

OUT17/11473

Mr Anthony Ko Team Leader Resource Assessments Department of Planning & Environment GPO Box 39 SYDNEY NSW 2001

anthony.ko@planning.nsw.gov.au

Dear Anthony

Western Coal Services Project (SSD 5579 MOD 1) Response to Submissions

I refer to your email dated 3 March 2017 inviting the Division of Resources & Energy (DRE) to provide comments on the Response to Submissions from Springvale Coal Pty Limited (the Proponent) in regard to the Western Coal Services Project (SSD 5579 MOD 1).

DRE has reviewed the *Response to Submissions Western Coal Services Mod 1* report dated February 2017. DRE's original comments on the Statement of Environmental Effects (SEE) were limited to issues impacting on the rehabilitation of areas covered by mining leases at the WCS site.

A review of the Response to Submissions shows no reference to DRE's correspondence dated 13 December 2016. The following statement was not included in the final SEE:

If the Modification is approved, the Mining Operations Plan (MOP)/Rehabilitation Management Plan for the Western Coal Services Site needs to be reviewed by the company and updated if required to ensure consistency with the Modification. This is to include provision of updated Appendices (including the 'Rehabilitation and Closure Plan') attached to the current MOP, where applicable".

The statement above should be included in any final comments to the Proponent.

DRE has no objection to the proposed Modification. Material placed into the Reject Emplacement Area (REA) will be managed in accordance with the existing water management procedures and the additional solid material component will be largely insignificant compared to the large amount of coal waste material to be emplaced (25 million tonnes total over 25 years).

Should you have any enquires regarding this matter please contact Steve Cozens, Senior Project Officer, Royalty & Advisory Services on 9842 8573.

Yours sincerely

I

Zane West Manager Royalties & Advisory Services



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Your reference Our reference Contact

. : SF14/6738; DOC16/602437 : Mr Allan Adams; (02) 6332 7610

Anthony Ko Planning Officer Resource Assessments Planning Services – Planning Services GPO Box 39 Sydney NSW 2001

17 March 2017

Dear Mr Ko

RE WESTERN COAL SERVICES MOD1 (SSD 5579) RESPONSE TO SUBMISSIONS

I refer to your email dated 3 March 2017 providing the Environment Protection Authority (EPA) the opportunity to comment on the Western Coal Services MOD1 (SSD 5579) Response To Submission (RTS). The EPA has reviewed the RTS and provides the following comments.

As stated in the EPA letter dated 13 December 2016 the EPA strongly supports the proposed Springvale Water Treatment Project (SWTP) at Mount Piper Power Station (MPPS), and acknowledges the improvements to water quality in the Coxs River catchment. The EPA also supports the implementation of clean water diversion works at Springvale's Western Coal Services Site (SCCS), predicted to reduce the volume of water reporting to Cooks Dam and then Licensed Discharge Point 6 (LDP006) annually by an estimated 407 ML.

However the EPA does not support plans to pipe SWTP pre-treatment residuals as a slurry to the WCSS Reject Emplacement Area (REA) for disposal as is presently proposed. While the revised predictions are that the disposal of residuals as proposed to the REA will result in 0.35 ML/day rather than 0.43 ML/day of dirty water reporting to Cooks Dam then LDP006, as stated in Volume 1 of the Environmental Impact Statement (EIS), a key objective of the project is to minimise the volume of treated water released to the environment. The EPA considers that the disposal of residuals as a slurry to the REA (an unlined emplacement area with seepage occurring), predicted to increase the discharge from LDP006, to be counter to the intent of the SWTP and exacerbates the discharge issue at LDP006.

Springvale mine water is currently receiving treatment at the Kerosene Vale Water Treatment Ponds (that Centennial Coal inherited from Energy Australia) prior to discharge into the Coxs River via LDP009. Prior to 2014, to clean the ponds Energy Australia would discharge the residues as a slurry to the Kerosene Vale wet ash dam. Since inheriting these ponds in 2014, and no longer having access to the wet ash dam, the practice adopted by Centennial has been to dewater the residues prior to disposal. As stated in Volume 1, Chapter 15 of the SWTP – Environmental Impact Statement (EIS), "residual material from the primary settlement is temporarily stored in large geobags adjacent to the settlement ponds before being disposed to a licensed waste management facility".

The EPA understands that the proposed SWTP may use a Lamella Clarifier with sludge handling at MPPS as shown in Figure 5.6 of the SWTP EIS. The use of a Lamella Clarifier may be a more sophisticated form of pre-treating the mine water prior to reverse osmosis, however, the generation of a waste sludge is a similar outcome to that currently occurring and being appropriately managed by Centennial Coal at LDP009.

