

Donaldson Coal Pty Limited

**ABEL UNDERGROUND MINE
PART 3A ENVIRONMENTAL
ASSESSMENT**

Appendix A

**Department of Planning
Environmental Assessment Requirements**





NSW GOVERNMENT
Department of Planning

**Office of Sustainable Development
Assessment & Approvals**

Phone: (02) 9228 6192
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Email: yolande.stone@dipnr.nsw.gov.au
Level 1, 23-33 Bridge Street
GPO Box 39
SYDNEY NSW 2001

Mr Mark McPherson
Director
Ellembay Resources
PO Box 37
MAITLAND NSW 2320

Dear Mr McPherson

**Environmental Assessment Requirements
Proposed Abel Underground Coal Mine**

The Department has received your application for the proposed Abel Underground Coal Mine (reference number: 05_0136).

I have attached a copy of the Director-General's requirements for the project, and the correspondence the Department received from various agencies on the project.

I would appreciate it if you would contact the Department at least 2 weeks before you propose to submit the Environmental Assessment for the project.

If you have any enquiries about these requirements, please contact David Kitto, Manager of the Department's Mining & Extractive Industries team (9228 6487).

Yours sincerely

Yolande Stone 6/1/06

Yolande Stone
A/Deputy Director-General

Director-General's Requirements

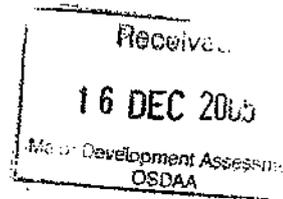
Section 75F of the *Environmental Planning and Assessment Act 1979*

Project	<p>The proposed Abel Underground Coal Mine and associated infrastructure, which includes:</p> <ul style="list-style-type: none"> • extracting up to 4.5 million tonnes of run of mine (ROM) coal a year, using bord and pillar mining methods; • processing the ROM coal at the Bloomfield Coal Handling and Preparation Plant (CHPP); and • transporting the product coal by rail to export markets.
Site	Approximately 23 km north-west of Newcastle
Proponent	Donaldson Coal Pty Ltd
Date of Issue	6 January 2006
Date of Expiration	6 January 2008
General Requirements	<p>The Environmental Assessment must:</p> <ul style="list-style-type: none"> • be scientifically rigorous, and prepared in accordance with best practice; • be certified by the author; • include an executive summary; • describe all stages of the project in detail (including rehabilitation of the site); • describe the consultation that was carried out during the preparation of the Environmental Assessment, the issues that were raised during this consultation; • include a general environmental risk analysis of the project; • assess the key assessment requirements specified below; • include a draft Statement of Commitments; and • consider the impacts of the project (as a whole), and justify why it should be approved.
Key Assessment Requirements	<p>The Environmental Assessment must assess the following potential impacts of the project (including any potential cumulative impacts that may arise from the combined operation of the project with the Donaldson, Tasman and Bloomfield mines), and describe what measures would be implemented to avoid, minimise, mitigate, offset, manage and/or monitor these impacts:</p> <ul style="list-style-type: none"> • Subsidence – refer to the <i>Guideline for Application for Subsidence Management Approvals</i> (Department of Primary Industries); • Soil and Water – include a detailed water balance, and refer to the <i>Guidelines for Fresh and Marine Water Quality</i> (ANZECC); <i>Managing Urban Stormwater: Soils & Construction</i> (Landcom); <i>NSW State Rivers & Estuaries Policy</i>, <i>NSW Wetlands Management Policy</i>, and the various <i>State Groundwater Policy</i> documents (Department of Natural Resources); • Noise and Vibration – refer to the <i>NSW Industrial Noise Policy</i>, <i>Environmental Criteria for Road Traffic Noise</i> and the <i>Environmental Noise Control Manual</i>, particularly for the rail noise assessment (Department of Environment and Conservation); • Air – refer to <i>Approved Methods for the Modelling and Assessment of Air Pollutants in NSW</i> (Department of Environment and Conservation); • Flora & Fauna – refer to the draft <i>Guidelines for Threatened Species Assessment</i> (Department of Environment and Conservation) and <i>NSW Groundwater Dependent Ecosystem Policy</i> (Department of Natural Resources); • Heritage – refer to the draft <i>Guidelines for Aboriginal Cultural Heritage Assessment and Community Consultation</i> (Department of Environment and Conservation); • Waste – including tailings disposal, and refer to the <i>Environmental Guidelines: Assessment and Classification and Management of Liquid and Non-Liquid Wastes</i> and <i>Environmental Guidelines: Use of Effluent by Irrigation</i> (Department of Environment and Conservation); • Transport - refer to the <i>Guide to Traffic Generating Development</i> and

	<i>Road Design Guide</i> (Road and Traffic Authority), or relevant Austroad standards; and <ul style="list-style-type: none">• Visual.
Consultation	During the preparation of the EA, you must consult with the relevant local, State, and Commonwealth government authorities, service providers, community groups, and affected landowners.
Deemed refusal period	60 days



NSW DEPARTMENT OF
PRIMARY INDUSTRIES



Our Reference: 05/2643
13 December 2005

Mr David Kitto
Manager, Mining & Extractive Industries
Department of Planning
GPO Box 39
SYDNEY NSW 2001

Dear Mr Kitto

Re: Abel Underground Mine Proposal

I refer to the Planning Focus meeting for the above project which was held on 24 November, 2005. The presentation made by the proponents at the Planning Focus meeting was similar to the Conceptual Project Development Plan presentation made previously to the Department of Primary Industry - Mineral Resources Division (DPI MR).

The following comments are provided in response to the call at the conclusion of the meeting for input to assist in the assembly of Director-General's requirements for an Environmental Assessment (EA) for the proposed Abel Underground Mine.

As coal is a prescribed mineral under the *Mining Act, 1992*, the proponents are required to hold appropriate mining titles from the Department of Primary Industries in order to mine this mineral. Any granted mining title is subject to standard and special conditions, with the preparation of a Mining Operations Plan (MOP), Annual Environmental Management Report (AEMR) and a Subsidence Management Plan (SMP) being specific requirements for any mining lease before operations can commence. Relevant health and safety issues will need to be dealt with in accordance with the requirements of the *Coal Mine Health and Safety Act 2002* and the *Coal Mines Regulation Act, 1982*.

The following comments are directed at specific areas of Departmental responsibility.

