Potential Industrial Land Use

Figure 21 shows a post closure land use as 'Potential Industrial Land Use". While this may be a realistic post mining land use for this area, DRE recommends that the land use of "Forest Ecosystem" apply to this area in the event that an industrial land use is not determined to be appropriate at mine closure. This must be addressed in the forthcoming RMP/MOP.

Kerosene Vale Stockpile – Existing Rehabilitation

The Rehabilitation Status for the Kerosene Vale Stockpile Area figure (Figure 10) shows an area of 'Existing Rehabilitation', but this has not been signed off by DRE as further action is required. It is also noted that further works will be required to permanently seal disused mine entries located on this site. This will need to be included in the forthcoming RMP/MOP.

Recovery of Soil Resources and Vegetative Material from Reject Emplacement Area Construction

With regard to construction of the REA (Domain 2) it is noted that a significant area of former rehabilitation will need to be destroyed to permit this construction. There is no mention in the EIS of recovering soil resources and vegetative material from these rehabilitation areas. It is recommended that a condition of the Development Consent requires that soil resources and vegetative material impacted by construction of the REA must be recovered, appropriately managed and used effectively in the rehabilitation program.

Reject Emplacement Area – Drainage Embankment Removal

It is noted that topdressing material for the washery and coal handling area will be sourced from the drainage embankment around the REA (page 41 of the EIS). It is essential that this does not affect the long term stability of the REA or compromise the water management system in this area. This needs to be covered in more detail in the forthcoming RMP/MOP.

Reject Emplacement Area - Final Landform

DRE notes that the REA Cross Sections (page 53 of the EIS) show an extensive flat surface. This is not a landscape consistent with the pre-mining landform which is predominantly undulating hills. A more natural landform would be more appropriate for this area. However, it is noted in the visual impact section of the EIS that the flat top, minimising total height, may reduce visual impacts from certain vantage points (page 187). It is recommended that the final landform of the top of the REA be reconsidered in the forthcoming RMP/MOP.

It is also noted that no soil cover depth for the REA is specified. This will also need to be addressed in the forthcoming RMP/MOP.

Co-disposal Area – Final Landform

Although not specified in the EIS, DRE understands (from site visits) that the current slope of the co-disposal area outer embankments are greater than 1 in 3. The EIS does not propose any action to reduce the slope of these embankments, potentially affecting both long term stability and visual impacts. A reduced slope for these embankments to a slope of no greater than 1 in 3 should be required at the time of project completion unless information is provided to confirm the existing landform is geotechnically stable, is acceptable to the landowner and is supporting a sustainable ecosystem.

Retention of Cooks and DML Dams

With regard to the Cooks and DML dams (Domain 4), the proposed retention of dams is acceptable provided these dams are required for future usage by LCC and/or Delta Electricity and that ongoing responsibility for these dams has been formally accepted by the relevant landowner. A back up rehabilitation plan needs to be developed in case these are not required at the time of project completion.

Mining Titles

The mining titles that cover this project area are identified in the EIS and shown on Figure 6. DRE considers that its is essential for the forthcoming RMP/MOP to provide a clear indication of which areas are covered by surface leases only, surface and subsurface leases, and lands within the project are which are not covered by mining tenements, particularly at the Kerosene Vale and Coal Services sites

Recommended Conditions of Approval

DRE recommends that the following conditions be incorporated into the Development Consent, if granted:

Rehabilitation Objectives and Commitments

The Proponent shall rehabilitate the site to the satisfaction of the Director, Environmental Sustainability of Trade & Investment DRE.

Rehabilitation must be substantially consistent with the Rehabilitation Objectives described in the EIS, the Statement of Commitments outlined in Chapter 10, Tables 65, 66 and 67 and the following objectives in Table DRE1.

Table DRE 1

Rehabilitation Feature	Objective
Mine site (as a whole of the disturbed land and water)	Safe, stable and non-polluting, fit for the purpose of the intended post-mining land use(s).
Rehabilitation materials	Materials (including topsoils, substrates and seeds of the disturbed areas) are recovered, appropriately managed and used effectively as resources in the rehabilitation.
Landforms	Final landforms sustain the intended land use for the post–mining domain(s).
	Final landforms are consistent with and complement the topography of the surrounding region to minimise the visual prominence of the final landforms in the post mining landscape.
	Final landforms incorporate design relief patterns and principles consistent with natural drainage.
Water Quality	Water retained on site is fit for the intended land use(s) for the post-mining domain(s).
	Water discharged from site is consistent with the baseline ecological, hydrological and geomorphic conditions of the downstream creeks prior to mining disturbance.
	Water management is consistent with the regional catchment management strategy.
Native flora and fauna habitat and corridors	Size, locations and species of native tree lots and corridors are established to sustain biodiversity habitats.
	Species are selected that re-establishes and complements regional and local biodiversity.

Progressive Rehabilitation

The proponent shall carry out all surface disturbing activities (eg pre-stripping in advance of mining operations) in a manner that, as far is reasonably practicable, minimises potential for dust emissions and shall carry out rehabilitation of disturbed areas progressively, as soon as reasonably practicable, to the satisfaction of the Director Environmental Sustainability in DRE.

Rehabilitation Plan

- 1. The Proponent must prepare and implement a Rehabilitation Plan to the satisfaction of the Director Environmental Sustainability of the DRE.
- 2. Rehabilitation Plan must:
 - a. be submitted and approved by the Director Environmental Sustainability prior to carrying out any surface disturbing activities of the development, unless otherwise agreed by the Director General of the Department of Planning and Infrastructure (DP&I);
 - b. be prepared in accordance with DRE guidelines and in consultation with DP&I, OEH, EPA, Forests NSW, NOW, Lithgow City Council and the Community Consultative Committee.:
 - c. incorporate and be consistent with the rehabilitation objectives in the EIS, the statement of commitments and Table DRE 1;
 - d. integrate and build on, to the maximum extent practicable, the other management plans required under this approval; and,
 - e. address all aspects of mine closure and rehabilitation, including post mining land use domains, rehabilitation objectives, completion criteria and rehabilitation monitoring and management.

Note: The approved Mining Operation Plan (which will become the REMP once the Mining Act Amendments have commenced), required as a condition of the Mining Lease(s) issued in relation to this project, will satisfy the requirements of this condition for a Rehabilitation Plan.

Summary

DRE supports the project as outlined in the EIS. The project will increase efficiency and flexibility of the coal processing and distribution network utilised by Springvale Coal & Centennial Coal. The project is seen to be an important component in the effective operation of other sites, specifically Angus Place Colliery, Springvale Colliery, Wallerawang Power Station, Mt Piper Power Station and the Lidsdale Siding, as well as potential future coal mines in the area.

The environmental impacts of the project appear to be far outweighed by the economic and employment benefits which will be provided, particularly as the majority of areas covered by the project are already disturbed or established. In addition, Water Management at the Springvale Coal Services Site will be upgraded and improved, reducing the risk of pollution discharges from this site.

From DRE's perspective, any deficiencies noted in the EIS can be adequately addressed in the forthcoming RMP/MOP

Should you have any enquires regarding this matter please contact Vince Fallico, Project Officer, Industry Coordination on (02) 8281 7340.

Yours sincerely

ADRIAN DELANY ACTING DIRECTOR INDUSTRY COORDINATION

8.10.13