

Thank you for this opportunity.

My name is Rod Blay. I live in the village of Berrima.

Despite strong evidence to the contrary, some people, lobbyists, mining organisations and guns for hire, still promote the myth, that burning coal is harmless and coking coal will always be an essential part of steel making.

Just as thermal coal is slowly being replaced by sustainable energy, coking coal in steel making will also be replaced by alternate forms of energy.

Today, several European steel-making blast furnaces are already coal free. Even Posco is working towards green steel, or coal free steel making.

Ultimately it follows, with the global fall in the demand for all coal, there will be a global fall, in the price of all coal?

I would like the IPC, to consider, this very real probability if it approves of this mine.

By the time the Hume Coal mine actually comes on line, Posco will already be buying coking coal of similar quality sourced from many of the huge open cut mines in NSW and Queensland, costing far less than Hume Coal's cost of production. Only by spreading the operating loss of Hume coal over its entire Australian operation could Posco hide the true folly of keeping the Hume mine open.

Although the price of coking coal is very buoyant today. In the not-too-distant future, as green steel becomes more and more prevalent, Australia's huge extremely efficient open cut mines will also be feeling the pressure of a falling demand? The price of all coal will go into freefall.

Posco would already be aware that the shipping distance from ports such as, Dalrymple Bay and Abbots Point, central to the Queensland coalfields versus Port Kembla is 25% closer to the South Korean port of Pohang.

The shorter distance, equates to 25% less cost in fuel and labour. This would only add further pressure to Hume Coal's uncompetitive, outdated mine.

Eventually, faced with this scenario, Posco would bite the bullet and retire the Hume Coal mine.

The jobs and any tax or royalties anticipated by the State Government will just be part of a broken promise Hume Coal had no chance of delivering.

What does this mean for the Southern Highlands?

What about the big hole, the damage to the environment, and the lost opportunities in the tourist industry? Well, the government and the community will be left to deal with that.

Who would be responsible for this disaster?

Certainly, not the community. The community, backed by experts, facts and figures, and common sense has long opposed this mine and the predictable catastrophe.

Maybe not even the Government. The Government's instrument, the DPIE has twice voiced its well-researched opinion that the Hume Coal Project should not proceed.

**Hume Coal?** Well Hume Coal is only a needle in the huge Posco haystack. Writing it off would be of little consequence for one of the world's largest companies. Posco wouldn't give a second thought

to the carnage that it leaves behind and it certainly would give any consideration to paying any restitution to this community for its misadventure.

If it doesn't already know the answer, Posco may conduct an enquiry into how it got things so wrong. Why did it decide to buy the remaining interest in a lease, that several very experienced, coal mining companies had already chosen not to pursue?

Surely, if Posco knew or even suspected what it knows today it would have also chosen not to pursue this lemon of a lease.

The Wongawilli coal seam under Lease A349 is as little as 80 metres and no more than 150 metres below the surface and under what is possibly the most important aquifer in NSW?

Furthermore, the lease area is full of volcanic intrusions

The seam is relatively thin.

For these reasons the lease is unsuitable for long wall mining.

And finally, Posco either misunderstood or chose to ignore the resolve of the local community. Being seduced by the classification "State Significant Development"

Posco failed to understand or accept the Southern Highlands has a more important classification, and that is of "State Significant Future".

I think you; the IPC has been handed a poisoned chalice.

This huge moral responsibility comes down to you, the Independent Planning Commission.

The considerations you have:

To heed the DPIE's recommendations: This mine should not be given approval.

That with the overwhelming Public Opinion against, approval of this mine, Hume Coal doesn't even have the social licence to proceed.

Please consider the very real possibility that Posco will ultimately be able to buy, for a fraction of its Hume Coal production costs, similar quality coking coal from the huge open cut mines of NSW and Queensland.

I believe Posco knows it has made a serious mistake in buying out its former partner. To keep face it has had to reinvent the wheel in its mine design. This unproven design will leave 35% of the coal in its path in the ground in a gamble to prevent the thin veneer, of unstable rock and sandstone from collapsing into the mine.

The controversial aquifer is in the sandstone and despite its claims, Hume Coal will almost certainly have very limited control over its viability to serve the community.

Finally, consideration should be given to the duty of care we all owe to the future wellbeing of our children and their children.

THANK YOU