

Submission to the Independent Planning Commission hearing into the Hume Coal Project and Berrima Rail Project.

Thank you for the opportunity to make a submission on these projects.

I strongly object to the development and operation of this mine and ask the Commission to reject approval under all circumstances and options. My concerns are related to direct impacts (in that my domestic bore and water supply is threatened and the value of my property is threatened), local impacts (in that lowered water table will affect quantity, value and resilience of Highland farming enterprises), regional impacts (in that the Sydney area water catchment and supply will be affected in quantity and quality) and global (in that in the face of global warming fossil fuel resources need to remain buried). The world has early but credible "at scale" options for both met coal in steel and steaming coal in power generation.

My submission focuses on some significant forward risks over the life of the Hume Coal mine.

The key overarching risks arise from two wide ranging and permanent modifications to the local environment. These are:

- the impending residential and industrial growth along the Highlands to Goulburn corridor and
- Climate change impacts on SE Australia

Key risk is of course water scarcity and the relevant consequence for this Hearing is the necessarily dramatic increase in demand for clean water throughout the corridor.

Infill of Goulburn/Campbelltown corridor will lead to enormous residential and industrial growth and concomitant growth in water demand. The corridor has substantial rolling land, an established freeway and heavy rail routes, quarries and mineral resources and (expensive) access to the Upper Nepean and Shoalhaven water reservoirs. The corridor is clearly and rightly seen by the State Govt as a prime growth area and of course this is well under way with visible development pushing south through Camden, Narellan, Picton, Tahmoor, Bargo and now into Mittagong, Bowral, Moss Vale. A residential surge is evident today in the Southern Villages - Exeter, Penrose, Wingello, Tallong, and particularly Marulan with substantial new quarries and expansions. This development activity will accelerate and extend over the life of the mine.

The Southern Highland communities are at the top of the Sydney catchment which makes each drop particularly precious as supplementing supply or replacing lost supply requires expensive pumping transfer from lower altitudes.

The Tallowa dam is already used with water pumped 700m vertically to the Fitzroy Falls dam and thence by gravity to the Wingecarribee dam. The regional water shortage is further evidenced by the proposal for a new desalination plant at Port Kembla on a similar scale to the Botany plant and with the same attendant processing and pumping costs. This will need to be built and commissioned within the proposed life of mine.

Replacing Hume Coal's substantial water demand will lead to the higher costs of manufactured and transferred water being charged to consumers whether it comes from Kembla, Shoalhaven or the Upper Nepean (noting also that the Wingecarribee dam already pumps water south to supplement the over-committed Goulburn resource). To the argument that water stored in the mined volume remains available I say that water pumped from active or collapsed mining galleries is heavily contaminated and requires sophisticated and expensive treatment before local use.

Projections for rainfall in SE Australia are consistently for a significantly dryer climate.

The upshot is that we simply cannot afford the Hume Coal Mine, an asset which uses, contaminates and drains both surface and ground water away from the very top of the Southern Highlands catchment, which is also part of the catchment for the entire Sydney metropolis. The "forever" costs of providing replacement clean water to the expanded future region will never be offset by a couple of decades of coal royalties and the employment of so few people. As an example, Truegreen Group's current build of an electric heavy vehicle plant in Moss Vale is typical of a far more valuable business to Australia and local employment than that provided by a mid scale coal mine such as Hume Coal.

Other important risks are evident:

Ground settlement is an inevitable outcome of long wall techniques, whether delivered as longwall or shortwall, where the country is allowed to collapse behind the extraction advance and that damage is evidenced by experiences around Tahmoor, the Nepean water catchment and the Berrima Mine locale. I doubt that any local private or public assets have been built with mine settlement in mind. It is not good enough to say we have a govt/mining agency to make affected assets whole - disruption, stress, anguish, and distress are unlikely to be properly valued in any settlement - if at all. The best risk mitigation is always to avoid the risk - don't build the mine.

We should also be alert to abandoned infrastructure from marginal mines. Australia has a long history of the credible developer selling the asset to a minor player once cashflow from a tier 1 style operation becomes unsustainable. Shortcuts and/or bankruptcy ensue. A second circumstance is evidenced by the local Berrima Mine where a credible entity - Boral - has been left with an apparently insolvable problem at mine closure due to poorly planned coal extraction under earlier ownership of the mine. Currently the substantial and heavily polluted Berrima Mine water discharge is unable to be stopped and will continue to contaminate downstream water - Sydney's water.

Australia also has a sad history of underfunded mine closure and remediation plans. I have no doubt POSCO would meet their obligations but if the mine is sold at late life to more fragile entities, then full completion of the original mine closure plan becomes much more problematic. The taxpayer and ratepayer will have to step in again. History tells us that this is a real risk.

Intuitively this is a suboptimal mine - no longwalls, low production rate, difficult geology, degraded reserves from volcanic incursions, hybrid mining methods, relatively small trains for transport - steep grades down Macquarie Pass area or long transits to Wollie Creek and down the Illawarra line mixing with commuter metro trains and passing through residential areas. On the revenue side there is clear evidence that coal as a market is in structural decline. The hybrid mining techniques and difficult geology among all the other issues must cloud the theoretical revenue and royalty projections and as a world class steel maker POSCO surely have more substantial and better long-term options in both resources and technologies.

The real employment future of the area lies in developing and operating surface businesses. Local jobs in light and medium industry, warehousing and logistics, building, retail, farming, tourism, food, wine businesses are primary contributors. Coal mining detracts from many of these activities.

I urge you to put this long running, divisive, high risk proposed Hume Coal mine out of its misery by rejecting the proposal and allow the local population to get on with navigating the emerging growth opportunities and challenges that will populate the Highlands-Goulburn growth corridor over the next couple of decades.

Thank you for the opportunity to contribute my concerns for your deliberations.

David Williamson,



Exeter
NSW2579