

February 26 2019

Independent Planning Commission
Public Hearing
Moss Vale RSL

Commissioners,

My name is Michael Verberkt and I am the President of Battle For Berrima.

I speak today on behalf of the Battle For Berrima, the Southern Highlands community opposed to the Hume Coal Project, and as a local resident that will be adversely affected if it is granted approval.

In addition to the formal submission Battle For Berrima has made to the IPC, I would like to address a number of other points in the Department of Planning & Environment's *Assessment Report* that are of great concern to the community, and which demonstrate that the Hume Coal Project and its associated Berrima Rail Project are not in the public interest.

I'll start with the net economic benefit estimated by the Hume Coal Project.

Hume Coal's EIS states its project will bring the NSW Government an economic benefit of \$373 million over 20 years. That's \$18.6 million per year, which the report says is a comparatively low economic benefit compared to other coal mining projects across NSW.

Battle For Berrima has long questioned the economics of the project and the Department's independent expert, Mr Andrew Tessler of BIS Oxford Economics, estimates that the net economic benefit is only \$127 million. That's less than half of Hume Coal's estimate and just a tiny \$6.3 million benefit to the state of NSW each year.

While there may be debate about the report's conclusion concerning the value of economic benefits, even the proponent's higher estimate of \$373 million is comparatively low, so it is fair to say the project is of minor economic benefit to the state and comes at unacceptable cost to the environment and community.

In the report, Mr Tessler comments that the approach taken to valuing externalities such as impacts on water resources, make good provisions, and operational safety issues could 'substantially reduce the economic case for the project', which highlights one of the community's greatest concerns.

With the economic case for the mine already weak, the community believes that, if approved, Hume Coal will seek to minimize the likely high cost of make good provisions in the search for greater profitability, when it comes to restoring private water bores that have failed.

Our community is deeply concerned that if the Hume Coal Project is approved:

- The proponent will seek approval to extract more than the currently proposed 35% of coal in order to become more profitable
- That this will result in significant subsidence and the associated impacts on surface water
- That the operational safety risks identified in the report may lead to the proponent seeking approval to alter the mining technique to open cut, in areas where the coal resource is close to the surface, or more generally
- That such an alteration to the mining technique would burden the community with

additional health risks through exposure to coal dust micro-particulates

- That the comparatively high cost of using covered coal wagons will lead the proponent to request approval to transport coal by road, adding significantly to heavy vehicle movements associated with the project

The community also considers that the much talked about benefit of 300 jobs, when the mine is at the peak of its operations, will prove unlikely - given the weakness of the economic case and the rise of automation over the life of the mine.

Automation will be amongst the best options available to Hume Coal to cut costs. It is already rapidly reducing employment in mining and over the past 30 years, average robot prices have fallen by more than half relative to labour costs.

With so many residual uncertainties about the scale of the Project's current economic benefits, we believe that it's highly likely the mine will need to expand significantly to be profitable, and will attract more incompatible industries to the area.

Concerning the predicted impacts on groundwater of project, the report considers the drawdown impacts on the aquifer to be the most significant of any mining project ever assessed in NSW. 118 private bores will be affected, some for up to 76 years or beyond, and the report anticipates scenarios whereby there will be 'no suitable or practical mitigation or prevention options' available for Hume Coal to make good.

This therefore places an unacceptable level of risk on landowners and burdens them with the significant cost of legal recourse, should it not be possible to reach satisfactory resolutions with Hume Coal. Landholders in immediate need of the restoration of their water supply will have no alternative but to negotiate with the gatekeeper of water, Hume Coal, who would in Battle For Berrima's view have a conflict of interests with respect to their make good obligations.

Given the significant disruption to the community that this mine would create, the report is undoubtedly correct in its conclusion that there will be a 'large number of negotiations and disputes with local landowners'.

Commissioners, with the prospect of the proponent being unable to adequately compensate landholders for their loss of water, it is impossible for the project to be in the public interest. The report makes it clear that Hume Coal has failed to adequately address the complex environmental issues associated with its proposal, and, under the well established 'precautionary principle', this project should be refused development consent.