COAL RESOURCES

The proponent is required to submit a detailed Resource/Reserve Statement for the project. This Resource/Reserve Statement should include an overview of:

- The exploration and geology of the project area.

- Coal seam geology and coal quality.
- Estimated in situ coal resources for all seams.
- Recoverable and Marketable Coal Reserves.
- Limits of proposed mining and parameters used to define these limits.

The resource and reserve estimates should be in accordance with the "JORC Guidelines for the Estimation and Reporting of Australian Black Coal Resources and Reserves".

DPI MR requires that this statement be submitted in digital format prior to the completion of the EA. The statement would be confidential to the Department.

The EA should include a brief summary of the information contained in the Resource/Reserve Statement.

MINING TITLES

A mining lease will be required for the area of mining activity and associated mining purposes. The proponent should note that a Mining Lease cannot be granted without a relevant approval under the *Environmental Planning and Assessment Act 1979*.

DPI MR understands that a Mining Lease Application (MLA) is to be prepared and presented, coincident with the EA.

Integrated rehabilitation and environmental management reporting is to be captured in the Mining, Rehabilitation and Environmental Management Report documents. The proponent will need to commence early discussions with DPI MR on the requirements for the preparation and submission of a Mining Operations Plan, Annual Environmental Management Report and the Subsidence Management Plan.

The proponent should be aware that if there are any areas of Crown Land on which Native Title has not been extinguished, the provisions of the Commonwealth Native Title Act will need to be complied with before a mining lease is granted.

MINES SAFETY

Under the provisions of the *Coal Mine Health and Safety Act 2002* and the *Coal Mines Regulation Act 1982*, DPI MR has legislative responsibility for overseeing the safe operation of mining activities. In particular, the section of the EA that deals with safety issues should incorporate the following:

- A commitment to compliance with the *Coal Mine Health and Safety Act 2002* and *Coal Mines Regulation Act 1982*.
- Nomination of a person (or persons) as Operator and Manager as required by the *Coal Mine Health and Safety Act 2002* and *Coal Mines Regulation Act 1982*.

- Details of the procedures the Proponent intends to adopt in addressing any safety issues identified by an Inspector or Mine Safety Officer or an authorised Government Official as specified in the *Coal Mine Health and Safety Act 2002*.

STAKEHOLDER ENGAGEMENT

To facilitate this project, the proponent should continue the stakeholder engagement process to create an open and transparent relationship with the community. DPI MR suggests that the proponent reviews the following options:

- Consulting with all the neighbours within vicinity of the mine
- Provide regular updates to the community via a newsletter or letter-drop

GEOCHEMICAL ANALYSIS

To understand and enable efficient management of coal handling and stockpiling, the material should be analysed by a certified laboratory and a risk assessment for spontaneous combustion undertaken. Techniques to minimise and manage the risk should be outlined. Similarly, analysis and assessment of potential acid mine drainage from the coal sequence should be undertaken.

MINING ACTIVITIES AND INFRASTRUCTURE

The proponent should clearly identify the proposed mining activities to be undertaken. The EA should include a comprehensive description of the following activities and their impacts to the surrounding environment:

- Specific underground mining activities
- Coal crushing and coal handling activities
- Surface facilities and storage requirements
- Ventilation and mine gas management infrastructure including access roads
- Long-term tailings and coarse reject management process interdependence with Bloomfield Colliery's operations. This should include a life-of-mine calculation of waste quantities, storage locations and storage capacity. Responsibility for the management of waste should also be outlined with emphasis on the progressive rehabilitation of tailings dams and voids remaining at Bloomfield Colliery.

FINAL REHABILITATION

A final rehabilitation strategy should be developed with a view to include a more detailed discussion in the Mining Operations Plan. The strategy should discuss the final rehabilitation objectives for the proposed Abel surface facilities and other expected disturbance areas on the Bloomfield and Donaldson mine leases that may fall under the proponent's responsibility. Completion criteria should also be discussed to ensure the proponent's have a clear long-term plan for achieving successful mine closure.

SUBSIDENCE PREDICTION

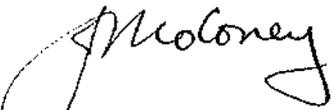
The EA must provide assessment of subsidence levels associated with underground mining, using best available predictive formulae.

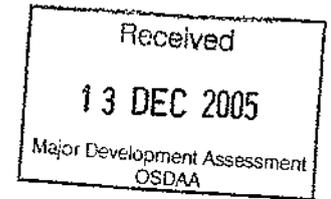
The EA must identify if the predicted subsidence will result in fracture connectivity to the surface, the environmental consequence to the ground surface, groundwater aquifers and groundwater dependant ecosystems. Baseline assessment of the surface features above the proposed mining areas must be sufficient to identify environmental features at risk, and setback or protection zones if necessary for sensitive features.

The proponent should be aware that any first workings as part of the proposed mining operation may be subject to Subsidence Management Plan (SMP) Approvals by the Director-General DPI. The proponent should consult with DPI MR in accordance with the "Guideline for Application for Subsidence Management Approvals" while developing proposed mine designs and undertaking subsidence assessments.

Should you have any enquires regarding this matter please contact Julie Moloney, Senior Project Officer, Minerals Development on (02) 4931 6549.

Yours sincerely


for Garth Holmes
Manager
Minerals Development



Our Ref: ER6748

Acting Director – Major Developments Assessments
Department of Planning
GPO Box 30
SYDNEY NSW 2001

Attention: Dinuka Govinnage

Dear Ms Govinnage

Environmental Assessment Requirements - Proposed Abel Underground Mine

I refer to the Planning Focus Meeting (PFM) of 24 November 2005 in relation to the proposed Abel Underground Mine. As requested at that meeting, the Department of Natural Resources, Hunter Region (DNR) provides the following for inclusion in the environmental assessment (EA) requirements for the project.

Relevant Policies

Any mine proposal must address the relevant NSW State Government natural resource management policies, including:

- NSW State Rivers and Estuaries Policy
- NSW Wetlands Management Policy
- NSW Groundwater Policy Framework Document - General
- NSW Groundwater Quantity Management Policy
- NSW Groundwater Quality Protection Policy
- NSW Groundwater Dependent Ecosystem Policy

Relevant Guidelines

The DNR has adopted the following publications as best practice management in the area of stream rehabilitation and groundwater modelling:

- Land and Water Resources Research and Development Corporation. 2000. Rehabilitation Manual for Australian Streams. ISBN 0642 76030 6. ✖
- Middlemis, Hugh. 2001. Groundwater - Groundwater flow modelling guideline. Murray-Darling Basin Commission. ISBN 1876830166. ✖

Also, the following document contains important considerations for assessment of mining operations in the Hunter Valley:

- Healthy Rivers Commission. May 2002. Independent Inquiry into the Hunter River System. Final Report.

