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TRANSCRIPT OF PROCEEDINGS

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INDEPENDENT PLANNING COMMISSION

MEETING WITH UPPER HUNTER SHIRE COUNCIL

RE: MAXWELL UNDERGROUND COAL MINE PROJECT

PANEL: **MARY O'KANE (CHAIR)**
JOHN HANN

OFFICE OF THE IPC: **STEPHEN BARRY**

COUNCIL: **KIWA FISHER**
GLENN INGLIS
MATTHEW PRINGLE

LOCATION: **VIDEOCONFERENCE**

DATE: **11.01 AM, WEDNESDAY, 21 OCTOBER 2020**

PROF O'KANE: So, before we sort of start, I want to acknowledge the traditional owners of the lands we're all on variously and pay my respects to elders past, present and emerging. As I said, welcome to the meeting today regarding the Maxwell Underground Coal Mining Project which includes the construction of a new mine
5 entry area, transport and services corridor, ancillary infrastructure, extraction of up to eight million tonnes of run of mine coal per year, using longwall and bord and pillar extraction methods, the ongoing use of processing, rail loading and export infrastructure at the existing Maxwell Infrastructure site and the partial realignment of the southern end of Edderton Road.

10

My name is Mary O'Kane. I'm chair of the Independent Planning Commission and of this particular commission panel. I'm joined by the – one of the deputy chairs of the Commission and my fellow commissioner on this panel, John Hann, and we're supported by Stephen Barry from the office of the Independent Planning
15 Commission. In the interests of openness and transparency and to ensure the full capture of information, today's meeting is being recorded and a full transcript will be produced and made available on the Commission's website.

20

This meeting is one part of the Commission's considerations of this matter and will form one of several sources of information upon which we will base our determination. It is important for the Commissioners to ask questions of attendees and to clarify issues where it's considered appropriate but if you're asked a question and are not in a position to answer today, please feel free to take the question on notice and provide any additional information in writing and we will then post that
25 on our website. And, as you speak today, could you introduce yourself before speaking for the first time so that – you know, so that it's clear on the transcript and can we all be clear not to speak over each other, again, in the interests of being able to hear each other and accuracy of the transcript.

30

So, with that, I will pass over to you. We're very interested to hear what you've got to say. Thank you for your submission, which we've read and, you know, we're grateful you made the time.

35

MR FISHER: So, Madam Chair, if you don't mind, we've prepared a presentation. Sorry. Councillor Kiwa Fisher. We've prepared a brief presentation for you which we will try and run through.

PROF O'KANE: Lovely.

40

MR FISHER: We are going to try and put it up on the screen for you. Just in case you miss anything that I say. No. It has been disabled.

PROF O'KANE: Let's see if we can do it.

45

MR BARRY: I will enable that. Sorry.

MR FISHER: Yes. Take my share screen.

MR BARRY: It should be enabled for you.

5 MR FISHER: Yes. I'm calling down to screen two.

PROF O'KANE: Good. Yes. We can see it.

10 MR FISHER: You can see this.

PROF O'KANE: Thank you.

MR BARRY: Thank you.

15 MR FISHER: Right. We're off.

PROF O'KANE: Good.

20 MR FISHER: So, firstly, we thank the Commission for the offer of today's meeting and for your time today. We will briefly outline the Upper Hunter Shire Council's general views on mining, specific concerns with this proposal and also, if we may, our ongoing concerns with the planning system and security of the Equine CIC and answer any questions that you all may have.

25 PROF O'KANE: Good.

30 MR FISHER: So our general views on mining. Council obviously has a position statement on coal and coal seam gas. The original position statement was adopted unanimously in 2011 and the updated version unanimously in 2015. The aim of the policy is simple: to protect our established sustainable agricultural industries from the encroachment of mining and gas projects. Obviously the Upper Hunter Shire is home to the bulk of the Equine CIC. Some form of this no mining policy has been advocated by every Scone Shire President and Upper Hunter Mayor since the

35 election of Barry Rose back in 1990.
The 2015 update expanded the policy to include underground mining and to specifically allow council to object or comment on projects located outside the Shire which had the potential to negatively impact the Equine Critical Industry Cluster. Now, notably, that's Coolmore and Woodlands which a previous PAC described as
40 the epicentre of the CIC. Now that was in direct response to the previous Drayton South Project, each iteration of which council objected to and spoke against at each of those PACs. We have previously opposed the Bickham Coal Project and the recent Dartbrook Modification which were located within our shire and the Mount Pleasant Modification which sits just outside it, just over the boundary.

