

2/8/2021

Major Projects
NSW Department of Planning, Industry and Environment

RE: Appin Mine Ventilation and Access Project (AMVAP)

I declare that I am a member of the Illawarra Coal Community Consultative Committee (IC-CCC), however this submission is purely in a personal capacity.

The name of the project is misleading, some would say deliberately so. The project is located in Menangle not Appin. I am aware of many residents of Menangle and Douglas Park who did not engage with the project when flyers were delivered as they understood the facility was located at Appin. This was pointed out to South32 early in the planning stage with no reaction.

It is disturbing that a 244-page report with appendices totalling 667 pages, a total of over 900 pages, is opened for public scrutiny with just 14 days to comment. I find it totally unacceptable that even as a member of the IC-CCC I was not privy to any of the detail. Prior to the release of the report the community was only provided a very general overview which essentially outlined the placement of project items on the project site.

Communication with local community has been less than adequate due to South32's unwillingness to share transparently, COVID-19 restrictions and the limited 14-day submission window. Nevertheless, based on discussions with local residents there is not significant total opposition to the location of the AMVAP.

Due to the limited time for public scrutiny the following submission is by necessity general in nature.

Interaction with the proposed M9 orbital¹

The major reason for acceptance is due to the project being located adjacent to the proposed M9 orbital, also known as the "Outer Sydney Orbital". The M9 will dominate the landscape at the Finns Road intersection to such an extent that the AMVAP will be dwarfed in comparison. It is my view that there would have been much more significant opposition if the M9 was not planned to run through the Finns Road, Menangle Road intersection.

Those tasked with approval should consider approving this project in parallel with locking in the M9 orbital plans for the area.

Viability of Illawarra Metallurgical Coal (IMC)

There are a range of facts that indicate the life of the Appin mine may not be as indicated by current approvals and as implied in the report.

Some facts.

1. Green steel is coming and will revolutionise steel making globally within the next decade or so. This will see a wind down and eventual lack of demand for coking coal. Dr Andrew Forrester's recent Boyer lecture² makes it clear Green steel is no longer a pipe dream, it is imminent.

¹ M9 or Outer Sydney Orbital plans <https://www.transport.nsw.gov.au/corridors/oso>

² Boyer Lecture - Oil vs Water — Confessions of a carbon emitter
<https://www.abc.net.au/radionational/programs/boyerlectures/oil-vs-water-confessions-of-a-carbon-emitter-v1/13072410>

2. The Dendrobium mine expansion has not been approved, despite South32's reluctance to accept the referee's decision.
3. Reports, including from South32, continue to indicate the Appin mine is not viable without Dendrobium. This includes the BA Economics³ report commissioned by DPIE and recent ASX memo⁴ from South32 CEO Graham Kerr on 21/7/2021 which both indicate concern for the viability of IMC.
4. South32 claims of IMC operations being critical to Bluescope operation are factually incorrect. The majority of coking coal produced by IMC is not sold to Bluescope. Details in Appendix A show that in FY20 just 20% of the Appin and Dendrobium saleable product went to Bluescope. Claims the Appin mine is critical to the whole steel making enterprise in the Wollongong area are overstated at best.

There is significant doubt over the viability of the Appin mine and its importance to steelmaking as a whole in the Wollongong area. Consequently, should this modification be approved then it must include a range of compensation and assurances.

1. Areas currently self-regulated by the mine proprietor must now be formally regulated and verified by government.
 - a. There is significant doubt over the emissions from the current VS6 exhaust shaft, which carry over to this project. South32 do not monitor emissions from the current VS6 on an ongoing basis – a significant concern for Douglas Park residents. For the new exhaust shaft, conditions must be imposed that enforce and verify compliance with the current and proposed National Environment Protection (Ambient Air Quality) Measure⁵. Exhaust filtration should be installed on the proposed upcast shaft.
 - b. There is no government air monitoring station in the vicinity of the AMVAP. DPIE should install a station adjacent to the project to ensure compliance.
 - c. The life of the exhaust shaft should be specified as an approval condition.
 - d. A further condition should be imposed requiring the current VS6 exhaust shaft to be decommissioned, with an option for it to become a downcast shaft, once the new VS7 and VS8 shafts are operational.
 - e. The number of workers accessing the site at any one time to be limited as a condition to control effects on the local community.
2. All private landholders in the vicinity of the AMVAP should be compensated via independent property valuations for the reduction in value of their properties.
3. Deposit funds held for rehabilitation and details of rehabilitation that must take place must be all encompassing as insurance should the mine become uneconomical and close.