Key Issues

In order for DNR to complete an assessment under relevant legislation, it is essential that the following issues are included in the EA.

1. Subsidence Impacts on Surface Water Bodies

- details of the existing surface water users (both licensed and stock and domestic users) within the area of the proposal and any potential impacts on these users, including the environment
- details of a process to monitor, define trigger thresholds and implement any required remedial works should subsidence impacts be identified
- description of the relationship between potential subsidence impacts and the mine plan, for example, exclusion of mining operations from sensitive areas, such as under creeklines

2. Existing Approval Status

Details of existing water licences for the Bloomfield operation must be provided.

Secondary Issues

The EA must also provide the following information:

1. Regional Groundwater Impacts - encompassing, Bloomfield, Donaldson, Abel and Tasman Mines

- details of any proposed groundwater extraction, including purpose, location and construction details of all proposed bores and expected annual extraction volumes
- details of any proposed works likely to intercept groundwater
- description of different aquifer systems including their extent and inter-relationships (including inter-relationships with surface water bodies and dependent ecosystems)
- description of the flow directions and rates and the physical and chemical characteristics of the aquifers
- details of the predicted impacts of any final landform on the groundwater regime
- details of the existing groundwater users (both licensed and stock and domestic users) within the area of the proposal and any potential impacts on these users, including the environment (groundwater dependent ecosystems)
- details of proposed method of disposal of any tail or waste water
- details of the results of any models or predictive tools used, including inputs, limitations for models used and any sensitivity analyses conducted
- interaction of this proposal with other existing and proposed mining operations in the catchment

2. Water Balance

Both a regional (Bloomfield, Donaldson, Abel and Tasman Mines) and site-specific water balance must also be provided, which includes:

- sources of water supply
- location and design specifications for all clean water diversions
- details of internal drainage of the contaminated water circuit
- details in regard to any mine water storage proposed for the development
- discussion of proposed monitoring programs and reporting procedures

- description of the integrated water management system, including an assessment of the water management system under a range of conditions (including 10%, 50% and 90% wet years, and severe storm events)

If you require clarification of any issue raised in this letter, please contact Fergus Hancock, Natural Resource Project Officer, on 02 4929 9847.

Yours sincerely

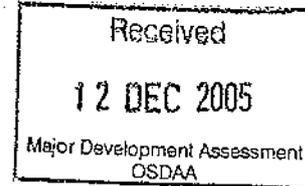
Vicki McBride 8/12/05

Vicki McBride
Acting Resource Access Manager
Hunter Region



Department of
Environment and Conservation (NSW)

Your reference :
Our reference : NEF18085: 273338A1
Contact : Martin McKenzie ph: (02) 49086840



Mr David Kitto
NSW Department of Planning
PO Box 39
SYDNEY NSW 2001

- 8 DEC 2005

Dear Sir

Proposed Abel Underground Coalmine, John Renshaw Drive, Black Hill.

I refer to your request for the Department of Environment and Conservation's (DEC) Director-General Requirements for the preparation of an Environmental Impact Statement (EIS) relating to the above proposal, received by the DEC on 24th November 2005.

The DEC has considered the details of the proposal as provided by the Department of Planning and has identified the information it requires to be covered in the EIS. In summary, the DEC's key information requirements for the proposal are:

- (a) potential surface and ground water impacts including the management and discharge of saline/contaminated waters and impacts on the receiving water bodies and downstream catchments and their ecosystems, stormwater management, and sewage management systems;
- (b) detailed assessment of noise and air quality impacts during the construction and operational phases of the proposed development;
- (c) the potential impacts of subsidence and coal mining activities generally on flora and fauna within the proposed mining area and in the adjacent Pambalong Nature Reserve; and
- (d) Aboriginal cultural heritage.

The proponent should be aware that any commitments made in the EIS may be formalised into an environmental protection licence or a variation of their existing licence. Accordingly, pollution control measures should not be proposed if they are impractical, unrealistic or beyond the financial viability of the development.

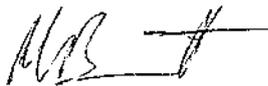
The EIS must provide sufficient information to enable a full assessment of the development against the EPA's statutory responsibilities. In particular, the requirements of Section 45 of the *Protection of the Environment Operations Act 1997* (POEO Act) must be addressed.

The DEC requests that the applicant provide **four (4)** copies of the EIS for pre-exhibition review. These documents should be lodged with the Department of Environment and Conservation, PO Box 488G, Newcastle NSW 2300.

Based on the information provided to the DEC, the existing Environment Protection Licence (EPL) for the Donaldson Coal Pty Ltd will be required to be varied under the POEO Act, for the proponents to carry out the proposed scheduled development activities. Should development consent be granted, the applicant will need to make a separate application to the DEC to vary the licence. General information on EPL requirements can be obtained from the DEC's Environment Line on 131 555 during office hours or can be found at the DEC web-site at: <http://www.environment.nsw.gov.au/home.htm>.

If you require any further information on this matter please contact Martin McKenzie on (02)4908 6840.

Yours sincerely

A handwritten signature in black ink, appearing to read 'MB', with a horizontal line extending to the right.

Mitchell Bennett
Head – Regional Operations Unit - Hunter
Environment Protection and Regulation Division
Department of Environment and Conservation (NSW)

Encl: Attachment 'A' - Director General's Requirements Notice 1054297

ATTACHMENT A

Department of Environment and Conservation Director Generals Requirements for the proposed Abel underground coal mine.

General Information

The following information must be provided in the Environmental Impact Statement (EIS) to enable the DEC to accurately assess the environmental implications of the proposed Abel underground coal mine. The EIS must adequately describe the development proposal and the existing environment including air, noise, waters, soils, flora and fauna characteristics and Aboriginal cultural heritage.

In addressing the issues and providing the information outlined below, the EIS must ensure that those aspects relating to the joint works, facilities and environmental considerations arising from the utilisation of components of the Bloomfield coal processing site with those of the proposed Abel and Tasman underground mines and the existing Donaldson open cut mine are fully explained.