45 So we see our position consistent, considered, longstanding and also community led with mining concerns featuring regularly and strongly in community surveys and this

following slide is taken directly from the 2015 Micromex survey where you see mining is actually the largest issue on people's minds, actually ahead of maintenance of roads, which is possibly quite unusual for a council. So general views on mining feed into our views on climate change and sustainability. I won't read the full
5 resolution but back in 2019 council recognised a State climate emergency. We're also a founding member and active participant in this Climate Council's Cities Powers Partnership which promote the sustainability issue and Local Government-led climate change action.

10 And in 2018 we adopted a sustainability action plan and are actively working on implementing that plan's recommendations. So, in summary, council is in no doubt that the continued use of coal is the leading cause of anthropogenic global warming and we're trying to walk the walk rather than just talk the talk. Our views on mining are also reflected through our community strategic plan. Our vision is a quality rural
15 lifestyle and a vibrant caring and sustainable community. Key focus areas, such as the built and natural environment, the action there is to implement policies to ensure the protection of strategic agricultural lands, Equine Critical Industry Clusters, natural resources and heritage and under economy and infrastructure, the key action there is encourage a diverse economy while preserving our agricultural and equine
20 industries. All of which, I guess, shows that we recognise what we have in the shire and we will endeavour to protect it.

So our views on mining are also, we believe, consistent with the Upper Hunter Regional Plan and the preceding Strategic Regional Land Use Plan and those listed
25 there are the DPE priorities assigned to our shire to protect the Equine Critical Industry Cluster and allow for expansion, protect Biophysical Strategic Agricultural Lands and other important agricultural lands, support the tourism economy by investigating ways to leverage agriculture and equine industry strengths to attract food based and equine related visitors, support the diversification of the energy
30 sector and ongoing extractive industries, noting that the Upper Hunter LGA is part of the Upper Hunter Green Energy Precinct. And, finally, to encourage the establishment of employment generating rural industry, value adding industries and intensive agriculture in appropriate locations.

35 It's also consistent with the Upper Hunter Economic Diversification Plan coming from the Deputy Premier's Office. It sits below the Hunter Regional Plan and it establishes a guide for sustainable economic transition incorporating economic diversification priorities into regional land use planning. The strategic priorities are there. I'm sure you're familiar with the plan but I suppose the point is, the
40 experience from previous downturns in the mining industry illustrate how important economic diversity to this region is and also how critical this transition is. So we kind of disagree with the department's contention that an underground coking coal mine, as opposed to an open cut thermal coal mine, is the diversification that this region really needs.

45 And, finally, on consistency, this is an excerpt from the Upper Hunter Land Use Strategy. It's endorsed by the department. This plan sits below and provides context

to council's LEP. So under the coal seam gas section, the objectives are to respond to the potential for development demands in relation to coal and coal seam gas resources occurring in the LGA, to maintain agriculture as the dominant land use, to avoid or minimise the impact of coal gas extraction on the agricultural and environmental values, to give adequate consideration to rehabilitation requirements of mined land, including filling of final voids or surface disturbance left following mining.

Council will continue to advocate to the New South Wales Government that planning assessments for coal and gas mining developments must consider the cumulative impacts of development, recognising social, economic and environmental impacts, environmental impacts of any coal and gas mining developments are fully assessed and that these consider impacts on aquifers or in areas affecting aquifers, the strategic planning context and regional scale impacts are considered especially in relation to infrastructure and transport, rural amenity, water, soils, contamination, air quality and biodiversity, that the requirements for mine rehabilitation and ultimate post-mining land uses are considered as part of the development assessment and exclusionary requirements for coal and coal seam gas activities, including exploration and extraction, as set out in State level policy, should be extended to include locally important agricultural lands and I will come back to that point towards the end.

