



## **SOUTHERN SYDNEY BRANCH**

PO Box 312  
Engadine 2233  
Email: [ssydney@npansw.org.au](mailto:ssydney@npansw.org.au)  
Internet: [www.npansw.org.au](http://www.npansw.org.au)  
Head Office Phone: (02) 9299 0000  
Head Office Fax: (02) 9290 2525

### **Planning and Assessment Commission Hearing for Wollongong Coal Underground Expansion Project Review. 2015 December 8**

#### **Submission for Southern Sydney Branch of the National Parks Association** by Murray Scott

The National Parks Association (NPA) is a non-governmental organisation which campaigns for the protection of natural areas as new national parks and reserves. At least half of the state's National Parks and additions to these have been gazetted following research work and advocacy by NPA. Our organisation works with the three tiers of government in cooperative projects. We also monitor the management of existing national parks and submit proposals and suggestions to ensure the best park management. We run community volunteer workshops and biodiversity surveys to acquire data and monitor native and introduced species. We coordinate bush regeneration and clean up events plus over 1000 bush walks each year to enable the people of NSW to learn about and enjoy NSW's beautiful natural places and the threats these places are exposed to. Southern Sydney Branch with some 350 members is one of 18 branches around the state.

**Political Donation Declaration:** Donation and Membership fee for Greens NSW \$550

**Submission to PAC on extension of Russel Vale Colliery by Wollongong Coal.  
National Parks Association, Southern Sydney Branch (NPASSB)  
represented by Murray Scott, 2015 Dec 8**

The NPASSB submission to the previous 2015 PAC inquiry into the Wollongong Coal Underground Expansion Project opposed the project for the following reasons:

**Scope of the 2015 Feb 3 Submission**

- The economic purpose of Sydney Metropolitan Catchment Special Areas is to preserve the runoff retardation, filtration, erosion protection and self-maintenance qualities of natural vegetation. To do so it must also facilitate species migration to support the complementary faunal wildlife.
- Apart from the role of fauna in stabilising catchment vegetation, The National Parks Association is concerned with species survival per se. Climate change presents an additional imperative for wildlife migration. Wollongong Coal's Consolidated Coal Lease 745 spans a bottleneck in the surviving North-South wildlife corridor from Royal National Park to the Great Eastern Ranges. The proposed mine expansion will damage surface water features and dependant ecosystems, impeding wildlife migration and thus increasing vulnerability to climate change.
- Given the urgency to reduce global greenhouse gas emissions, when will coal and gas mining be phased out in NSW?

These headings were each supported by explanatory notes.

**Scope of the current 2015 Dec 8 Submission:**

**NPA SSB still opposes the expansion for the following reasons:**

**1. Ecological Integrity of the Catchment Special Area.**

- a) The current submission re-emphasises the above concerns and the accompanying arguments from the previous NPASSB submission. We note with apology that our reference to ML 745 spanning a migration bottleneck is not relevant to the current application as it relates primarily to Wonga West operations proposed in the 2013 Project Report. Nevertheless, while that proposal remains open for future development we stand by these arguments without the need for repetition.
- b) In the PAC Review Report of 2015 April 2 ( "Review Report"), many concerns raised in submissions to the Feb 3 Hearing are dissected, the vast majority being dismissed. NPASSB notes that points 1 and 2 in our submission were picked up on p28, then subsumed into discussion on swamps and offsets.
- c) As recognised in that discussion, offsets rarely duplicate ecological features of the threatened swamps and are irrelevant to preserving local ecosystem services such as migration paths. Further, any near-equivalent swamp area that might qualify as an offset is precious in its own right and both areas should be conserved. Such offset considerations are only brought into contention by the ongoing bizarre assumption of priority for mining over other land uses.