1. The Proposal

The objectives of the proposal should be clearly stated and refer to:

- the size and type of the operation;
- the anticipated level of performance in meeting required environmental standards and cleaner production principles;
- the staging and timing of the proposal; and
- the proposal's relationship to any other industry or facility.

2. The Premises

The EIS will need to fully identify all of the processes and activities intended for the site over the life of the development. This will include details of:

- The location of the proposed facility and details of the surrounding environment;
- The proposed layout of the site;
- Appropriate landuse zoning;
- Ownership details of any residence and/or land likely to be affected by the proposed facility;
- Maps/diagrams showing the location of residences and properties likely to be affected and other industrial developments, conservation areas, wetlands, etc in the locality that may be affected by the facility;
- All equipment proposed for use at the site;
- Chemicals, including fuel, used on the site and proposed methods for their transportation, storage, use and emergency management;
- Waste generation and disposal;
- Methods to mitigate any expected environmental impacts of the development;
- Site rehabilitation following termination of the development

3. Air

The EIS must include a detailed Air Quality Impact Assessment (AQIA). The AQIA must identify and describe in detail the significant sources of air pollution and activities/processes

with the potential to cause fugitive dust emissions and odour emissions beyond the boundary of the development site. The AQIA should cover both the construction and operational phases of the development. The AQIA should take into account cumulative impacts associated with existing developments and any developments having been granted development consent but which have not commenced.

The EIS should demonstrate that the facility will operate within the DEC's objectives which are to minimise adverse effects on the amenity of local residents and sensitive land uses and to limit the effects of emissions on local, regional and inter-regional air quality.

The AQIA must also include, but not be limited to, the following:

- Provide a description of existing air quality, using existing information and site representative ambient monitoring data. This description should include the following parameters:
 - dust deposition;
 - total suspended particulates;
 - PM₁₀ particulate matter.

Identification and location of all fixed and mobile sources of dust/air emissions from the development including rehabilitation. The location of all emission sources should be clearly marked on a plan for key years of the mine development. Identify all pollutants of concern and estimate emissions by quantity (and size for particles), source(s) and discharge point(s).

Details of the project that are essential for predicting and assessing impacts on air quality including:

- the quantity and physio-chemical characteristics of materials to be handled, stored or transported;
- an outline of the procedures for material handling, storage and transport;
- the management of activities and areas with potential for impacts on air quality.

Note: emissions can be classed as either:

- point (eg emissions from stack or vent) or
- fugitive (from wind erosion, leakages or spillages associated with loading or unloading, crushing/screening, conveyors, storage facilities, plant and yard operation, vehicle movements (dust from road, exhausts, loss from load), land clearing and construction works).

- A description of the topography and surrounding land uses.
- Details of the exact locations of dwellings, schools and hospitals etc. Where appropriate provide a perspective view of the study area such as the terrain file used in dispersion models.

Estimate the resulting ground level concentrations of all pollutants. Use an appropriate dispersion model to predict ambient TSP and PM₁₀ dust concentrations and dust deposition levels. Reference should be made to the EPA's *Approved Methods and Guidance for the Modelling and Assessment of Air Pollutants in New South Wales*.

A detailed description of the methodology used to assess the air quality impacts of the development. The use of a particular dispersion model and model parameters used should be justified and discussed. The dispersion model input/output files should be included.

Air quality impact predictions should include plans showing projected incremental levels of 24-hour average PM₁₀ concentrations, annual average dust deposition rates and annual average total suspended particulate concentrations throughout the life of the operation.

An assessment of cumulative air quality impacts and a description of the methodology used.

An assessment of the potential impacts on air quality other than by dust, for example nitrogen oxide emissions from diesel equipment and/or odour emissions arising from mine ventilation.

- Describe the effects and significance of pollutant concentration on the environment, human health, amenity and regional ambient air quality standards or goals.
- Describe the contribution (if any) that the development will make to regional and global pollution, particularly in sensitive locations.
- An assessment of the impacts on air quality of dust and any other pollutants generated during construction works. In this context, particular attention should be given to:
 - The nature, extent and duration of dust generating activities, e.g. earthmoving/mining equipment, exposed surfaces, material stockpiles, unsealed trafficked areas, spillages etc.
 - Consideration of the location of dust sources, particularly their proximity to sensitive receptors prior to finalisation of any acquisition or similar processes.
- Outline specifications of pollution control equipment (including manufacturer's performance guarantees where available) and management protocols for both point and fugitive emissions. Where possible, this should include cleaner production processes.
- Include details of an air quality monitoring program to determine effectiveness of mitigation and to verify predictions, including provision for investigations in response to complaints. Consideration should be given to a comprehensive monitoring program covering the proposed Abel Underground mine activities as well as the existing Donaldson, Bloomfield and Tasman mines.
- Control measures to be implemented to minimize dust generation during construction activities, and coal handling and stockpiles.

4. Noise

The EIS must include a comprehensive noise assessment of the existing environment, potential impacts and proposed noise amelioration measures. The *New South Wales Industrial Noise Policy* (EPA, 2000) provides a guide to the methodology and assessment criteria preferred by the DEC to determine noise planning levels. The EIS must determine the existing background (L_{A90}) and ambient (L_{Aeq}) noise levels in accordance with the NSW Industrial Noise Policy.

The evaluation should take into account the construction and operational phases of the development over the "operating" hours proposed and take into account adverse weather conditions including temperature inversions. The assessment must identify any noise sensitive locations likely to be affected by activities at the site, such as residential properties, schools, churches, and hospitals.

The project specific noise levels for the site must be determined. For each identified potentially affected receiver, this should include:

- determination of the intrusive criterion for each identified potentially affected receiver,
- selection and justification of the appropriate amenity category for each identified potentially affected receiver,
- determination of the amenity criterion for each receiver,
- determination of the appropriate sleep disturbance limit.

The noise and vibration levels likely to be received at the most sensitive locations (these may vary for different activities at each phase of the development) should be determined. Potential impacts should be determined for any identified significant adverse meteorological conditions. Predicted noise levels under calm conditions may also aid in quantifying the extent of impact where this is not the most adverse condition.

Sound power levels measured or estimated for all plant and equipment should be clearly stated and justified. The expected noise level and noise character (eg: tonality, impulsiveness, vibration, etc) likely to be generated from noise sources during the following phases should be determined:

- site establishment
- construction
- operational phases
- transport including traffic noise generated by the proposal
- other services.

The EIS should include an assessment of cumulative noise impacts, having regard to existing developments and developments which have received development consent in the area but which have not commenced.