So if we just move on; move on to our specific concerns with the proposal. Now we believe that considerable doubt remains about Malabar's claim that Maxwell will produce 75 per cent coking and 25 per cent thermal coal from the four target seams, which is Whynot, Woodlands Hill, Arrowfield and Bowfield. Now this issue was raised repeatedly in submissions and could easily have been settled in the RtS, the Response to Submissions, but it wasn't. There has still been no release of detailed quality data with any rheological properties or petrographic analysis to substantiate Malabar's claims.

Now the department has accepted Malabar's claims and repeatedly state through the assessment report that Maxwell will produce high quality coking coal. The reality is different. Low ash soft coking coal is the best product that Maxwell will sell and it's not a high quality or a high ranking premium product. In the RtS, Malabar explained they were targeting deep ascent in the form of Drayton South, that Drayton South, through Anglo, they were actually targeting the Whynot Seam in the open cut proposal and that's the seam, obviously, that Malabar are expecting that three per cent low ash premium for.

Anglo's old literature does mention their own underground project at Drayton South. This mine would produce, and this is a quote from that, thermal, semi-soft and pulverised coal injection products. As a standalone project, Drayton South underground was repeatedly described by Anglo as uneconomic. Now the Mt Arthur underground project, another eight metre as yet undeveloped mine, it sits immediately adjacent to Maxwell and it targets three of the four seams – Woodlands Hill, Arrowfield and Bowfield – that Maxwell does. Now this isn't even 400 metres

from Maxwell, yet the Mt Arthur underground project EIS stated it was to produce primarily thermal coal.

5 Yancoal owns a suite of dual product metallurgical thermal mines, including 51 per cent of the local Hunter Valley operations. Their 2020 half-year production figures list metallurgical coal at 1.9 megatonnes from a total of 8014. That is a little over 10 per cent and a long way from the 75 per cent. Wambo underground targets two of the same seams; Woodlands Hill and Arrowfield. Its product coal is listed as thermal coal predominantly for export and we're not disputing that there is some coking coal potential within the EL, that is well-established and documented. 10 However, a lot has been claimed without any factual evidence to back it up. How high quality the coal actually is and in what percentages remains unknown.

15 And Malabar acknowledged that their economic assessment has not been sensitivity modelled to product coal percentage changes. Further, the iron and steel sector directly accounts for 2.6 gigatonnes of carbon dioxide emissions annually and that's seven per cent of the global total from the energy system and more than the emissions attributable to global road freight. So whatever coal Maxwell does produce it will have massive emissions implications. Still on economics, are we 20 building or are they building a stranded asset? Whatever the product coal, in whatever percentages, what is the long-term outlook for Maxwell in an increasingly carbon constrained world that is increasingly aiming for net zero emissions by 2020?

25 Now we note the department quotes figures from the IEA 2016 World Energy Outlook. We know the outlook is an annual report and the latest edition has just been published. It draws very different conclusions to the now well out of date 2016 edition. The forecast growth in coal demand across the life of Maxwell that the department relied upon has been replaced with a decline across each of four model scenarios and that's a graph taken from the outlook report there on the next page and 30 on again. And that, like, it is energy demand and that is to 2030. So I can see coal demand is forecast to dip across all four of those scenarios. The outlook also alludes to the significant changes needed in other sectors and this is a screenshot taken from the report. The power sector takes the lead but a wide range of strategies and technologies are required to tackle emissions across all parts of the energy sector. 35 Emissions from the power sector drop by more than 40 per cent by 2030 in the sustainable development scenario with annual additions of solar PV almost tripling from today's levels.

40 Electricity takes an ever greater role in overall consumption as rising output from renewables and nuclear power helps to bring down emissions from sectors such as passenger transport that are cost effective to electrify. The harder task for the transformation of the energy sector lie elsewhere, particularly in industrial sectors such as steel and cement and long distance transport in the balancing of multiple changes taking place in parallel across a complex energy system and in securing and 45 maintaining public acceptances.