## 2, Greenhouse Gas induced Climate Change.

- a) The most conspicuous and presumably deliberate omission from the Review Report is any consideration of mitigation or adaptation to greenhouse gas induced climate change.
- b) At least 6 submissions to the Feb 3 hearing, including that of NPASSB, drew attention to the inconsistency of NSW and Federal Government policies purporting to secure reductions in greenhouse gas emissions while approving, even promoting, the development of new coal mines and extension of others including Russel Vale. These submissions drew attention to the well published 80% to 90% of coal reserves that must remain unmined if global temperature rise is to be constrained to 2° with varying levels of probability. See:
- c) “UNBURNABLE CARBON: WHY WE NEED TO LEAVE FOSSIL FUELS IN THE GROUND.” Ch 4. The Challenge for Australia:  
<http://www.climatecouncil.org.au/uploads/a904b54ce67740c4b4ee2753134154b0.pdf>

“Australia’s coal reserves are estimated to be 76 billion tonnes, of which 39 billion tonnes are black (hard) coal and 37 billion tonnes are brown coal (lignite) (geoscience Australia 2010). If all of the reserves were exploited and burned, 128 billion tonnes CO<sub>2</sub> would be emitted to the atmosphere (Department of environment 2014). These emissions represent 11.5% the global carbon budget from 2012 for a 50% probability of meeting the 2°C warming limit and 19.0% of the budget for a 75% probability. “

The adage has never been more apt: “When you find yourself in a hole.. stop digging”

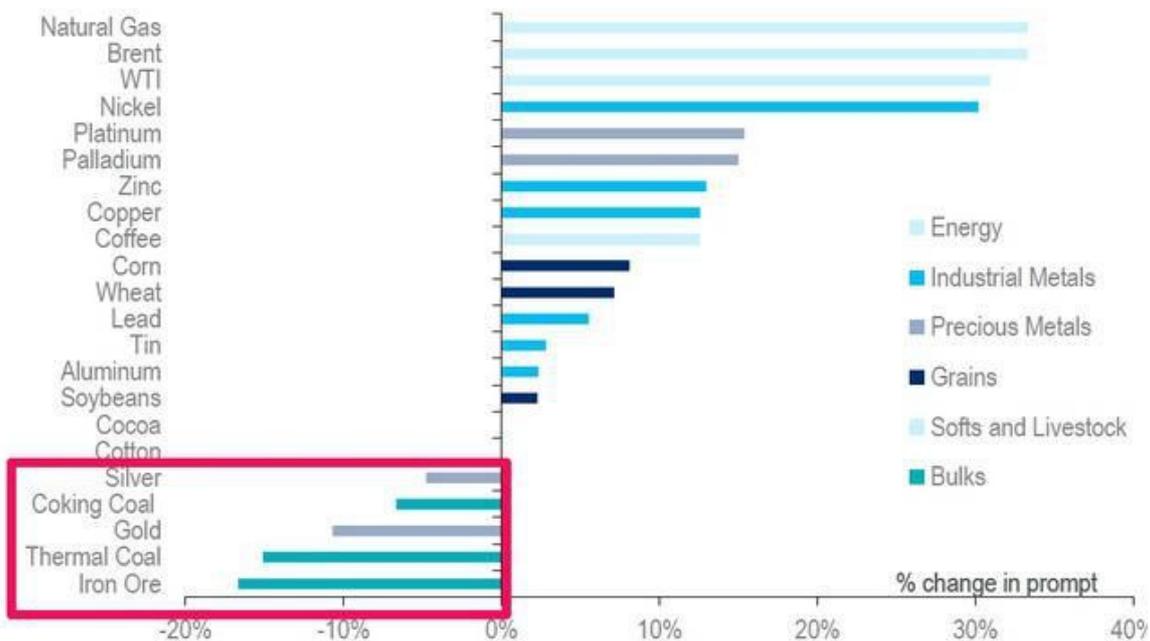
- d) We recognise that executives and lobbyists for the coal industry regard such constraints with eye-rolling contempt. But we do expect a Government “Department of Planning and Environment” and its “Planning Assessment Commission” to seriously consider future implications, whether the coal is for local or exported combustion. Apparently however, planning to reconcile business-as-usual assumptions with emissions constraints is regarded as Someone Else's Problem, purged from the Review Report.
- e) With Paris COP21 pledges to achieve 2° warming limit (let alone the already recognised necessity for a 1.5° limit) plus subsequent 5 yearly climate updates, burnable-carbon budgets are likely to become even tighter and the necessity of constraining coal extraction for both local consumption and export ever more urgent and disruptive to employment and economy.
- f) the price of coal, both thermal and metallurgical, is dropping due mainly to reduced demand from China. That reduction is partly due to rising local concern on urban air pollution together with recent serious undertakings to constrain the rise of greenhouse gas emissions in the Chinese economy. As flagged in Recommendation 4 of the Review Report, the falling price for metallurgical coal calls into question the viability of this extension and continued operation of the Russell Vale mine. Recent prices range from \$67-\$72 / tonne FOB  
<http://www.platts.com/news-feature/2015/metals/steel-raw-materials-pricing-analysis/coking-coal-prices-1>