5. Water

The EIS must provide sufficient information to demonstrate that the proposed development can be operated whilst complying with the *Protection of the Environment Operations Act* (1997), in particular, the protection of water quality, including ground water, during construction, during operation and following closure of the proposed coal stockpile.

The methodology, data and assumptions used to design any pollution control works and assess the potential impact of the proposal on water quality, must be fully documented and justified.

The DEC understands from information provided at the Planning Focus Meeting that the proposed Abel underground mine will utilise the discharge capability of the Bloomfield Coal Mine for the management of saline minewater.

The EIS should include an assessment of the discharge of saline mine water on the water quality and ecosystem health of Four Mile Creek. The EIS should also include an

assessment of alternatives to the on-going discharge of saline minewater, for example, treatment of saline minewater for reuse or a pipeline to allow direct discharge of saline minewater to the Hunter River.

The EIS must include a water management plan and site water balance (which includes cumulative water balance information for the Donaldson, Bloomfield and Tasman mines) incorporating the following principles:

- Maximum on-site reuse of wastewater together with the use of control and storage works to avoid any discharge of pollutants from the premises. This must include correct installation and sizing of the wastewater collection and recycling systems;
- Prevention of wet weather overflows of contaminated stormwater by collection and reuse or treatment of contaminated first flush stormwater;
- Segregation of contaminated water from non-contaminated water to minimise the volume of polluted water to be dealt with;
- Spillage controls and bunding;
- Sealing and effectively bunding material storage areas and active areas of the plant to prevent soil and groundwater contamination;
- Effective management of stormwater to segregate surface water runoff from undisturbed areas and disturbed areas;
- Maintenance of sediment and erosion control structures;
- Sealing, kerbing and guttering of trafficable areas; and
- Provision of truck washing facilities capable of washing wheels and under body of vehicles leaving the premises.

6. Fuel and Chemicals Storage

The EIS must identify any fuel or chemical storage areas to be established on the site/s and describe the measures proposed to minimise the potential for leakage or the migration of pollutants into the soil/waters or from the site.

7. Waste Management

The EIS should provide full details and classification of wastes generated from the process and their disposal options. Classification and management of waste should be in accordance with the DEC's *Environmental Guidelines: Assessment Classification & Management of Liquid & Non-Liquid Wastes* (EPA:1999).

The DEC understands that sewage effluent management for this facility is proposed via onsite treatment and disposal. The EIS must detail how the effluent management facilities will be designed and constructed and provide a comprehensive land capability assessment and water balance if disposal by land irrigation is proposed. Reference should be made to the DEC's "*Environmental Guidelines: Use of Effluent by Irrigation*" (DEC, 2004). 

8. Monitoring Programs

The EIS should include a detailed assessment of any noise, air quality, water quality or waste monitoring required during the construction phase and on-going operation of the facility to ensure that the development achieves a satisfactory level of environmental performance. The evaluation should include a detailed description of the monitoring locations, sample analysis methods and the level of reporting proposed.

Consideration should be given to adopting one comprehensive monitoring program for the proposed Abel underground coal mine and the existing Donaldson, Bloomfield and Tasman mines.

9. Contaminated Land

The EIS must determine whether contaminated soils are likely to be disturbed during the proposed works. If contaminated soils are likely to be disturbed, the EIS should detail the measures to be adopted to protect human health and the environment, and if necessary remediate or dispose of the contaminated material. The following DEC guidelines may be helpful in assessing any actions required in respect of the proposed works:

- Contaminated Sites - Guidelines for Consultants Reporting on Contaminated Sites (EPA 1997);
- Contaminated Sites - Guidelines for the NSW Site Auditor Scheme (EPA 1998); and
- Contaminated Sites - Sampling Design Guidelines (EPA 1995).

10. Flora and Fauna

The EIS must detail the existing environment including discussion on flora and fauna characteristics. The following requirements should be addressed at a level of investigation appropriate to the site's current condition.

Your attention is also drawn to the Commonwealth legislation, the *Environment Protection and Biodiversity Conservation Act 1999*. If any species requiring consideration under this legislation may be affected by the proposal, approval for the works may also be required from the Commonwealth Department of Environment.

A key issue for this proposal is the potential impact that subsidence throughout the catchments of the Pambalong Nature Reserve and other watercourses and wetlands will have on water quality and quantity and ecological communities dependant on ground and surface water flows.

The DEC is aware that mining will not take place directly beneath the Pambalong Nature Reserve however a comprehensive assessment of the impacts of subsidence throughout the mining area and the impact that subsidence may have on the Pambalong Nature Reserve and other waterbodies must be included in the EIS.

Flora

A comprehensive description of the vegetation of the subject site should be prepared. This will include an assessment of the condition of the plant communities present, including the designation of conservation significance at a local, regional and State level, and an assessment of the likely occurrence of any threatened species, populations and / or ecological communities listed under Schedules 1 or 2 of the *Threatened Species Conservation Act 1995* and any Rare or Threatened Australian Plant (ROTAP) species.

A plan showing the distribution of any threatened or ROTAP species and the vegetation communities on the subject site, and the extent of vegetation proposed to be cleared should be provided. This plan should be at the same scale as the plan of the area subject to development, and preferably showing the footprint of the proposed development superimposed on the vegetation, in order to assist in the assessment of impacts on existing vegetation.

Where the assessment concludes that threatened species, populations or their habitats, or endangered ecological communities exist on or are in close proximity to the subject site, the effect of the proposed development should be determined by an assessment pursuant to Section 5A of the *Environmental Planning and Assessment Act 1979*. An assessment of the impact of the development on the plant communities and / or ROTAP species should also be provided.

A description of the measures proposed to mitigate and / or ameliorate the impact of the development on the plant communities, threatened and ROTAP species.

Fauna

A fauna survey to identify the distribution and abundance of fauna species known or likely to use the subject site should be undertaken. This should include a description of available fauna habitats and an assessment of the conservation status of each of the faunal components at a local, regional and State level.

A plan showing the results of the above survey should be provided. The plan should be at the same scale as (or as an overlay to) the plan of the development footprint and overall site, to assist in the assessment of potential impacts of the proposal on fauna.

An assessment of the potential impact of the development on fauna should be provided.

An assessment of the occurrence or likely occurrence of threatened species or populations, or their habitats, on the subject land should be provided. Where the assessment concludes that threatened species or populations, or their habitats, exist on or in close proximity to the subject site, the effect of the proposal should be determined in accordance with an assessment pursuant to Section 5A of the *Environmental Planning and Assessment Act 1979*.