So the issues facing the iron and steel sector are discussed in another IEA report released in October this year: The Iron And Steel Technology Road Map. Together with the outlook, the road map is required reading, I believe, for any decision maker considering approval of a metallurgical coal mine. The road map makes a strong
5 case for change and, to be fair, parts of the sector are trying. New technology is being developed, such as Direct Reduced Iron, DRI, for example, is produced without coal. Green steel made by using hydrogen rather than coal and that is described as “no longer a fantasy”. Smelting reduction furnaces, such as Hisarna, which don’t need coking coal are being built to scale. Major steel producers are
10 signing up to responsible steel. The industry is changing but it needs to do more as, again, this snapshot from the report points out.

To meet global energy and climate goals, emissions from the steel industry must fall by at least 50 per cent by 2050, with continuing declines towards zero emissions
15 being pursued thereafter. The IEA’s Sustainable Development Scenario sets out an ambitious pathway to net zero emissions for the energy system by 2070, while more efficient use materials helps to lower overall levels of demand relative to our baseline protections, the average direct CEO emission intensity of steel production must decline by 60 per cent by 2050 to 0.6 tonnes of CO² per tonne of crude steel
20 produced, relative to today’s levels which is 1.4 tonnes.

So business as usual in the steel sector busts the CO² budget. Existing infrastructure cannot be ignored if energy and climate goals are to be achieved. Global crude steel production capacity has more than doubled over the past two decades. Three
25 quarters of that growth took place in China and around 85 per cent of total capacity is located in emerging economies. This rapid growth has resulted in a young global blast furnace fleet of around 13 years of age on average, which is less than a third of the typical lifetime of these plants. If operated until the end of their typical lifetime under current conditions, these and other assets in the steel industry would lead to
30 around 65 gigatonnes of CO² cumulative emissions.

This would exhaust most of the CO² budget compatible with the sustainable transition for the sector, leaving no room to manoeuvre for the capacity additions that will be required over the coming decades. So I think this is the from that report:
35 government needs to help accelerate the transition. A sustainable transition for the iron and steel sector will not come about on its own, governments will play a central role. Policy portfolios will be diverse but the following recommendations serve as a starting point for those seeking to effect change and accelerate the transition: establish a long-term and increasing signal for CO² emission reductions, manage
40 existing assets and near term investment, create a market for near zero emission steel, support the demonstration of near zero emission steel making technologies, accelerate material efficiency, increase international co-operation and ensure a level global playing field, develop supporting infrastructure or for near zero emission technologies, track progress and improve data collection.
45

The project horizon of this technology road map extends to 2050 but governments and decision makers should have 2030 firmly in mind as a critical window to

accelerate the transition. Tangible measures – tangible and measurable target setting in three short-term priority areas can begin today. You will have to read the report to find out what they are. So, economics again. Getting back to are we building a stranded asset. How are other Hunter Valley underground coal mines faring?

5 Austar, which is a met mine is in care and maintenance. It has been since 2018. Bulga Blakefield North, thermal and met, approved but undeveloped. Dartbrook, thermal, in care and maintenance. Donaldson Abel, metallurgical, in care and maintenance.

10 Donaldson Tasman extension, metallurgical, approved, undeveloped. Integra, metallurgical, moved to a five day week in 2020. Mt Arthur underground, thermal, approved, undeveloped. Ravensworth underground, thermal, in care and maintenance since 2014. Ravensworth Cumnock underground, in care and maintenance since 2003. Wambo underground, thermal, temporary shutdown in
15 September 2020, well over half the workforce – or half the workforce furloughed. This is not a health sector. Most of the investment operational decisions reflected above were made prior to the COVID pandemic of 2020 and the collapse in both the Newcastle benchmark thermal and semi-soft coal prices and 2020 spot prices reached as low as 45 US a tonne for thermal and 60 a tonne for semi-soft.