Price outlook is no better (see below). Given the troubled history of this mine, financial stress concerns not just the company and its employees but the capacity to rehabilitate the site on closure. When it closed for 8 years previously no proper rehabilitation was attempted.

<http://www.businessinsider.com.au/citis-2016-forecasts-for-every-major-commodity-in-one-chart-2015-12>



## Citi 2016 Commodity Returns Forecasts (Citi 4Q'16 versus Citi 4Q'15 price forecasts)



As you can see Citi is forecasting rallies in oil prices and a huge increase in natural gas, which Australia is well positioned to capitalise on as the major LNG export bases such as the Santos operation at Gladstone ramp up operations.

But that's a whole lot of Australian exports in that bottom five.

### 3. Orderly Phase out of coal production in NSW.

- a) Submissions 4,20, 22,30,41 and 44 to the Feb PAC Hearing, including point 3 of our own submission, requested planning for orderly phaseout of coal extraction in this and other NSW mines. That request has been defiantly ignored by the applicant and in the Review Report. The current proposal is presented as an interim 5 year measure:

“The Preferred Project, via the revised Wonga East layout, will provide NRE with an ongoing, albeit reduced, income stream to continue to establish environmental baseline data and undertake the necessary additional environmental studies required to demonstrate the practicality of the environmentally responsible extraction of the existing large volumes of economically viable ROM coal in the remaining central and western areas of the lease.”

A more probable motive is to keep the Company financially afloat while they cobble together finance and application documents for the longer term development.

- b) Concern over this step-wise approval process is stated in Section 2.1 (p4) the Review Report

“The current proposal has been modified and substantially cut back to reduce the potential adverse impacts of the mine. The consequence of this is that once again it presents the decision maker with a piecemeal application, considering the proponent’s stated intention to lodge a subsequent application for a larger and long term mining approval.”

These piecemeal approvals thus represent a microcosm of development planning for mining throughout NSW, the absence of any frame for the big picture and the myopic acquiescence by DoPE to demands of the industry. It would, I think, shock the Minister and the CEO of DoPE to fly at around 3000 feet around the Hunter Valley to absorb the enormity of what they are condoning.

- c) Another effect of this 5 year interim project, (possibly the company's primary motive?), is to defer the obligation on Wollongong Coal for site remediation following eventual shutdown of the mine. Given current decline in coal prices and previous financial difficulties for this mine, the prospect of funding a future orderly shutdown, workers entitlements and site rehabilitation appears uncertain. Failure to do so risks a devastating legacy for Russell Vale and abandoned surface workings in the Cataract Catchment Special Area. The North Cliff headworks ruin in what is now Dharawal National Park offer an example of what we can expect where orderly shutdown and rehabilitation were not enforced by Government, or where rehabilitation bond funds were inadequate or perhaps disappeared altogether with the collapse of the company.

#### **4. Concluding Requests:**

- a) That any approval for this extension be conditional on an agreed schedule and funding for orderly shutdown at completion, with full provision for workers entitlements and rehabilitation of surface works at Wonga West and Russell Vale, plus roads and surface structures.
- b) That no offset land swaps or payments be accepted in lieu of surface damage prevention, even if shortened longwalls or a halt to mining becomes necessary.
- c) That future extension to Wonga West is explicitly refused to save the company the expense of drawing up an application.