A description of the measures proposed to mitigate and/or ameliorate the impact of the development on fauna should be provided.

11. Surveys and Assessments

The DEC can provide records of flora and fauna held in:

The Wildlife Atlas <http://wildlifeatlas.nationalparks.nsw.gov.au/wildlifeatlas/watlas.jsp>

- Rare or Threatened Australian Plants (ROTAP) database.
- Threatened Species, Populations & Ecological Communities of NSW Catchments www.threatenedspecies.environment.nsw.gov.au

It should be noted that these databases are not comprehensive, should only be used as a guide and do not negate the need for specific site investigations.

Fauna, flora, vegetation and cultural heritage surveys should be undertaken by suitably qualified persons and the qualifications and experience of the persons undertaking the work should be provided. Surveys and assessments should not be confined to the immediate development footprint, but also include any areas where ancillary works may be undertaken, for example, any upgrade in site access roads or other supporting infrastructure.

Dates and times, site locations, survey design and methodology, analysis techniques and weather conditions at the time of the assessments and surveys must be provided. The limitations of surveys should be identified and the results interpreted accordingly.

Conclusions drawn in surveys and assessments should be substantiated by evidence resulting from those surveys and assessments. The document being supported by the surveys and assessments should reflect the conclusions and clearly state where recommendations of the survey and assessments have been incorporated in the proposal.

12. Aboriginal and Cultural Heritage

General Issues

For the purpose of these guidelines Aboriginal heritage is considered to include "Aboriginal objects" and places of significance to Aboriginal communities.

Under the *National Parks and Wildlife Act 1974* (NP&W Act), an "Aboriginal object" is defined as any deposit, object or material evidence (not being a handicraft made for sale) relating to the Aboriginal habitation of the area that comprises New South Wales, being habitation before or concurrent with (or both) the occupation of the area by persons of non-Aboriginal extraction, and includes Aboriginal remains. Aboriginal objects are confined to physical evidence. Aboriginal objects are sometimes referred to as Aboriginal sites.

An "Aboriginal place" is a place which has been declared so by the Minister for the Environment because s/he believes that the place is or was of special significance to Aboriginal culture. It may or may not contain physical Aboriginal objects.

It should also be noted that there are places in the landscape which have particular meaning for Aboriginal people, for example, spiritual areas or natural mythological areas. Although these areas are not protected under the NP&W Act, unless they contain physical remains of Aboriginal occupation or have been declared an "Aboriginal place", it is recommended that the potential impact of proposals on such places also be considered in the assessment process.

Should any Aboriginal archaeological sites be present in the study area, the requirements of the NP&W Act with respect to Aboriginal objects should also be considered. Under s.90 of the NP&W Act, it is an offence to knowingly damage deface or destroy Aboriginal objects without prior permission of the Director-General of the DEC.

Assessment requirements

It should be noted that Aboriginal cultural heritage is ubiquitous in the Lower Hunter/Central Coast area, even in areas which have already been highly modified. If any topsoil disturbance or excavation is proposed then there may be potential to uncover Aboriginal objects.

The presence or absence of Aboriginal objects should be identified and the significance of the area to the local Aboriginal community must be determined. Accordingly a search of the Aboriginal Heritage Information Management System (AHIMS) should be conducted as a first step. Search results can be obtained upon written application to the Registrar, Cultural Heritage Division, on telephone (02) 9585 6471.

An assessment of the archaeological sensitivity of areas of the subject site and identification of significance of the site to the local Aboriginal community should be undertaken by an appropriately qualified person in consultation with the local Aboriginal community. This may require field survey.

Aboriginal objects and places of significance to the Aboriginal community should be detailed on a plan. This plan should be at the same scale as that of the subject site and development footprint, to assist in the assessment of the impact of the proposal on the identified cultural components.

A report discussing the results of survey and consultation, and including a description of measures proposed to mitigate impacts of the development on any identified Aboriginal objects and other recommendations, should be prepared in accordance with the *NPWS Aboriginal Cultural Heritage Standards and Guidelines Kit* and submitted with the EIS for review. Please note these guidelines are under review but should be used for reference purposes. A contingency plan that details the measures to be taken in the event that Aboriginal objects are discovered during the course of works on the subject site must be prepared.

Details of extensive consultation with the local Aboriginal community must be provided as per the DEC Interim Community Consultation Requirements for Applicants, which may be found on the DEC website at www.nationalparks.nsw.gov.au/npws.nsf/Content/Publications. Please note these guidelines are interim, with a view to being finalised following consultation with external stakeholders in 2006.

December 2005

The EIS should demonstrate consideration of these issues.

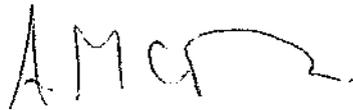
More specific issues that need to be addressed include:

- A traffic impact study in accordance with the RTA's *Guide to Traffic Generating Developments*, including consideration of impacts on property accesses, road capacity, travel speed, intersection delays, road safety, crash data, etc. Traffic modelling of key intersections is also required. Due consideration should be given to the impacts upon the future John Renshaw Drive access arrangements proposed as part of the Donaldson mine project.
- A Subsidence Management Plan will be required to be prepared to the satisfaction of the RTA, particularly in regards to the impact upon the classified road network.

The RTA encourages the proponent to discuss the above issues early in the EIS process, with the RTA, the relevant Council's and other authorities.

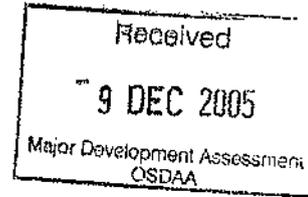
For more information please contact me on (02) 4924 0688.

Yours sincerely



Per Dave Young
Manager, Land Use Development
Hunter Operations & Services

5 December 2005



The NSW Department Of Planning
Major Development Assessment
GPO Box 39
SYDNEY 2001

Contact: Mr Ken Solman
Our Ref: PIN 23205 & 23204
Your Ref:

ATTENTION: Dinuka Govinnage

Dear Sir/Madam

**PROPOSED ABEL UNDERGROUND COAL MINE
PT 92 DP755260 AND PT 13 DP755260 OFF JOHN RENSHAW DRIVE BLACK HILL**

Reference is made to the planning focus meeting recently convened by the NSW Department of Planning to discuss the proposed Abel Underground Coal Mine to the south of John Renshaw Drive at Blackhill.