20

So moving onto air quality, we will start by acknowledging the role, Professor O’Kane, you’ve played in the setting up of the Hunter Valley Air Quality Network. We note that Malabar’s air quality assessment covers data from 2013 to 2017 only. That is perhaps a convenient inconvenience as 2012 was the best year on record in
25 terms of air quality at the Jerrys Plains monitor, while 2018 and 2019 were by far the worst. And that Jerrys monitor is actually on Coolmore Stud at the eastern end of the farm away from Maxwell but closer to several open cut operations.

Now the mining SEPP and, indeed, the VLAMP sets a non-discretionary standard for
30 annual average PM10 deposition of 25 micrograms per cubic metre. Last year the Jerrys Plains monitor recorded an average of 32.1. The two Muswellbrook monitors were at or exceeded the standard in both 2018 and 2019 for both PM10 and PM2.5. Like many others, the Jerrys monitor measures PM10 but not 2.5 and we believe there is a strong case for expanding the PM2.5 capability across the network and the
35 region. We know from the NPI register, the National Pollutant Inventory, that mining operations account for 77.3 of reported PM10 emissions.

Malabar’s air quality assessment notes that there were 14 days where the daily average exceeded the 50 microgram per cubic metre threshold in the period that they
40 looked at. However, those figures were obscured by the 24 hour rolling average system. Looked at from the perspective of daily maximums a different picture emerges. If a smoker’s air quality was measured over a rolling 24 average, you would miss the 20 a day two minute spikes that do the damage. It is the spikes that kill you. So the number of days the 50 microgram maximum PM10 threshold was
45 exceeded in Jerrys Plains and it’s 2020, as to October the 19th, 89 days, 30.6 per cent of days. 2019, 211 days, 57.8. 2018, 182 days, 49.9 per cent and so on and so on

and then you look down the list and there's 12 to 15 days only 4.1. So air quality is reaching a tipping point locally, even without Maxwell.

5 The last four years are the worst four on record and 2020 is currently tracking as the
third worst on record. Muswellbrook, as mentioned before, is even worse. Both
monitors exceeding the non-discretionary standards for PM10 and 2.5 for the last two
years and, as you all know, the non-discretionary standards are actually
discretionary. Each project impacts and adds incrementally to the whole. Any
10 further additions or unplanned exceedances to the air cannot be justified. There
is no safe level for PM10 or 2.5 and as I am sure you will know and realise a horse's
respiratory systems are essentially the same as humans. The nose, pharynx, larynx,
trachea, bronchi and lungs have a similar mucosal system to trap dust, etcetera.
Now IAD, Inflammatory Airway Disease, is a common condition in horses and
they're not too dissimilar to asthma in humans.

15 So here are some graphs reproduced from the Department's air quality network.
That's the annual average deposition of PM10 at the Jerrys Plains monitor with clear
trajectory upwards. Here's the annual exceedances at the Jerrys Plains network and
obviously 2019 was an appalling year. And the next one is a detailed look at 2019
20 and some staggering peaks. So, further issues, greenhouse gas emissions. The scope
1 emissions, particularly fugitive emissions from the mining process detailed in
Malabar's assessment look suspiciously low. An average of 0.37 megatonnes CO²
equivalent per annum and a total of 9.9 over the life of the mine. With a total life of
mine production of 148 megatonnes, that equates to 0.067 tonnes of CO² per tonne of
25 ROM produced.

In comparison, in 2018, the Integra underground mine reported total scope 1
emissions of 581,612. 27 tonnes of CO² produced and a little over 2.2 million tonnes
of ROM. That equates to 0.26 tonnes of CO² equivalent per tonne of ROM. In 2019,
30 they produced a little less in terms of scope on emissions and a little more in terms of
coal ROM and that came down to 0.22 tonnes of CO² per tonne of ROM. Over the
last four years of production, the Dartbrook underground mine reported total scope 1
emissions of 2,142,529 tonnes and just over 9 million tonnes of ROM. So they
averaged out to 0.24 tonnes of CO² equivalent per tonne of ROM.