³ Review of the Key Economic Interactions between the Dendrobium Mine and Related Entities in the Wollongong Region

<https://majorprojects.planningportal.nsw.gov.au/prweb/PRRestService/mp/01/getContent?AttachRef=SSD-8194%2120201102T060302.347%20GMT>

⁴ 21/07/2021 Illawarra Metallurgical Coal Impairment. <https://www2.asx.com.au/markets/company/s32>

⁵ National Environment Protection (Ambient Air Quality) Measure
<https://www.legislation.gov.au/Details/C2004H03935>

4. Further checks are required to be built into the approval conditions to ensure the mine proprietor is transparent and forthcoming with stakeholders, including the local community.

Menangle Rd between Foot Onslow Creek and Finns Rd

The AMVAP entrance is located on a twisty section of road with large gradient change. Installing a significant intersection in this section of road is unwise and presents numerous safety concerns for local residents, particularly given the ever-increasing traffic volumes in the area due to substantial residential development.

Currently South32 plans a right turn lane heading North into the site and a left turn lane heading South. There is no management of traffic leaving the site turning right to the North – this requires correction.

Analysis of traffic flows in the Modification Report considers average traffic increases, when in fact traffic increases will all occur during shift changes. The estimated 600 extra traffic movements per day⁶ will occur in condensed periods, not spread across the day as the report alludes. Clearly there will be significant congestion at these times causing safety concerns for traffic rounding the corner from the South with poor visibility down the incline to the project entrance.

A complete reassessment of the traffic management plan is required.

Community support

In recent years South32 has made a range of claims to the community that have been shown to be false. South32's social licence to operate in the area is on a knife's edge with community support at an all-time low.

1. South32 planned to install the largest ever upcast exhaust shaft close to the Douglas Park Village on the historic Mountbatten property. At the time South32 was adamant the exhaust had to be installed in one of two locations on the Mountbatten property and that construction was urgent. Time has shown this to be false. In addition, two longwalls are currently in operation with safe ventilation of the workings.
2. This current APVAP at Menangle is a follow-up proposal due in large part to the community pressure that halted progress on the Mountbatten proposal. Because of the misinformation regarding the first proposal and the lack of detail the community deserves independent verification of all South32 claims and commitments.
3. Currently South32 is required to donate to the community based on the number of saleable tonnes of product produced. This money is distributed with much fanfare including large cheques to attract media and routinely followed up with plaques attached to community facilities. Are such donations really donations?
4. South32 has advised they are not required and do not intend entering into a voluntary planning agreement with the local Wollondilly council. This is unacceptable given the obvious effects on local infrastructure, in particular access to the local road network and other council funded assets.
5. Mine subsidence from IMC longwall operations is predicted and planned to damage and, in many cases, completely destroy private and public assets, including environmental assets. Current legislation requires compensation for physical damage; however, it does not compensate for capital gain losses, the psychological effects on residents or for the

⁶ AMVAP Modification Report 6.6.2.3 Impacts on the road network (p150)

extended time it takes for subsidence to finish, nor the time taken for compensation claims to be finalised, often through the courts.

6. South32 and its various subsidiaries own property that is of particular significance to the local community. In the Douglas Park area this centres on the Mountbatten Property and its historic buildings, but also includes a property with terrific access to a swimming hole on the Nepean River. These and similar assets should be rehabilitated and donated to the community as a condition of approval.

A detailed assessment of the above matters is a glaring omission in the project report and its appendices. Those tasked with approving this modification should carefully consider the honesty, extent and detail of how the community is consulted and importantly how the community is best compensated for the damage done by the total mining enterprise.

I look forward to and welcome further consultation.

Sincerely

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Appendix A

South32 coal sales to Bluescope and elsewhere

South32	ROM FY2020 (Mt)	Saleable Product FY2020 (Mt)	Maximum ROM per year (Mt)	Bluescope received (Mt)	% Saleable product sold to Bluescope	%Saleable product sold elsewhere
Appin	3.561	3.18	10.5	0.945	29.72%	70.28%
Dendrobium	4.906	3.768	5.2	0.505	13.40%	86.60%
Total	8.467	6.948	15.7	1.45	20.87%	79.13%

Sources

IPC 3.3.3

https://www.ipcn.nsw.gov.au/resources/pac/media/files/pac/projects/2020/10/dendrobium-extension-project-ssd-8194/determination/210205_ssd-8194-dendrobium-extension-project_statement-of-reasons.pdf

South32 Section 4

<https://www.south32.net/docs/default-source/illawarra-coal-bulli-seam-operations/annual-review/appin-mine-annual-review-fy20.pdf>

South32 Section 4

<https://www.south32.net/docs/default-source/illawarra-coal/dendrobium/dendrobium-and-cordeaux-annual-review/dendrobium-mine-and-cordeaux-colliery-annual-review-fy20.pdf>