Mr Barry Buffier  
Chair  
Environment Protection Authority  
PO BOX A290  
SYDNEY SOUTH NSW 1232  
cc: Mr Richard Whyte – Manager, Bathurst  

2 October 2012  

Dear Mr Buffier  

Proposed Coalpac Consolidation Project – Castlereagh Highway, Cullen Bullen  

The Commission is currently conducting a Review, under section 23D(1)(b)(ii) and Schedule 3 of the NSW Environmental Planning and Assessment Act 1979, of the Coalpac Consolidation Project Proposal (10_0178) at Cullen Bullen, near Lithgow. The terms of reference are to:  

 Carry out a review of the Coalpac Consolidation Project, and:  

a. Consider the Environmental Assessment of the project, all issues raised in submissions on the project, and any information provided on the project during the course of the review;  
b. Assess the merits of the project as a whole, paying particular attention to the potential:  
   • Local health and amenity impacts of the project, particularly dust, noise and blasting impacts noting its proximity to the village;  
   • Biodiversity impacts of the project;  
   • Water resource impacts of the project; and  
c. Recommend appropriate measures to avoid, minimise and/or offset these impacts.  

As part of its review, the Commission has considered submissions from the NSW Environment Protection Authority (EPA) dated 4 June 2012 on the proponent’s Environmental Assessment (EA), and dated 18 September 2012 on the proponent’s Response to Submissions (RTS). The Commission has also reviewed the proponent’s supporting documents, submissions received, visited the site, and listened to submissions made over a day and a half of public hearings.  

From this material, a number of matters have arisen that are within the regulatory responsibilities and/or expertise of the EPA. The Commission will need to explore these matters as part of its review. The specific issues are set out below.
(1) Submissions to the Review, including from Lithgow City Council, have raised concern about noise impacts from the project for residences located away from the Castlereagh Highway. These residences have measured night-time background noise levels below the 30dBA default background level adopted in the NSW Industrial Noise Policy 2000 (INP) and the differential between background and the level at which acquisition would normally become available under Department of Planning and Infrastructure practice (40 dBA) is therefore >10dBA. The Council, and other submitters, have indicated that this will lead to a substantial level of justifiable complaint by affected residents. The Department of Planning and Infrastructure has also informally advised that this pattern of complaints commonly occurs where coal mines are located in proximity to rural residences and night-time operations are permitted.

You would be aware that the Commission recently addressed this issue in the context of the Boggabri Coal Project determination (DPI Project Application Reference: 09_0182). In that determination the Commission adopted a position based on a recommendation from OEH (which was at the time responsible for EPA functions) to provide for acquisition at a lower level (35 dBA). The Department of Planning and Infrastructure strongly contested this approach arguing that research demonstrated that the impact at 40 dBA was acceptable and provided informal advice that the EPA agreed with this position. The research information was not provided. Nor has the EPA withdrawn its earlier advice.

The Commission therefore requests formal advice from the EPA as follows:
(i) does the EPA consider that occupants of rural residences should be subjected to noise impacts more than 10 dBA above background during night-time operations from coal mines; and
(ii) if so, can the EPA please provide details of the research on which this position is based including the places in which the research was conducted and the range of conditions under which it was conducted.

(2) The proponent’s EA (Section 8.6.2) acknowledges that construction noise should be assessed under the INP, not the Interim Construction Noise Guidelines (ICNG). The EA then says that the noise has been assessed under ICNG but compared to INP. Is the EPA satisfied with the assessment and conclusions in relation to construction noise?

(3) The EPA submission dated 4 June 2012 (EPA reference: LIC07/1337-07:DOC12/12747) has recommended that any Air Quality Management Plan include ‘performance based outcomes aimed at minimising particulate emissions for the following sources’ and goes on to list a range of potential sources. Is the EPA able to provide more specific advice on the suggested performance based outcomes that would be acceptable?

(4) Several submissions claim that the surface and mine water quality monitoring required by the EPA is inadequate as it does not cover the full range of likely pollutants. Contamination with metals was a particular focus. Preliminary assessment by the Commission suggests that the concerns raised may be well-founded and that
the Environment Protection Licence (EPL) requirements are not consistent with best practice. The EPA's response to these concerns would be appreciated.

(5) Some submissions claimed that Invincible Colliery's LDP001 licensed discharge to Long Swamp has caused pollution. Despite Coalpac's claim that the discharge meets EPA criteria, the Commission was provided with photos taken by special interest groups showing red staining on the walls of the collection pond at the discharge point (see attached). As Coalpac has not used this discharge point since 2008 and claims it should not be needed in future, can the EPA justify retaining this discharge point in the EPL?

(6) At the Commission's public hearing at Lithgow, a special interest group presented a list of non-compliances by Coalpac with licence requirements (see attached). Can the EPA provide advice on the performance of Coalpac in meeting its environmental obligations, including a summary of licence or other breaches of the environmental legislation? Can the EPA advise what regulatory action has been taken?

(7) The EPA submission dated 4 June 2012 (EPA reference: LIC07/1337-07:DOC12/12747) referred to a commitment by Coalpac to replace the high pitch reversing alarms on all mobile equipment with broad-spectrum alarms and noted that this work had not been completed. The proponent has since advised that this work has now been completed. Is EPA able to advise if these reversing alarms are now operating satisfactorily?