35 Applying 0.24 tonnes of CO² per tonne of ROM as both the average and the median
from those to the target 148 million tonnes life of mine production, gives an estimate
of over 35 million tonnes of CO² equivalent scope 1 emissions and that's more than
three and a half times Malabar's estimate and a difference of over 25 million tonnes
40 of CO² equivalent. Now we note that the issue was raised in submissions and
Malabar's response was to stand by their figures. We also note the Clean Energy
Regulator's Guideline published in August states:

45 *Many coal mines are required to keep emissions within a set baseline emissions
number under the safeguard mechanism. If emissions exceed the baseline
emissions number, the responsible emitter for the mine may face significant
financial liabilities. The oversight and control of the NGER data may also be*

important for the coal mine to manage its obligations under the safeguard mechanism. In particular, whether it exceeds the set baseline's emissions number. May we suggest that if the Maxwell project is approved, a condition of consent is included setting the approved baseline scope 1 emissions number under the safeguard mechanism to those predicted by Malabar in the EIS.

Now Malabar's projected total greenhouse gas emissions for Maxwell are 337 million tonnes of CO² equivalent is greater than the total greenhouse emissions for France in 2016. Now the department said that that may seem significant. It is significant. It is a colossal amount of emissions. On the following page is the graph from Our World in Data, which shows perhaps what I was saying. So on to water. Water is a significant issue to agricultural industries in terms of security, quality and quantity. We've experienced a severe drought and, despite some recent and decent rain, anxiety persists. Drought in this project is of greater significance to agriculture than normal conditions in this project. The Federal Government's 2018 biosecurity risk of the Hunter modelled the impacts of coal resourced developments on water resources in the region and Drayton South was modelled in that assessment.

That assessment found that groundwater in an area of 1879 square kilometres potentially experienced its cumulative groundwater impacts due to baseline and additional coal resource developments. Additional coal resource developments could lead to 19 per cent of the assessment extent experience hydrological changes that exceed the design threshold. Changes in water availability in the Hunter Regulated River at Greta are very likely to exceed five gegalitres per year but very unlikely to exceed 12 gegalitres per year over the period 2013 to 2042. Now another report, the Greater Hunter Regional Water Strategy from 2018 backs up the view that drought conditions are perhaps more important than normal conditions.

It found drought security is the primary economic risk facing the Upper Hunter. Analysis shows droughts have been underestimated in our region and a repeat of the 1940s drought, the worse currently recorded, would reduce general security water allocations to zero for 12 consecutive years. Mining and agriculture relying on the Hunter Regulated River would as severely affected during a sustained drought like this. And the final thing, reductions in base flow have occurred. Both studs rely on general security allocations from the Hunter River which, as you know, is a regulated flow from Lake Glenbawn. Those allocations are currently at 53 per cent and Glenbawn is sitting at 46 per cent capacity. This time last year those allocations were 95 per cent and Glenbawn was at 47 per cent capacity.

In a prolonged zero allocation scenario, similar to that described in the Hunter Water strategy, it is likely that both studs would be sinking multiple bores on their properties. The department's assessment concedes that regional hydrology is already substantially altered by existing mining operations. Malabar's modelling predicts impacts outside its boundaries. Malabar's modelling predicts some impacts that don't start to lessen for 250 years. That represents intergenerational inequity over multiple lifetimes. How does Malabar or any proponent make good in 250 years? Well, you can only assess what's in front of you. Mt Arthur underground is

approved until 2030. Any new owner could start work there tomorrow. Malabar also, of course, obviously have the Spur Hill project immediately adjacent. All these incremental impacts are adding up to the weakening of the whole and, in particular, to the Saddlers Creek which joins the Hunter at the edge of Woodlands Stud. At
5 what point and where do we draw the line?

So onto some miscellaneous issues that occurred to us reading through the assessment: noise. Understandably, much focus has been on blasting and the only
10 comment I would make on that is as a horseman rather than a councillor. You might be able to warn humans when you're about to let a blast off but you can't warn the horses. In contrast, there has been little focus on low frequency noise. Low
frequency noise can impact at great distances at up to 10 kilometres and it can
15 traverse topographical barriers. Coal conveyors are notorious sources of LFN. An LFN assessment at Malabar doesn't seem to have been made. There is also mention of a second conveyor to the power stations, although no detail is provided of that. Any approval should include conditions of consent attaching noise attenuation
measures to the conveyor.