Concerning the report's handling of the other impacts such as noise, vibration, air quality, greenhouse gases, traffic, heritage and agriculture; these are dismissed within one sentence.

The report says 'The Department accepts that these potential impacts are likely to be able to be managed, mitigated or offset to achieve an acceptable level of environmental performance, subject to the provision of additional information or via suitable conditions of consent'.

However, since the Department handed down its report, the Chief Justice of the Land & Environment Court has rejected the Rocky Hill Coal mine in Gloucester, ruling that the development would increase greenhouse gas emissions at time when they urgently need to be cut. During the case, climate change expert Professor Will Steffen gave evidence that Australia would not be able to meet its obligations under the Paris Agreement if the mine was approved.

The Rocky Hill Coal mine was proposed to produce 21 million tonnes of coal over 16 years. The Hume Coal Project is proposed to produce 70 million tonnes of coal over 20 years.

It is not clear what approval conditions the Department or IPC could propose that would mitigate the increase in global total concentrations of greenhouse gases that this project would produce. The report says it 'does not consider that there is any existing shortage in coking or thermal coal that needs to be filled'. So once again, surely given the considerable environmental risk involved, the precautionary principle is triggered and the project should be refused approval.

Concerning heritage, it is impossible to assert that the impact of the project can be mitigated. Berrima is Australia's best-preserved example of a Georgian village. Surrounding rural landscapes, sightlines and vistas are already being permanently altered by the proponent's planting of deep hedgerows intended to obscure the presence of a huge coal stockpile. Berrima's historic sandstone structures will be subject to long-term damage from coal dust particulates, and the village's traditional country atmosphere will be significantly altered by the presence of nearby mining activities and the increased vehicle movements associated with that.

On the matter of agriculture, the Department cannot say there will be scenarios where it's not suitable or practical to mitigate a farmers' groundwater loss, and then assert the idea that impacts on agriculture can be mitigated. And as for noise, vibration, traffic and the many other impacts; they can only increase unacceptably.

But it is the untested 'pine feather' mining technique and the plan to pump large quantities of toxic rejects into the mine voids that has caused, by far, the greatest community concern.

The proponent has told the community that there will be little or no subsidence and therefore no impacts on surface streams. But the report reveals that the proponent's geotechnical model is considered inadequate, particularly when estimating pillar loads and stability.

Stability of the mine is fundamental to the safety of operations and potential surface subsidence, and this raises the most uncomfortable set of truths.

We know that the 'pine feather' design has never been tested in NSW, let alone Australia. There are no operational examples of the technique in use internationally that we can find. We know that Hume Coal has been prevented from drilling test bores across a 1,000-acre area at the centre of its mining lease because landowners refused access. Hume Coal admitted during its community consultation at Sutton Forrest that if it were prevented from gaining access to that land for test drilling, the mine would not be able to proceed. Subsequently it lost its legal battle to access land with 'significant improvements' and has been unable to complete its assessment.

There is therefore little confidence in Hume Coal's geotechnical assessment and no confidence that the coal mine will have the stability required to operate safely as well as keep toxic mining rejects isolated from the aquifer permanently. Should these rejects mix with and pollute the aquifer, there will potentially be catastrophic, irreversible impacts on Sydney's water catchment.

Finally, Battle For Berrima agrees with the Assessment Report's statement that the 'mine design presents a range of uncertainties and safety risks, as well as the likelihood of significant impacts on water resources.

We also share the Department's concern that the project site is not suitable for the development of a new coalmine. The report clearly states 'there is a threat of serious harm to both groundwater and surface water resources, and that there is considerable scientific uncertainty about the level of environmental damage to both.

As a result, the "precautionary principle" must be employed, as the project as currently proposed is not an ecologically sustainable development.

In closing, we therefore ask that in considering its recommendations:

- That the IPC finds that the precautionary principle is triggered due to the significant uncertainties and risks
- That the IPC determines the project site and exploration license area is not suitable for the development of any new coalmine because it poses too great a risk to water security within the Sydney water catchment
- That the IPC endorse the finding of the Department that the project is not in the public interest and should not be approved

Thank you.

Michael Verberkt
President
Battle For Berrima Inc.