Tuesday 16th June 2014

Submission opposing the Proposed Shenhua Watermark Opencut Coal Mine.
Liverpool Plains NSW.

Dear Ms. Kibble, Mr. Gilligan and Mr. Payne,

As the Commissioners assigned to review the proposed Shenhua Watermark Open cut Coal Mine Project, we urge you to act now to stop the approval for the development of this coal mine, in the heart of the prime Agricultural area of the Liverpool Plains, in North Western New South Wales.

The Shenhua Watermark project needs to be considered not as an isolated entity, but together with the proposed BHP Caroona Coal project, as both these projects will have a massive cumulative impact on the water resources, the existing agricultural land use, the infrastructure, the natural environment, and the health and future well-being of the Liverpool Plains community.

No politician, no political party and no government, has the right to allow for the destruction of our land and our water, both of which are the true wealth of our nation.

The latest report from the Independent Expert Scientific Committee on Coal Seam Gas and large Coal Mining Development advice to the Watermark and Caroona Coal Projects are shocking.

Consider the cumulative impacts on;

1. Water Loss;

   The surface waters of the Namoi catchment are an integral part of the Murray Darling basin.
   The Liverpool Plains has a unique and extensive system of underground water aquifers.

   In the Shenhua Watermark’s Groundwater Impact Assessment they stated that there were no other proposals “in the public domain.” In the assessment they have not considered the cumulative impacts of the proposed mining projects on the Water resources of the Liverpool plains.
Shenhua also states “the mine plan maintains protection of the black soil plains with a 900 metre barrier between mining areas and the highly productive Gunnedah Formation aquifer and a 150 metre buffer to the alluvial soils and black soil plains.” Surely this is not an adequate distance to ensure the protection of these rich soils and valuable irreplaceable water resources and needs further detailed assessment.

The Gateway Panel recommended that the project NOT proceed as it had a number of real concerns with regard to the effect on underground water and surface water supplies.

Both the Shenhua and Caroona projects are predicted to result in potentially significant impacts to groundwater bores, as documented in the Caroona EIS and the Independent study.

It is documented that there will be up to 185m drawdown for bores accessing the ‘less productive’ groundwater units within the Gunnedah Basin. Also documented is a drawdown of between 2m and a maximum of 13.77m at 27 private bores accessing the overlying ‘highly productive’ aquifers of the Jurassic Oxley Basin.

Evidence has not been presented to demonstrate that the model boundaries are beyond the probable area of influence of cumulative impacts from the Caroona Coal Project, the neighbouring Shenhua Watermark Project and existing groundwater use.

The mine area covers valuable agricultural land and the sandstone ridge areas which are an integral part of the underground water aquifers recharge systems.

In the Shenhua report the significance of the Mooki River is understated. The report claims that it “is unlikely to be a primary source of water for the Project due to the Mooki River generally being dry at the times where offsite water would be required.”

The Mooki and other surface water ways are an integral part of the Namoi Valley water catchment. The Mooki is an essential living river system that provides clean water to the Namoi Valley and is a rich natural habitat.

The Namoi River is already degraded and substantially reduced in quantity of flow and quality of water, it is imperative that we restore the river and halt any further degradation. The occurrence of the Shenhua mining project would result in the disintegration of a vital water system.

There has been no groundwater model conducted to assess the cumulative impacts of both the Caroona Underground mine and the Shenhua Watermark Open cut mine projects.

To enable a thorough assessment of the cumulative impacts, the Committee needs to act now to ensure a comprehensive study is undertaken and proper process is adhered too before any mining activity is approved.

(2) Salinity;

Australia is the driest continent on the earth, 6% of the land mass is arable and just 3% is classed as prime agricultural land. The Liverpool Plains is part of this 3%.

On the issue of Salinity in the Shenhua Watermark Project, The Gateway Panel stated that the “saline water quality in the backfilled areas and the final void pit lake is considered to be a significant long term risk to the water quality in surrounding creeks and alluvial aquifers”. They also concluded “It is reasonably foreseeable that this impact could make these waters unsuitable for agricultural use.”

“The Committee considers that the proposed project is likely to enhance the risk of Salinity in the region”. The proponent has modelled seepage from the mining areas, which they predict to be 0.08 ML/day 2,000 years after mining. Sensitivity analysis shows that the salt loads from this seepage from the Southern mining area could reach 17kg/ha/day.”
“The Committee recommends that should the project go ahead, baseline monitoring of surface and groundwater systems continue during and post operations, as potential impacts of salt water seepage are predicted to extend beyond 2,000 years into the future.”

In the Shenhua reply to earlier Submissions they state there will be “no adverse salinity impacts from the project.” This statement is incorrect, as shown by the Independent water studies.

The Planning Assessment Committee needs to stop the project, and recommend the implementation of a comprehensive study to measure any possible changes to Salinity levels in the soils and waters of the Liverpool Plains by future proposed mining projects.

(3) Soils and Major Land Use Change;

The Liverpool Plains is a Prime Agricultural Zone that has crop yields 40% above the National average.

The Liverpool Plains produces 33% of Australia’s pasta wheat, 17% of sorghum used to feed poultry and cattle, bread wheat, barley, sunflowers, soybeans, corn, cotton, chickpeas, olive and canola oil, prime beef and lamb.

With growing populations Farmers will have to increase food production by 70% by 2050 to feed a growing and increasingly hungry world.

Mining is an extractive industry with short term economic gain, both projects have a predicted 30 year productive cycle.

Agriculture has been a sustainable industry successfully established and conducted on the Liverpool Plains since the 1850’s, which is 160 years.