Now the Edderton Road. The importance of this road to the two farms is critical and
20 cannot be overstated, not only logistically linking them to client farms and suppliers but also in times of veterinary emergencies. Journey times have already been extended and will be extended again for Maxwell and could possibly be further extended again by Mt Arthur underground which has a rear alignment. Unencumbered access is critical, particularly in the breeding season and must be
25 ensured. Distress to horses, as suggested by the department, isn't the issue with delays. It's delaying a vet to an emergency. We note the department states the original alignment would be open until the new one is constructed. That should actually read, "Until the new alignment is opened". There was a significant delay on the previous Mt Arthur realignment between construction finishing and the road
30 opening and that must be avoided in the future. Delays on that road are frequent already and further delays must be avoided.

Spontaneous combustion. There are comments in the assessment report regarding
35 spontaneous combustion that suggests that by targeting low sulphur Whittingham coal measure seams, the project is low risk or lower risk than the Drayton mine which suffers from occurrences while mining in the Greta measures. On a cautionary note, Dartbrook underground, mining in the Whittingham measures, experienced significant heating issues, first in the Wynn seam, which is sulphur
40 content of 0.44 per cent and then the Kayuga seam with a sulphur content of 0.3 per cent. These issues force a premature seam change in the mining sequence and then, effectively, shut the mine. Malabar's coal quality information for the Spur Hill project next door, this is sulphur content for the two seams targeted at Maxwell that were targeted at Spur Hill as Bowfield is 0.43 and Whynot at 0.42.

45 Maxwell coal seams Intrinsic Spontaneous Combustion Propensity, the ISCP, will necessarily be assessed as part of the Spontaneous Combustion Management Plan. It's a legal requirement for all underground mines. If this testing has already taken

place, the decision maker should have access to the results so that they can be assured that this is an issue that can indeed be managed. Now, if we may, some brief comments on the – general comments on the planning system. A better planning system that provides some degree of certainty for every industry should be the goal for all of us.

The strategic regional land use plan isn't working for the thoroughbred breeding industry. Indeed, I believe it was a wasted opportunity. The two major changes made from the draft to the plan, the removal of the gate from the gateway and the removal of buffer zones have been disastrous. Since the policy's introduction, the equine industry has spent millions of dollars protecting their land, their amenity, their water and their air quality from the encroachment of mining projects. A top class stallion prospect starts at about \$20 million and gets more expensive from there. I would estimate that the two studs have each spent that to date on experts and lawyers fighting mining proposals.

The cost of doing this is not sustainable for either of those studs or the industry at large. At some point not far from here I genuinely worry that it will become too much. It will be a slow expensive death by a thousand cuts and it is totally unnecessary. A cumulative impact assessment methodology was promised by the department 23 years ago in 1987. A methodology was promised again in the SRLUP. It was action 7.1, delivery by March 2013, the lead agency the department. However, this methodology remains in the bureaucratic too hard basket. Many PAC and IPC reports have also called for a form of cumulative impact assessment and we believe – and we have consistently advocated for this methodology and that these impacts have never properly or adequately been assessed.

This is the seventh PAC or IPC where council has called for the proper assessment of cumulative impacts and the release of the cumulative impact assessment methodology. We are of the view that we've already passed the tipping point for cumulative impacts of mining on air quality. Now the next two slides illustrate why some system of buffer or exclusion zones – again which we've advocated for consistently over many, many years, preceding my time on council – is needed, particularly around those two studs which obviously a previous PAC described as the epicentre of the Equine CIC. The first shows the two farms with the Wollemi National Park to the south and wall to wall mining tenements to the north and east.

And the second shows the Hunter Valley Operations Continuation Project and that mine's proposed move ever closer to Coolmore. So you can just, in the top left of the corner there, you can see that wiggly line is the Saddlers Creek. Obviously that hits the Hunter just at Woodlands, so you can see just how close it's getting. The encroachment of mining in incremental increases to the cumulative impacts on water, air quality and noise is relentless and we really need to think again about where we're going and what we're doing and how we can offer this industry the level of protection that it warrants. Thank you. Thank you very much for listening. Do you have any questions?