The proposed underground coal mine covers a significant part of the Black Hill area and is within Newcastle, Cessnock and Maitland Local Government Areas. Council acknowledges that the development application will be dealt with under Part 3A of the Environmental Planning and Assessment Act 1979, and the State Environmental Planning Policy (State Significant Development) 2005, which provides an assessment and approvals regime for major projects where the Minister for Planning is the approval authority.

The majority of the proposed underground lease area is within the Cessnock Local Government Area. The eastern extent of underground mining is within the Newcastle Local Government Area and the northern section of the Bloomfield rail loop is within the Maitland Local Government Area. Mining and ancillary mining activities are permissible with consent in all zones which apply in the project area.

Council planning officers have reviewed the briefing documentation and agree that the key issues associated with the project are:

- Impacts on the natural and human environment from planned and unplanned subsidence;
- Impacts on regional groundwater supplies and quality from underground mining and tailings disposal, and any impacts on groundwater dependent ecosystems; and
- Issues associated with surface infrastructure north of John Renshaw Drive, such as air quality, noise and visual aspects.

- Lower Hunter Spotted gum is prevalent in the locality and is listed as an endangered ecological community.
- Green house gas emissions and the impact on global warming due to burning of the coal fuel.
- Potential flora and fauna impacts.
- Potential impacts to Aboriginal heritage and cultural values.
- Impact on the existing road network.
- Potential land use conflicts and impacts on existing landholders, community groups and residents.
- The need to prepare an appropriate developer contributions plan to enable legitimate contributions to each of the three affected local government areas.

It is understood that a detailed environmental assessment is being prepared by the proponent and is scheduled to be placed on public exhibition in mid 2006. It is also understood that Council, public and agency submissions will be accepted during the exhibition period.

Thankyou for the opportunity for Cessnock City Council to be involved in the environmental assessment of this significant local development proposal. Should you wish to discuss this matter further please contact Council's Development Coordinator, Ken Solman or Senior Planning Assessment Officer, Rod Sandell on 49934100 between 8.40 am and 9.30 am, Monday to Friday.

Yours faithfully



K SOLMAN
For CESSNOCK CITY COUNCIL

6 December 2005

Cc Mark McPherson, Project Manager, Donaldson Coal Pty Ltd



MAITLAND CITY COUNCIL

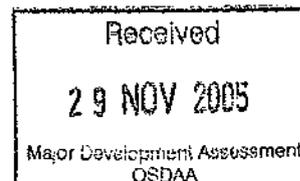
Our Ref. PA980173 (444308)

Your Ref.

Phone Enquiries: 4934 9700

25 November 2005

Major Development Assessment
Department of Planning
GPO Box 39
SYDNEY NSW 2001



Attention: Dinuka Govinnage

Dear Ms Govinnage,

**RE: Proposed Abel Underground Coal Mine
Response to Issues Identified in Planning Focus Meeting
Dated 24 November, 2005.**

I refer to the above project proposed by Donaldson Coal and provide the following comments which I ask the Department to incorporate into the Director General's requirements to be provided to the proponent. In providing these comments I note that the only components of the development located within the Maitland Local Government Area are the existing rail loading facility, rail loop and the connecting rail spur to the Main Northern Railway.

- The acoustic impacts of the surface facility components of the proposal should be comprehensively addressed. Of particular interest is the extension of the coal stockpiling and handling/preparation plant and whether this will alter the noise source contributions to the acoustic environment of the nearest residential areas within the Maitland LGA. I have attached a plan showing existing residential subdivisions, approved (but not yet constructed) subdivisions and areas of potential subdivision in the vicinity of the mine site. Also to be considered is the potential increase in loading rates at the rail loading facility and whether this will require plant augmentation or increased rail movements to accommodate the higher material volumes – what might the implications of this be on the acoustic environment and how might this be managed?
- The visual impact of the coal handling and preparation plant on the Bloomfield site should be addressed. In particular night time impacts associated with lighting to ensure that the amenity of residential properties

Maitland was proclaimed a City on 7 December, 1945 and we are proud to be celebrating our 60th Year.

Ph: (02) 4934 9700 Fax: (02) 4933 3209 DX21613 Maitland Email: mcc@maitland.nsw.gov.au www.maitland.nsw.gov.au

All correspondence should be addressed to: General Manager P.O. Box 220 Maitland NSW 2320

Administration Building 285-287 High Street Maitland NSW 2320

which have a view to these surface facilities is maintained as far as possible at existing levels.

Please do not hesitate to contact me should you have any further queries.

Yours faithfully

A handwritten signature in black ink, appearing to read 'S. Punch', written in a cursive style.

Stephen Punch
Principal Planner



285-287 High Street MAITLAND NSW 2320
PO Box MAITLAND NSW 2320
Telephone (02) 4934 9700
Facsimile (02) 4933 3209



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This map has been prepared on the basis of information available to Council at the date of issue. However, that information may change over a limited time and should therefore be verified with Maitland City Council

