



Submission to the Newstan Mine Extension Project Proposal

Toronto Area Sustainable Neighbourhood Group (TASNG)

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Summary

We object to the Centennial Coal Newstan Mine Extension Project application in its current form because the 'public interest' argument is questionable and there are potential impacts on the Eraring Ash Dam and the Awaba Conservation Area.

Detail

The 'public interest' argument is questionable

Why is the 'coal resource' considered to be an important [NSW] 'public' asset needing to be recovered and in the public interest? This question is only argued in economic terms. It is stated that: 'The project would generate approximately \$80 million in royalties to the State' and 'If the project were not to proceed, the economic benefits that flow from the recovery of this resource would not be realised'¹.

However, NSW is rapidly moving into a post-coal economy in response to the urgency of limiting climate change. Indeed, Centennial's parent company, Banpu, is moving into renewable energies such as solar and underground pumped hydro². The NSW government has also just released its hydrogen production plan as a way of moving away from dependence on coal.

What proportion of the mined coal will be for thermal vs coking (metallurgical) uses? How much of the mined coal is likely to be used by the Eraring Power Station? Centennial is known globally for its thermal coal. Why is Centennial considering a semi-soft coking coal product when there is already an established metallurgical (coking) coal market, where Australia has a major export market.

The Eraring Power Station is due to close in 2030-2032, with the first unit to close in 2030. Origin is already signalling its interest in renewables, with a large battery planned to be installed. Newstan has not supplied coal to Eraring since 2014. Rather, coal supply has come from the Myuna and Mandalang collieries. Myuna is due to close by 2032 and Mandalang's current development Consent operates until December 2040.³

We therefore question the accuracy and validity of the objective [how this project will...] 'Help to ensure ongoing security of thermal coal supply for domestic electricity generation at the adjacent Eraring Power Station'.⁴

¹ GHD Report for Centennial Newstan Pty Ltd - Newstan Mine Extension Project, 2220261 p. 41

² Banpu Energy <https://www.banpuenergy.com.au/energy-storage> Accessed 16.10.21

³ Mandalang South Development Consent Mod 9. 2021 p.50

⁴ GHD Report for Centennial Newstan Pty Ltd - Newstan Mine Extension Project, 2220261 p.5

Potential impacts

1. Eraring Ash Dam (the Dam)

Historically, the Dam has caused great concern and angst within the community.

The Dam is large, occupying an area of approximately 150ha⁵, unlined⁶ and estimated to contain **40 million tonnes** of ash waste⁷. This ash waste contains heavy metals including selenium, lead and arsenic⁸. Groundwater and surface water monitoring indicates that waste from the Dam is seeping into Lake Macquarie via the sub-catchments of Muddy Lake, Myuna Bay and Whiteheads Lagoon⁹. There are concerns around increased water discharge and contamination into Muddy Lake.

In 2019 the Myuna Bay Sport and Recreation Centre was closed because of the risk posed to people and infrastructure if the Dam wall were to collapse due to an earthquake.

The MSEC report states that the coal seams proposed to be mined are “characterised by complex patterns of splitting”¹⁰ and that dykes, faults and folds dominate¹¹ the area.

Currently there are no first workings under the Dam. The report states that the existing workings in the Great Northern Seam will be reactivated in order to source the coal from under the Dam.¹²

Less than 20 mm of vertical subsidence is predicted in areas of first workings only, including under the Dam wall¹³. How is this possible, when full extraction under the Dam itself is proposed?

Great consideration in mine design has been given for infrastructure in the area, yet full extraction is proposed under the Dam, a vital part of the Eraring Power Station’s infrastructure. We are concerned that no issues were raised by Dams Safety NSW in response to a risk assessment for the Dam conducted by Centennial Newstan and external consultants in November 2019.

The MSEC report states that subsidence could occur with the reactivation of the workings¹⁴ and that the overlying Teralba Conglomerate structural integrity would be compromised, should mining occur in the Great Northern Seam¹⁵. It goes further to suggest that the predicted vertical subsidence in the context of multi -seam conditions would be 3250mm (3.25m)¹⁶.

It is argued by the proponents that the *Precautionary Principle* for ecological sustainable development has been applied¹⁷ and that all potential serious or irreversible risks have been quantified and avoided. We contest this argument with reference to the above stated concerns and suggest that the principle appears to be overridden because of the argued importance of extracting this coal resource. The financial costs of potential degradation are not considered.