The two industries cannot co-exist in their present form. If these major Coal projects are approved we are looking at the destruction of the existing Agricultural Industry and the loss of the Liverpool Plains as the food bowl of Australia.

In regard to the New England North West Strategic Land Use Plan the Gateway Panel stated that the proponent Shenhua “has applied incorrect methodology and obfuscates the verification of BSAL (Biophysical Strategic Agricultural Land) soils and is non-compliant with the Statutory requirements.”

The Gateway Panel recommended the Project should NOT proceed.

Shenhua in response to earlier submissions has proposed” making additional agricultural land available for future production by modifying the project’s onsite offset areas to remove over 600ha of Biophysical Strategic Agricultural Land from the offset package.” This represents a tiny area in the total mine land area of at least 9,500 hectares and it fails to address the major issue that this mine still adjoins highly productive irrigated cropping land.

The Panel added that “they need to clearly show it will not significantly reduce the agricultural productivity of any BSAL, based on the consideration of disturbance, soil physical and chemical characteristics, groundwater, fragmentation of land use and loss of land”

The Panel concludes that “the proponent (Shenhua) obfuscates the verification of BSAL and likely underestimates the true extent of potentially affected BSAL.”

In conclusion they recommend the project should NOT proceed.

The impacts on the soils and Agricultural Land use of the Liverpool Plains by the proposed mine is too great and they cannot coexist in this region.
(4) Environmental Degradation;

With the construction of the proposed Watermark Open cut mine we will witness the destruction of the Natural Habitat and the loss of Flora and Fauna Species from the Grassy Woodland Communities of the Liverpool Plains.

Australia has a unique and very ancient group of plants and animals, the Koala and Echidna are just a few of these rare animals. The forests of the Gunnedah area are renowned as one of the largest remnant Koala populations in Eastern Australia.

Shenhua in reply to concerns voiced in earlier Submissions has purchased offset land at Tambar Springs this is not Watermark and does not adequately replace the existing areas that are ear marked for mining development.

Why are we proposing to put at risk animal and plant species that are already threatened by allowing for the development of a huge open cut mine that allows for vast areas of these unique woodlands to be cleared and destroyed?

(5) Health and Social Issues;

In response to Submissions on dust and noise pollution, and air quality concerns Shenhua has “proposed a reduction in the equipment fleet” to have fewer but larger trucks.

Has there been adequate assessment of the impacts of explosives and extraction techniques on noise and air pollution?

It is well documented in the Hunter Valley region of the ill health of children growing up next to Coal mines. There is a huge increase in respiratory diseases, children complain of headaches, nose bleeds and rashes.

The proposed Coal mines will greatly increase the dust and noise pollution levels for the communities of the Liverpool Plains.

Coal dust from the mines and from the uncovered coal wagons is breathed into the lungs, absorbed into the bloodstream causing respiratory problems, stroke and kidney disorders amongst others.

Increased traffic flow, forced removal from the land will all contribute to having major social impacts on the people of the Liverpool Plains.

(6) Economic Issues;

Mining is a short term extractive Industry with these projects to only have a 20-30 year life span. Whereas Agriculture is a long term sustainable and critical industry that will last for thousands of years and it is essential for our future Food Security Issues.

What is the net present benefit to the community?

The Watermark Shenhua Economic Assessment overstates the Economic benefits to the Community.

The Assessment relies on the unsourced forecast of semi soft coking PCI coal prices at AUD$142 a price substantially higher than analyst’s estimates.

The Assessment assumes the project will sell 86% of production to metallurgical coal markets. Historically it is sold cheaper as thermal coal.

Royalty revenue is the benefit for the Government this has been greatly overstated and inflated by Shenhua. The calculations are not transparent or adequately explained.

The estimates made by Shenhua for tax revenue relies on historically high prices and overstates the likely tax revenue by $700million. Furthermore Shenhua owns the coal it will be mining at the Watermark site so no tax revenue will be gained as the coal has already been sold.

Independent assessments of the financial benefits of this project to Australia are calculated at $541 million, not the inflated figures provided by Shenhua.
The Shenhua Assessment fails to account for the negative impacts of the project and does not give an accurate picture of the increased costs to, and reduced availability for Agriculture. It fails to consider the negative impacts on the availability of Labour for the Agricultural Industry, the negative impacts on Water, Freight, Air Quality, Ecology, Aboriginal Heritage, Human Health and Green House Gas Emissions.

Mining and Agriculture cannot coexist in the region, the Planning Assessment Committee needs to recommend that this project NOT proceed as it is totally unsuitable for this site and is not in the long term best interests for the public.

We must not place Australia’s food security (our ability to feed ourselves), or our food quality (the safety of our food), at risk from mining pollution and short term mining profits.

Yes we need to carefully consider future economic benefits of mining developments but not in isolation and not in an area of prime agricultural resources.

Rabobank a major world Bank has voiced its opposition to this mining project, as an investor in world agriculture the bank knows the value for future economic development in Agricultural business.

We need to embrace renewable energies there ARE substitutes for energy but not for clean food and water.

If it is a question of what we value in our Society, do we want to create another Hunter Valley with its vast slag heaps, dead waterways, industrialised landscape, destroyed agricultural industry and unhealthy environment? NO

Consider our Children’s and Communities future for clean food and water, mining is short term and leaves a wasteland.

We urge the Planning Assessment Committee to act now to stop the approval of the Shenhua Watermark Project and protect the soils and water resources of the Liverpool Plains for future generations.

We look forward to your response and action in this matter.

Yours Faithfully,

Catriona Simson.