(8) The EA notes some occasions where pH levels have been low in collecting dams, presumably as a result of acid forming material. The Project involves exposing further acid forming materials and suggests management of these will be included in the Water Management Plan. In essence the Proponent has committed to capturing all potentially acid forming water and treating it before discharge. Is the EPA able to provide any advice to the Commission on the adequacy of the Environmental Assessment and proposed measures for ensuring there are no adverse impacts, either short or long term, to surface or ground waters.

The Commission would be happy to meet with representatives of the EPA to discuss the above matters and any other issues that the EPA wishes to raise in connection with this project proposal. As the Commission's report is due to be provided to the Minister by mid November 2012 any written response would need to be received by close of business 19 October 2012.

Ms Sera Taschner (Commission Secretariat) can assist with any enquiries concerning the Commission's requests on (02) 9383 2117 or email sera.taschner@planning.nsw.gov.au.

Yours sincerely

[Signature]

Dr Neil Shepherd AM
Chair, Coalpac Commission
INCIDENTS OF POEO LICENCE NON COMPLIANCE
SECTOR: COAL MINING/POWER GENERATION
LITHGOW REGION: 2000 – 2011


<table>
<thead>
<tr>
<th>LICENCED PREMISES</th>
<th>POE LICENCE NUMBER</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Airly Coal P/L</td>
<td>12374</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Angus Place Colliery</td>
<td>467</td>
<td>2</td>
<td>3</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>5</td>
<td>7</td>
<td>23</td>
<td>7</td>
<td>6</td>
<td>3</td>
<td></td>
<td>62</td>
</tr>
<tr>
<td>Baal Bone Colliery</td>
<td>765</td>
<td>1</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>3</td>
<td>8</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>3</td>
<td></td>
<td>24</td>
</tr>
<tr>
<td>Canyon Colliery Surrereed 2001</td>
<td>558</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Charbon Colliery</td>
<td>528</td>
<td>1</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>0</td>
<td>2</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td></td>
<td>9</td>
</tr>
<tr>
<td>Clarence Colliery</td>
<td>726</td>
<td>2</td>
<td>3</td>
<td>1</td>
<td>3</td>
<td>13</td>
<td>0</td>
<td>3</td>
<td>13</td>
<td>6</td>
<td>7</td>
<td>5</td>
<td></td>
<td>56</td>
</tr>
<tr>
<td>Cullen Valley Mine</td>
<td>10341</td>
<td>4</td>
<td>4</td>
<td>6</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td></td>
<td>15</td>
</tr>
<tr>
<td>Enhance Place Mine Surrereed 2006</td>
<td>6312</td>
<td>-</td>
<td>-</td>
<td>1</td>
<td>3</td>
<td>10</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>14</td>
</tr>
<tr>
<td>Invincible Colliery</td>
<td>1095</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>4</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td></td>
<td>11</td>
</tr>
<tr>
<td>Ivanhoe North</td>
<td>13063</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td>4</td>
<td>11</td>
</tr>
<tr>
<td>Pine Dale Mine</td>
<td>4911</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>9</td>
<td>0</td>
<td>17</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
<td>31</td>
</tr>
<tr>
<td>Springvale Colliery/Lamberts Gully mine</td>
<td>3607</td>
<td>3</td>
<td>0</td>
<td>1</td>
<td>4</td>
<td>38</td>
<td>394</td>
<td>363</td>
<td>12</td>
<td>18</td>
<td>4</td>
<td>71</td>
<td></td>
<td>908</td>
</tr>
<tr>
<td>Wallerawang Power Station</td>
<td>766</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2</td>
<td>3</td>
<td>1</td>
<td>4</td>
<td>0</td>
<td>2</td>
<td>1</td>
<td></td>
<td>13</td>
</tr>
<tr>
<td>Mt Piper Power Station (New Jan09)</td>
<td>13007</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>0</td>
<td>0</td>
<td></td>
<td>-</td>
</tr>
</tbody>
</table>

TOTAL: 17, 16, 16, 16, 79, 408, 399, 57, 32, 20, 89, 11, 1160
# CANYON COLLERY

## Summary of Licence No: 558

**Licence holder:** COALPAC PTY LIMITED  
**Premises:** CANYON COLLERY  
**LGA:** DARLING CAUSEWAY BELL  
**Catchment:** Hawkesbury  
**Licence Fee:** $12,825.00  
**Status of licence:** Surrendered  
**Licence review:** Completed 17 Sep 01

### Applications

<table>
<thead>
<tr>
<th>Number</th>
<th>Application type</th>
<th>Current status</th>
<th>Date received</th>
</tr>
</thead>
<tbody>
<tr>
<td>140792</td>
<td>Licence Surrender</td>
<td>Approved</td>
<td>18 Sep 01</td>
</tr>
</tbody>
</table>

### Notices

<table>
<thead>
<tr>
<th>Number</th>
<th>Issue date</th>
<th>Notice type</th>
</tr>
</thead>
<tbody>
<tr>
<td>1011927</td>
<td>03 Oct 01</td>
<td>S 80 Surrender Licence</td>
</tr>
</tbody>
</table>

### Annual Return Information

**Annual Return Start:** 01 Oct 00  
**Annual Return End:** 30 Sep 01  
**Date Received:** 30 Nov 01

### 2000/2001

**Licence number:** 558  
**Type of non-compliance:** Monitoring not undertaken in accordance with licence.  
**No. of Incidents:** 1

### 1999/2000

**Licence number:** 558  
**Type of non-compliance:** Condition M2 requires the licensee to monitor the quality of water discharged from Points 2 and 4 at a frequency of not less than 90 days. Insufficient monitoring was undertaken over the period 1/10/99 - 30/9/00.  
**No. of Incidents:** 1