

Reply to: Nic Clyde  
NSW Community Coordinator  
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12 November 2020

Stephen O'Connor  
Chair of IPC Panel  
Dendrobium Extension Project  
By email: [ipcn@ipcn.nsw.gov.au](mailto:ipcn@ipcn.nsw.gov.au)

CC: Mr Stephen Barry, IPC

Dear Mr O'Connor,

**QUESTIONS OF CLARIFICATION FOR IPC'S MEETING WITH NSW DPIE AHEAD OF THE DENDROBIUM PUBLIC HEARING**

Given the significant public interest in the Dendrobium Expansion Project and that merit appeal rights will be extinguished as a result of this process, we write to ask that your panel put the following questions to NSW DPIE in advance of the public hearing for this Project.

**Suggested questions for DPIE at the IPC's meeting scheduled 16 November, 2020**

1. DPIE supports Wollongong Coal's application for *bord and pillar* mining at Russell Vale. WaterNSW is on the public record saying that "the first workings mining method" (otherwise known as bord and pillar) now proposed at Russell Vale "is much safer than the previous proposal for longwall mining and is unlikely to cause significant surface subsidence".<sup>1</sup> Does DPIE view bord and pillar as a key control against subsidence impacts at Russell Vale? Has DPIE asked the Applicant to consider bord and pillar at Dendrobium instead of longwall mining?
2. DPIE supported the Cadence Economics' assessment of bord and pillar mining at Russell Vale, finding that it would be economically viable. Is the same likely to apply at Dendrobium? In other words, if both Wollongong Coal and DPIE view bord and pillar as economically viable at Russell Vale, is it logical to assume that this mining method would also be economically viable at Dendrobium?
3. Wollongong Coal provided a statement to the IPC about their Russell Vale project, saying their analysis was that bord and pillar is "more labour intensive" than longwall mining.<sup>2</sup> A logical conclusion to draw from this statement is that more jobs would flow from their project as a result. Has the Department and Applicant

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<sup>1</sup> WaterNSW, Russell Vale Colliery Revised Preferred Underground Expansion Project (09\_0013), 29 August 2019

<sup>2</sup> [https://www.ipcn.nsw.gov.au/resources/pac/media/files/pac/projects/2020/08/russell-vale-underground-extension-project/correspondence/applicant/201102-in-applicant-re-comments-at-public-hearing\\_redacted.pdf](https://www.ipcn.nsw.gov.au/resources/pac/media/files/pac/projects/2020/08/russell-vale-underground-extension-project/correspondence/applicant/201102-in-applicant-re-comments-at-public-hearing_redacted.pdf)

weighed the additional benefits of significantly minimising subsidence and increasing employment from bord and pillar instead of longwall mining at Dendrobium?

4. The Department sought an economic analysis from BAEconomics of the socio-economic impacts of this project (in its current form) both going ahead and not going ahead. Has the Department considered the costs and benefits of alternative scenarios to a longwall expansion at Dendrobium where the PKCT throughput needs and coking coal requirements for Bluescope are met either from production from other mines with existing approvals or from production from other mines with existing approvals plus (and only if necessary) bord and pillar mining at Dendrobium instead of longwall mining?
5. If – as contemplated by the Department - Bluescope decides in 2025 not to go ahead with a reline of their blast furnace, but to either cease production or transition to green or lower carbon steel making at Port Kembla from 2030 onwards, would that change the Department's assessment that this project – in its current form – is approvable?
6. What does DPIE consider the likely loss of water will be per annum post-mining that will result from this project?
7. How has the single up-front payment of "\$16.7 million to cover post-mining water take" been calculated? How many years of water loss is this payment intended to cover? Given the risk that water loss may continue in perpetuity, will a single up-front payment of \$16.7 million "cover post-mining water take" as suggested by NSW DPIE?
8. WaterNSW considers that "additional information and expert review of the new water quality information is required to demonstrate that the project would meet the statutory NorBE test."

"WaterNSW also considered that the EIS did not contain an adequate assessment against the 'Neutral or Beneficial Effect' (NorBE) test in respect of loads or concentration of metals in streams or reservoirs, as required under the *SEPP (Sydney Drinking Water Catchment) 2011*. WaterNSW stated that it had 'serious concerns' that the Project would not meet this test."

How much confidence does DPIE have in its finding that the Project meets the NorBE test?

9. Scope 1 emissions are expected to be between 0.59 and 0.77 Mt CO<sub>2</sub>-e per annum over the life of the Project. 590,000tpa of Scope 1 emissions would put Dendrobium at 64<sup>th</sup> place on the list of Australia's top 100 emitters of Scope 1 CO<sub>2</sub>-e.

The Air Quality and Greenhouse Gas Assessment for this project says that 67% of the total estimated CO<sub>2</sub>-e fugitive emissions are likely to be emitted via mine ventilation air (MVA) and 33% via pre- and post-drainage. Mine ventilation air at the existing Dendrobium mine has an average concentration of methane (CH<sub>4</sub>) of 0.07%.

South32 say that currently there are no mine methane abatement technologies or opportunities available, which are viable due to the low methane concentration of

the mine vent air.<sup>3</sup> In their application, South32 say that methane “would be flared or, if the gas was too low in methane content for flaring (or other operational reasons), vented to the atmosphere.”<sup>4</sup>

Assuming that approximately 67% of fugitive emissions from MVA is not suitable for flaring and would simply be vented to the atmosphere, has DPIE considered recommending a condition of consent that the Applicant offset GHG emissions from all fugitive emissions that are not destroyed by flaring or other means?

Thank you in advance for considering these issues and asking these questions to DPIE representatives.

Yours truly,

Nic Clyde  
NSW Community Coordinator  
Lock the Gate Alliance

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<sup>3</sup> Annual Review FY20 Dendrobium Mine and Cordeaux Colliery, 6.17.3 Decarbonisation Strategies  
<https://majorprojects.planningportal.nsw.gov.au/prweb/PRRestService/mp/01/getContent?AttachRef=DA60-03-2001-PA-44%2120200929T221842.544%20GMT>, pg 75 and 77

<sup>4</sup> South32, 3.5.7, Gas Management and Abatement  
<https://majorprojects.planningportal.nsw.gov.au/prweb/PRRestService/mp/01/getContent?AttachRef=SSD-8194%2120200901T035457.531%20GMT>