

Springvale Water Treatment Project May 2017

1 Mayor Stephen
Lesslie

My name is Stephen Lesslie and I am the Mayor of the City of Lithgow.

On this issue I speak on behalf of Lithgow City Council and through its elected representatives the people of the City of Lithgow.

Lithgow Council at its meeting on the 8 May passed the following resolution:

***THAT** Council urges the Community attendance at the Springvale PAC Committee meeting on 17 May; this be promoted in the media; and Council provide its support to the approval of the application.*

This resolution was carried unanimously and if you know anything about Lithgow Council that in itself is quite unusual but it also shows the depth of feeling about the matter before us at this Planning Assessment Commission hearing.

I intend to speak today on this matter in 3 parts

1. History and Community
2. The Project itself and
3. Concluding remarks

History and Community

In the not too distant past we had two power stations and ten operating coalmines in and around the Lithgow District, we now have one power station and three mines.

Springvale Mine is one of the three remaining. It also has the largest number of employees.

Coal mining and power generation have always been extremely important and vital to our whole local government area and they remain so despite their decline in recent years.

The three remaining mines (Springvale, Airly and Clarence) employ hundreds of workers directly and many others indirectly (studies have shown that every job in a coal mine generates 4 others in support industries in our community)

The remaining power station, Mt Piper, also employs hundreds of workers with a similar job flow on.

In fact, Springvale and Mt Piper employ in excess of 600 employees between them.

I cannot overstate how important coalmining and power generation is to our ongoing economic prosperity and community wellbeing.

Our Community has gone through some difficult times over recent years with the closure of the Wallerawang Power Station, Angus Place Colliery, the Coalpac Mine and the Community Private Hospital to name just a few.

In excess of 600 direct permanent jobs from power generation and coal mining have been lost alone.

No community can continue to sustain those numbers of job losses indefinitely.

The closure of the Angus Place Colliery in 2015 was especially devastating to all those that had been employed there and was also deeply felt by all who work within the local coal mining industry.

Likewise, the closure of the Wallerawang Power Station was equally disturbing and sent shock waves throughout our community.

From a wider perspective, our local government area currently has the highest unemployment rate in the Central West, close to 9% with a youth unemployment rate of close to 14%. This would have to be one of the highest youth unemployment rates in regional/rural NSW and would be much higher except that many of our young people simply leave the area.

Importantly, in a recent phone survey taken from within the local community by Energy Australia, some interesting points emerged, and I quote from some of those survey responses:

“Unemployment is the biggest issue, 93% agree that a lack of jobs is the biggest thing holding the community back”

And, most tellingly:

“Over four in five feel that Lithgow/Portland/Wallerawang are suitable for coal mining and for power generation” and “71% are ‘positive’ about mining and power generation in the area (7-10 on the scale).”

Those numbers in support of our local coal and power generating industries would have to be the highest in this State if not the entire Country.

So please understand that jobs and job opportunities are vital and that the coalmining and power generation industries are welcomed strongly within our community.

The Springvale Water Treatment Project

The Water Treatment Project involves two key components: a 15 kilometre water transfer pipeline, to transfer up to 42 megalitres a day of mine water from the Springvale Coal Mine to the Mt Piper Power Station; and a desalination plant to treat the water for use in the cooling towers.

The Project will remove the current need to discharge a large amount of mine water to the drinking water catchment, and provide a beneficial re-use of this water in the operation of the power station.

All the respective Government agencies support the project, subject to the imposition of suitable conditions of consent.

A key concern raised in a number of public submissions about the project, related to potential impacts on the water catchment from the discharge of treated mine water into a new discharge point into Wangcol Creek. However, this issue is no longer relevant, as the Applicant has amended its application to remove that aspect from the Project.

In its assessment of the Project, the NSW Planning Department found that the considerable benefits arising from the removal and re-use of mine water far outweigh some minor potential residual catchment impacts.

The Department also recognized the importance of the Project for the continued operation of the Springvale Mine, which is the only supplier of coal to the power station and stated that in the broader context of energy security, it is important that the power station has a reliable source of coal to enable it to operate continuously, as it provides approximately 15% of NSW's electricity needs.

Finally, the Department considered, that on balance, the benefits outweighed the environmental impacts and that the Project is in the public interest and should be approved subject to the conditions recommended by the Department.

Council is of a similar view and strongly supports the Project.

Concluding Remarks

Mt Piper Power Station relies on the Springvale mine to operate.

Springvale is their only source of coal supply and it is a source that does not need either road or rail transport.

The Project will create at least a \$100 million investment in the community and create 70 jobs during construction and more importantly, support the ongoing operations of the mine and the power station and ensure the continued employment of 600 men and women.

Mining and power generation contributes nearly 50% of the Lithgow City Council's Gross Regional Product and makes up 20% of our total employment.

We understand the difficult role that Commissioners are faced with in dealing with the many opposing and conflicting views around applications of this kind.

However, it is Council's strong view that this specific issue is more than just an application for a water treatment plant, it is about the future of the Springvale Mine and the Mt Piper Power Station, the security of employment of those that directly work there and those industries and their employees that indirectly rely on the continued operation of both. Indeed, the whole community.

Do not be under any illusions, without the approval of the project and the two associated modifications, the Springvale Mine and the Mt Piper Power Station will cease to exist.

Emotions are still raw and job security concerns within our mining community still exist following the PAC process that resulted in an eight-week shutdown of the mine late in 2015.

Undertake your deliberations with great care, Power station and mine employees, their families and our community need support and certainty in what are two vital and very important industries.

Lithgow City Council and the great majority of our citizens support the Project.

Stephen Lesslie
Mayor of Lithgow
17 May 2017