

HUME COAL PROJECT – BERRIMA

I wish to object to the project as it is currently presented for approval.

The Hume Coal proposal asserts that the project is of overall benefit to the community because of the royalties paid and the jobs created, while the environmental risks can be managed.

As custodian of the public interest the Commission should be applying normal society wide cost benefit analyses of the proposal, which involves consideration of both internal and external costs. Should the benefits and costs of the proposal fall on widely differing groups I believe that considerations of compensation need to be built into the analysis. Without this any proposal may not benefit society as a whole but simply be a transfer of benefits from one group to another.

This conclusion is particularly appropriate to the Hume Coal proposal where it is clear that there will be significant job losses in other sectors of the local economy and also widespread loss of amenity and possible health effects on the broader community.

There are many important externalities attendant on the Hume Coal project which may need to be considered separately, but on the basis of the evidence I have seen the impact on groundwater appears to be of major importance.

Given the possibility catastrophic consequences of a breakdown in the Hume Coal safety plans or some unforeseen geological anomaly I believe that it is imperative that there be a far greater specification of operating conditions if the mine is to go ahead. This must include:

- Independent monitoring of groundwater, air quality and other relevant indicators.
- Immediate publication of these monitoring results.
- Immediate closure of the mine if there is a breach of the specified indicators.
- The mine placed under Departmental management until the problems are rectified.
- Adequate financial security provided up front by Hume Coal to fund these interventions if they prove necessary.
- Further financial security to fund compensation to other affected parties if this proves necessary in the future.
- The possibility of individual sanctions falling on key decision makers within the Hume Coal business, including custodial sentences.

I have not considered the level of financial security or performance bond which would be required but believe that the Commission and or the Planning Department could undertake this work. For consistency the guidelines in NSW Treasury paper TPP17-03 could be followed.

The possibility of this project succeeding on the basis of a properly constituted whole of society cost benefit analysis appear remote, but if it did there would still remain the issue of enforcement of the operating conditions as outlined above.

Unfortunately I do not believe that legal framework or the monitoring resources are available to manage and enforce these conditions and therefore the mining proposal should be rejected.