PROF O'KANE: Yes. Thank you. So thanks very much for a very - - -

5 MR FISHER: Can I but in and say one thing which I completely forgot to do at the beginning and for which I apologise profusely. I have a conflict to declare. My wife and I are partners in a catering business. We supply catering services across the shire to a variety of businesses, including the thoroughbred breeding industry and including Coolmore and Sorry. I should have mentioned that at the beginning.

10 MR BARRY: Thanks.

PROF O'KANE: Thank you. Thank you for a comprehensive presentation. That's very, very helpful. I just like – because we're somewhat over the allotted time but I think this is important so I would like to – John, are fine for going on for a bit.

15 MR HANN: Yes, please. Yes. No problem.

PROF O'KANE: Can I get you to stop the screen sharing first up.

20 MR HANN: The which?

PROF O'KANE: The screen sharing. Yes. So we just get back to being able to see people. About the buffer zones, could you remind me what your ideal buffer zone is around those mines? So if buffer zones were brought in, what size would you want round a case, for example, like this one, given the proximity to the studs?

25 MR FISHER: Off the top of my head, I cannot remember the figures that were bandied in the draft Strategic Regional Land Use Plan and I think it would be subject to debate and conversation between all industries but I think something sensible may be two kilometres for underground, five kilometres for open cut. I don't know. If I was a businessman, I would probably go in with five and 10 as my opening offer and negotiate but there has to be a sensible solution somewhere and probably two kilometres underground and five kilometres open cut.

30 PROF O'KANE: And what would be the basis? I mean, what would be the – how would you – as you say, you would probably have to negotiate it in some way. What would be the principles underlying what it should be.

35 MR FISHER: I think that would give a level of protection that isn't currently enjoyed and it would bring a level of certainty that isn't currently enjoyed. As I say, millions and millions of dollars have been spent fighting when a simple – a much simpler solution is a, “Yes. You can go here. You can go this far. That is the limit”, would negate a lot of the conflict that we've seen perpetually. I think – there was a figure I saw. I think it was about \$100 million had been spent on the Drayton South proposal, 75 by the proponent. There was a government, you know, running four or five planning assessment commissions and being stuck in the planning system and I think their costs were at about \$20 million plus whatever the stud spent on their

thing. That's \$100 million. It was effectively wasted. Effectively wasted. We're no closer to a resolution of this issue.

5 I think the draft Strategic Regional land Use Plan was born out of the Bickham PAC
and comments made by those commissioners in that PAC it was a catalyst for people
saying, "Right. Enough is enough. We have to sit round the table, get everyone in
together, all the stakeholders and nut out a plan where we're not all fighting each
other all the time, where the community isn't divided and where everyone can get
10 about their business knowing where they can and cannot go" and I think there's an
awful lot to be said for it. It may seem simplistic but these two files need a level of
protection and there will be other examples, for sure, around the shire.

15 PROF O'KANE: And have you had discussions with Malabar about this particular
project?

MR FISHER: I've had no discussions with Malabar.

PROF O'KANE: I mean, the council.

20 MR FISHER: No.

PROF O'KANE: No. Thank you. John, have you got questions?

25 MR HANN: No. I don't, Mary.

PROF O'KANE: Good. Okay. Well, look, we will get a copy of the presentation.
I think we're probably there. I want to think about it further but I think it covers and
raises a lot of issues, so that was helpful. We will get a copy, look at it and, again,
thank you for the time effort for, you know, meeting with us for the presentation and
30 the preparation of it.

MR FISHER: Again, thank you for agreeing to meet us. I know it's somewhat
unusual for a council not – you know, where a project is outside its boundaries, to be
consulted. So we greatly appreciate that. We really do.

35 PROF O'KANE: Good. Thank you.

MR FISHER: Thank you, councillor. Thank you, Glen and thank you, Ma'am.

40 MR BARRY: No problem. Thank you.

MR HANN: Thank you.

45 PROF O'KANE: Okay. Bye.

MR FISHER: Goodbye.

MR BARRY: Okay. Goodbye.

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[11.46 am]