



Blue Mountains Conservation Society Inc

ABN 38 686 119 087

PO Box 29 Wentworth Falls, NSW, 2782

Phone: (02) 4757 1872

E-Mail: bmcs@bluemountains.org.au Web Site: www.bluemountains.org.au

Nature Conservation Saves for Tomorrow

8 July 2014

Mining and Industry Projects

NSW Department of Planning & Infrastructure

GPO Box 39

Sydney NSW 2001

Dear Sir/Madam,

Airly Colliery Modification 3 for extension for one year of Development Consent 162/91 - DA 162/91 MOD 3

The Blue Mountains Conservation Society (BMCS) is a community organisation working to achieve the preservation and regeneration of the natural environment of the Greater Blue Mountains. BMCS does not support the application for an extension of one year to development consent DA 162/91 for the following reasons:

- the application seeks no changes to any of the development conditions besides extending the term of the existing development consent which is over twenty years old and should be updated;
- the existing development consent allows subsidence up to 1.8 meters. This will significantly damage the values of the surface area above the mining operations including the pagoda rock formations and cliffs;
- mining operations are likely to negatively impact on the water quality in the Greater Blue Mountains World Heritage Area (GBMWA);
- the environmental assessment has failed to adequately include the heritage significance of the existing Oil Shale ruins;

- continuation of this mining operation will endanger the environmental values which make the current Mugii Murum-ban State Conservation Area (SCA) worthy of preservation in the GBMWA; and
- the environmental assessment does not include management of potential contamination of existing stockpiled coal and waste products.

If the application is approved, BMCS strongly believes this should only be with amendments to the existing conditions as allowed under the *Environmental Planning and Assessment Act 1979*, section 75W(4). In particular any consent to the applications should contain conditions which:

- specify the subsidence criteria that are in the EA's executive summary and page 29, with no exceptions;
- require waste and coal product stockpiles be managed to ensure no leaching and contamination into groundwater;
- limit mining operations in the vicinity of the oil shale ruins to ensure these cultural heritage items are not damaged or degraded; and,
- require treatment of the effluent from the Airly Colliery operations to remove salts or dissolved metals.

However, BMCS believes that the best approach is to let the existing consent expire without extension and require Centennial Coal to apply separately. A new application would be best considered with the current Airly Mine extension project.

Airly Colliery is within the Mugii Murum-ban State Conservation Area, an area which The Greater Blue Mountains World Heritage Advisory Committee (GBMWHAC) has said should be added to the GBMWA once mining has been completed. BMCS supports this recommendation. The declaration of Mugii Murum-ban SCA in 2011 is another indicator of how out of date the current (twenty year old) consent has become.

Potential Subsidence Impacts

The Executive Summary of the EA states that subsidence due to the proposed mining operations would not exceed:

- vertical subsidence to be no greater than 125 mm;
- Maximum tilt of 2.5 mm/m and
- Maximum strain of 2.0mm/m. (EA, Section 6.0, page 29)

The BMCS is extremely concerned that the application seeks to retain the much higher thresholds in the existing consent, in particular "maximum subsidence of 1.8 metres" [EA Table 2, Pages 11-12]. This is unacceptable. Subsidence is final. There is no remediation which could restore the surface environment or pagoda rock features and

internal cliffs which are a significant characteristic of the Mugii Murrum-ban State Conservation Area.

If the proponent is so confident that its operations in the extended consent period will pose “negligible environmental impacts and less than those previously assessed and approved under DA 162/91” (EA Executive Summary, page I) then it should propose these lesser standards as modifications to the extended development consent. This approach would also address the request from the Director General of Department of Planning that the application should indicate “where and how the mine plan has been modified to take into consideration contemporary environmental standards and describe the resultant reduction in anticipated environmental impact” (EA Introduction, Section 1.5).

BMCS strongly opposes the continuation of consent conditions which allow subsidence up to 1.8 metres as this would be very destructive of the existing values of the area and its potential to add to the GBMWA. If, however, continuation of the consent is approved, BMCS believes that it must include amended conditions relating to subsidence to specifically contain the subsidence criteria in the Executive Summary and at page 29 with no exceptions.

Given the age of the existing development consent and its outdated approach to environmental management and mining operations, as acknowledged by Department of Planning and Infrastructure, BMCS believes that the existing development consent should be allowed to lapse at the end of its current term.

BMCS also questions the argument that continuing the current operations should be approved through Modification 3 because it “will enable assessment of the Airly Mine Extension project”. (EA Executive Summary Page 2).

Impacts on water quality in the GBMWA

The mining operations under Modification 3 are likely to impact on the GBMWA as a result of discharging waters to Airly Creek. The environmental assessment does not refer to this potential impact nor does it appear to even acknowledge that its operations adjoin the GBMWA.

Impacts on world heritage properties are one of the matters of national significance protected under the Environmental Protection and Biodiversity Conservation Act 1999. This risk of significant environmental impact through water discharge should be referred to the Commonwealth Department of Environment for assessment and declaration as a controlled action.

Water and waste management from mining operations

The EA does not address management of coal product and waste piles from the proposed mining operation. It should be a requirement of any approval of extension that all waste or coal stockpiles should be sealed underneath and on top with clay as soon as possible to prevent contamination of groundwater resources through heap leaching. Such leaching can lead to permanent source of downstream pollution. This is a live issue with the current operations given the large stockpiles of coal which have accumulated at the mine.

The management plan for the operations, should they be extended, also needs to consider the landscaping of coal product and waste rock piles in relation to parks and popular tourist viewing points, such as Pearsons Lookout. Visually prominent waste and product heaps must be appropriately screened. To leave waste stockpiles degrades even the existing designation of the area as an SCA.

The mess created at the head of the Wollangambe River catchment by Centennial's Clarence Colliery should not be repeated at Airly Colliery in the Capertee River catchment. The company must be required to screen its operations and prevent visual blight in a popular tourist area, the Capertee Valley. Airly Colliery should be subject to continuous rehabilitation and landscaping.

Water treatment of the effluent from the Airly Colliery operations to remove salts and metallic ions should be considered. Airly Creek has good water quality but its flows are ephemeral. Mine effluent discharges will therefore have a disproportionately large effect on the previously pristine ecology.

Oil Shale extraction ruins on Mt Airly

The ruins of the treatment plant and miner's houses from the former oil shale extraction activity on Mt Airly are better preserved than those found at Newnes and Glen Davis and are part of Australia's heritage. BMCS strongly believes that these remains should be recognised as having national heritage significance.

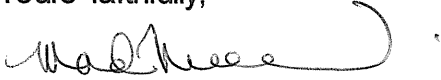
However, the EA has ignored these important heritage items in its mining operations area. They are neither recorded on the map containing "Surface Sensitive Features" (Figure 6, page 31), and nor are they mentioned in the very brief discussion on the possible impacts on built items in the surface above the mining operations (Section 6, page 29-30). This is a significant oversight of the EA. These items should have been assessed for the heritage values part of this application.

As well, BMCS believes the proposed mining operations could impact on the state of these oil shale heritage items. If the application is approved, it should contain a new condition which requires the mining operations to not undertake any activities

underground in the vicinity of the ruins which would damage them or degrade their heritage value.

For reasons set out above, the BMCS believes the Airly Colliery Modification 3 should be disapproved and the development consent allowed to expire.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Madi Maclean', with a large, sweeping flourish at the end.

Madi Maclean

For the Management Committee