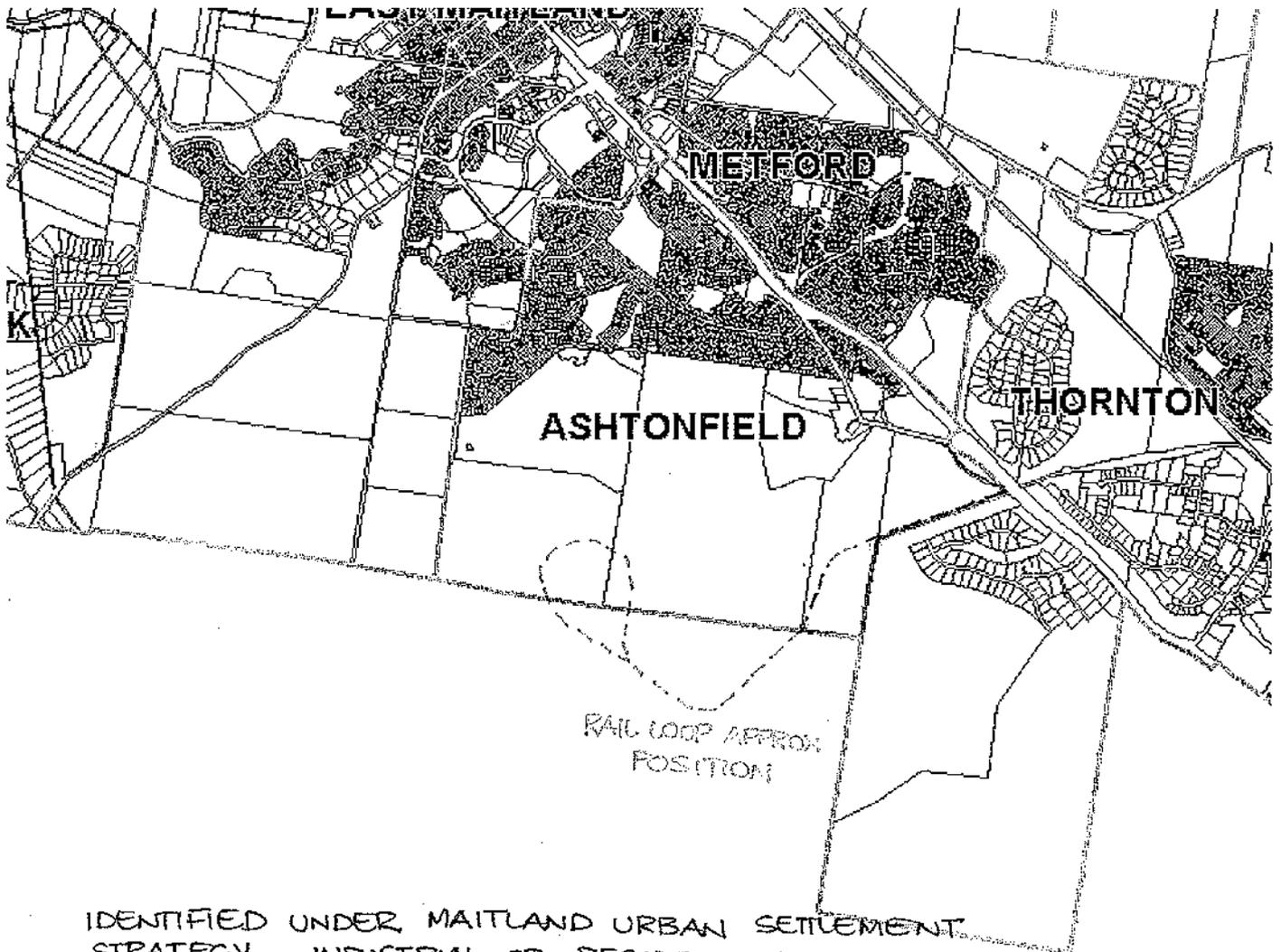
Officer :

Recipient :

Date : 25/11/2005

Time : 8:56 AM

Zoom : 8.426



IDENTIFIED UNDER MAITLAND URBAN SETTLEMENT STRATEGY - INDUSTRIAL OR RESIDENTIAL

APPROVED SUBDIVISIONS NOT YET COMMENCED.

ZONED FOR FUTURE SUBDIVISION

IDENTIFIED UNDER LOWER HUNTER REGIONAL STRATEGY FOR FUTURE RURAL RESIDENTIAL

D & E GM,KF

Phone: 49742767

14 December 2005

Dinika Govinnage
Environmental Planning Officer
Department of Planning
GPO Box 39
SYDNEY NSW 2001



PO Box 489, Newcastle
NSW 2300 Australia
Phone 02 4974 2000
Facsimile 02 4974 2222
Email mail@ncc.nsw.gov.au

Dear M/s Govinnage

RE: PROPOSED ABEL UNDERGROUND MINE

I refer to the draft Project Application document prepared by Donaldson Coal Pty Ltd and subsequent planning focus meeting held on 24 November 2005 concerning the above mentioned proposal.

It is understood that this project will be assessed under Part 3A of the Environmental Planning and Assessment Act 1979, which provides an assessment and approvals regime for major projects where the Minister for Planning is the approval authority.

It is advised that the required Environmental Assessment Report should address the following matters:-

1. Zone Objectives

Demonstrate that the proposed development is consistent with the objectives of the 7(c) Environmental Investigation zone of the Newcastle Local Environment Plan 2003.

2. Air Quality

It is acknowledged that the proposed development is an underground mine, and consequently the potential air quality impacts will not be as extensive as for open cut operations. Regardless, there is the potential for the generation of particulate from coal stockpiles, conveyers and coal transfers. While it is unlikely that these emissions will significantly impact on areas of the Newcastle Local Government Area, the assessment of the potential air quality impact of the proposed mine is to included consideration of the likely cumulative impacts of the proposed mine in conjunction with the nearby Donaldson and Bloomfield operations. The air quality assessment should also consider the potential ventilation emissions as a result of ventilation of the underground workings.

Page 2

3. Noise

It is noted that due to the proposed mine being underground, the likely noise sources will be limited to surface infrastructure, transport coal on-site and any expansion of existing coal transport networks. The acoustic impacts of these potential noise sources are to be assessed in detail, including consideration of any noise increase due to temperature inversions, given the proposed mine will operate 24 hours a day. The predicted noise impacts should be modelled to demonstrate the received noise levels likely to occur as a result of the proposed mine at surrounding residential premises, including those within the Newcastle Local Government Area.

4. Subsidence

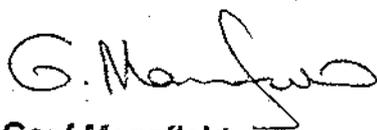
According to the preliminary assessment report, the use of bored and pillar underground mining methods in place of long wall mining is proposed in order to reduce the risk of subsidence impacts. The draft project application notes that all surface features requiring protection from subsidence will be identified and the amount of subsidence controlled in these areas following consultation with relevant authorities and landowners. It is requested that all sensitive surface features within the Newcastle Local Government Area be identified and that consultation be undertaken with affected parties to ensure that the impacts of subsidence on these features can be adequately managed.

5. Flora and Fauna

There is a potential for flora and fauna within the Newcastle Local Government Area to be impacted indirectly as a result of mine subsidence associated with the proposed mine. The impact may affect ecological communities through changes to surface and groundwater water flows. Any assessment should also consider the effects of changes in surface or groundwater flows on downstream receiving communities, including wetland areas. As identified above, it is expected that sensitive surface features including creeks, drainage lines and water dependent ecological communities will be identified and likely subsidence in these areas is appropriately identified and managed.

Should you have any questions concerning the above matters, I can be contacted on (02) 49742767 during normal office hours.

Yours faithfully



Geof Mansfield
DEVELOPMENT & BUILDING CO-ORDINATOR
CITY WEST