⁵ HCEC 2020 Out of the Ashes II, p. 56

⁶ GHD 2020 Report for Centennial Newstan Pty Ltd - Newstan Mine Extension Project p. 126

⁷ HCEC 2020 Out of the Ashes II: Summary of Key Findings p. 3

⁸ Ibid

⁹ Ibid

¹⁰ MSEC 2020 SUBSIDENCE PREDICTIONS AND IMPACT ASSESSMENTS FOR NEWSTAN COLLIERY 201 TO 218 PANELS p. 7

¹¹ ibid

¹² MSEC 2020 SUBSIDENCE PREDICTIONS AND IMPACT ASSESSMENTS FOR NEWSTAN COLLIERY 201 TO 218 PANELS p. 10

¹³ GHD Report for Centennial Newstan Pty Ltd-Newstan Mine Extension Project, 2220261 p.iv Table ES-1

¹⁴ Ibid p.27

¹⁵ Ibid p.29

¹⁶ Ibid p.33

¹⁷ Ibid p.317

2. Awaba Conservation Area

Most of the area for this mine extension project lies within the proposed Awaba Conservation Area (ACA). The ACA, which is mainly on Crown Land, is a vital wildlife corridor between the Watagans and Lake Macquarie. The importance of this area has been acknowledged since 1972 by the National Trust of Australia and subsequently by Lake Macquarie City Council (LMCC) in 1995 and the then NSW Department of Environment, Climate Change and Water in 2009.¹⁸

LMCC's Awaba Biodiversity Conservation Area is not only part of Council's offset obligations but it is also part of the proposed ACA. We have concerns for the sections that are designated for *full extraction* within the Biodiversity Conservation Area, other existing biodiversity conservation areas (i.e. the proposed ACA), Kilaben Creek catchment and the integrity of the Teralba Conglomerate Formation. If the Teralba Conglomerate Formation is compromised, how will this affect ground and surface water and thus the integrity of biodiversity conservation areas within the project's boundaries?

RPS's report makes no reference to natural assets and the provision of ecological/ecosystem services even though it is stated that 1036.27ha (70.7%) is native vegetation.¹⁹ The concept of ecosystem services is now well established²⁰, with a universal consensus, that the "perceived and unobserved benefits people obtain from nature are important".²¹ This shortcoming should be addressed.

References

Banpu Energy: <https://www.banpuenergy.com.au/energy-storage>.

Charlton R: 2015 Awaba Conservation Area <https://conservewestlakes.wordpress.com/awaba-conservation-area>.

DECCW: 2009 Lower Hunter Regional Conservation Plan, Department of Environment Climate Change and Water, Sydney NSW.

Department of the Environment, Water, Heritage and the Arts: 2009. *Ecosystem Services: Key Concepts and Applications*, Occasional Paper No 1, Department of the Environment, Water, Heritage and the Arts, Canberra.

GHD: 2020 Report for Centennial Newstan Pty Ltd-Newstan Mine Extension Project, 2220261.

HCEC: 2020 *Out of the Ashes II*.

IUCN Red List of Ecosystems: 2019 <https://iucnrl.org/blog/ecosystem-services-the-benefits-people-obtain-from-the-planets-natural-resources/>.

Minerals Council of Australia: 2021 *Best in Class: Australia's Bulk Commodity Giants* <https://www.minerals.org.au/sites/default/files/Best%20in%20Class%20Australian%20Metallurgical%20Coal%20May%202021.pdf>

MSEC: 2020 Report: SUBSIDENCE PREDICTIONS AND IMPACT ASSESSMENTS FOR NEWSTAN COLLIERY 201 TO 218 PANELS.

RPS: 2020 Newstan Mine Extension Project, Biodiversity Development Assessment Report.

¹⁸ Charlton R 2015 Awaba Conservation Area Accessed 16.10.21

¹⁹ RPS Newstan Mine Extension Project, Biodiversity Development Assessment Report p.4

²⁰ DEWHA *Ecosystem Services: Key Concepts and Applications* p.2

²¹ IUCN 2019 *Ecosystem Services: The benefits people obtain from the planet's natural resources*. Accessed 16.10.21