PO Box 1388 Bathurst NSW 2795 Level 2, 203 – 209 Russell Street Bathurst NSW 2795 Tel: (02) 6332 7600 Fax: (02) 6332 7630 ABN 43 692 285 758 www.epa.nsw.gov.au The EPA is therefore of the opinion that a system similar to that currently established and operated by Centennial Coal at its existing Kerosene Vale Water Treatment Ponds could be utilised at either MPPS or WCS which would enable residues to be de-watered prior to disposal within the REA, or alternatively diverted from the REA completely and reused, or disposed of to a licensed waste management facility as is currently stated as the approach at Kerosene Vale.

The EPA acknowledges the short time frame in place for the 30 June 2019 consent condition (SSD 5594) and the connection of this MOD to the overall SWTP. In the event Centennial Coal is able to implement a more suitable option (e.g. as suggested above) that involves dewatering residues such that residues disposal does not further contribute to the water (elevated in EC) already reporting to Cooks Dam and discharging from LDP006, then the EPA is supportive of the Western Coal Services MOD1.

Should you have any further enquiries in relation to this matter please contact Mr Allan Adams at the Central West (Bathurst) Office of the EPA by telephoning (02) 6332 7610.

Yours sincerely

DARRYL CLIFT Head Central West Unit Environment Protection Authority



Ref: D2017/32592

Anthony Ko Planning Officer Resource Assessments, Planning Services Department of Planning & Environment GPO Box 39 SYDNEY NSW 2001

Dear Mr Ko

Western Coal Services Project Modification Application (SSD5579 MOD 1)

Thank you for your email received 3 March 2017 seeking WaterNSW's comments on the Response to Submissions (RTS) on the Western Coal Services Project modification application (SSD 5579 MOD 1).

WaterNSW has reviewed the RTS prepared by Centennial Coal (dated February 2017) and has the following comments:

Neutral or Beneficial Effect on Water Quality

WaterNSW notes no additional measures have been proposed in the RTS regarding the placement of residuals from the Springvale Water Treatment Plant (SWTP). Consequently the project would result in increased salinity levels over existing in Wangcol Creek and hence would not achieve a neutral or beneficial effect on water quality.

The RTS states that the salt and water balance modelling has used conservative assumptions in terms of both the residuals salinity concentration and residuals volume. The RTS acknowledges that there will be a minor direct impact on Wangcol Creek, however concludes overall the development as a part of the management of the Springvale Water Treatment Plant would achieve a 'cumulative' NorBE in the Upper Coxs River catchment.

Modelling of impact of High and Low Flows at LDP006

Water NSW notes that Centennial Coal have provided a probabilistic distribution detailing that at higher flow rates (least likely), the salt load at LDP006 is decreased over the existing situation, however for lower flow rates (most likely) there is a predicted increase in salt loads at LDP006 on Wangcol Creek. As such, the cumulative impact of this modification proposal is that increased salinity of discharges will further exacerbate the current impacts occurring on Wangcol Creek and associated aquatic species.

Hence, in such circumstances, WaterNSW considers it is appropriate for Centennial Coal to undertake compensatory water quality and/or catchment improvement measures and suggests the imposition of an appropriate condition for such measures (with a specified monetary value) to be implemented at or within the vicinity of the impacted watercourse and that these measures be implemented by 30 June 2019.

Timing and Monitoring of Installation of Clean Water Diversions

Water NSW notes that the RTS clarifies when the clean water diversion will be installed (Stage 1: mid 2016–2017 and Stage 2: 2017-2019), to be in place prior to the implementation of Springvale Mine MOD 2 (SSD 5594) and the Springvale Water Treatment Plant (SSD 5579). The RTS specifies that water quality and flow of the clean water diversions will be monitored as specified in Section 4, Table 4 – Revised Statement of Commitments.

WaterNSW Recommendations

WaterNSW requests that if the modification application is approved, the approval require:

- the implementation of an appropriate level of water quality or catchment improvement at or in the vicinity of LDP006 by 30 June 2019
- the Water Management Plan to be updated within three months of approval and include implementation of water quality and flow monitoring on the proposed clean water diversion works and identification of effectiveness of monitoring
- the salt and water modelling results to be updated and validated for actual future conditions by 30 June 2019, and
- the modelling validation results to be provided to WaterNSW (and others) within two years of approval.

WaterNSW requests the opportunity to continue to be involved in any further assessment of the modification application.

If you wish to discuss this letter or the project more generally please do not hesitate to contact me on 4724 2452.

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MALCOLM HUGHES Manager Catchment Protection CC: Darryl Clift - EPA

16/3/17