



NSW GOVERNMENT
Department of Planning

**Mining & Extractive Industries
Major Development Assessment**

Phone: (02) 9228 6308
Fax: (02) 9228 6466
Email: howard.reed@planning.nsw.gov.au
Level 4 Western Gallery
23-33 Bridge Street
GPO Box 39
SYDNEY NSW 2001

Mr Peter Barton
Development Manager
Ashton Coal operations Limited
PO Box 699
SINGLETON NSW 2330



Dear Peter

**Ashton Coal Mine – Subsidence Environmental Management Plan
Longwalls 1- 4**

I refer to your email letter of 27 October 2006 enclosing an integrated application for the Subsidence Environmental Management Plan (SEMP) and Subsidence Management Plan (SMP) required under Ashton's development consent and mining lease respectively.

As you are aware, the Department had earlier agreed to your proposal that a single integrated application be prepared, applying both the processes outlined in the Department of Primary Industries' *Guidelines for Applications for SMP Approvals* and all relevant requirements of the mine's development consent. I note that Annex K to your application sets out the means by which the various requirements of the development consent have been addressed in the integrated documentation. The assessment of your application has also run in an integrated fashion, including through the Department's participation in DPI's Subsidence Management Plan Interagency Review Committee.

The Department has assessed the SEMP for Longwalls 1-4, together with the accompanying written report and plans, and finds them generally satisfactory. It is noted that DPI granted its SMP approval, subject to conditions, on 8 March 2007. The Department supports those conditions, and finds them generally adequate to manage the anticipated subsidence impacts.

In particular, the Department notes condition 16 of that approval, which requires ACOL to implement measures to prevent the seepage inflow of water from the Glennies Creek alluvial aquifer system to the mine. I note also discussions between us on 5 March 2007 on this same subject. The Department views the existing level of water inflow to the mine from the Glennies Creek alluvial aquifer system (approx 61 MLpa) as unacceptable, and fully supports the position adopted by both the Department of Natural Resources and DPI in their discussions with ACOL directed towards restoring and then protecting the integrity of the alluvial aquifer system.

You are reminded of conditions 4.13 - 4.17 of the Ashton development consent, which *inter alia* require that:

- All surface and underground operations including long wall mining shall be conducted to **minimise potential impacts on groundwater flow and quality of the alluvial groundwater resource, integrity of the alluvial aquifer and to minimise off-site effects.**

- The Applicant shall undertake regular assessments of the accuracy of the groundwater model against the predictions outlined in the EIS, to the satisfaction of [DNR]. The scope of the assessment shall be determined in consultation with [DNR] and shall include the consideration of the establishment of trigger levels via sensitivity testing, drawdown, pit seepage and river leakage. Should an assessment identify significant differences between the model and EIS predictions, the Applicant shall revise the assessment of the potential impacts on groundwater systems to the satisfaction of [DNR] and implement any further mitigation measures to the satisfaction of [DNR]. The trigger levels for re-assessment of groundwater impacts shall be included in the Groundwater Management Plan.
- The Applicant **shall develop contingency measures to manage any impacts** identified by monitoring that the management strategies have failed to predict or control, **particularly relating to groundwaters associated with the alluvial aquifers of Bowmans Creek, Glennies Creek and the Hunter River**, to the satisfaction of [DNR]. The implementation of contingency measures shall be linked to performance and cut-off criteria as determined in consultation with [DNR] and specified in the Site Water Management Plan, and shall include both water quality and aquifer pressure levels, should agreed standards or performance indicator levels not be achieved.
- In the event that the development adversely affects groundwater users the Applicant shall, to the satisfaction of [DNR], liaise with the users to provide a replacement water supply of similar quality and quantity to that affected, until such time as the development ceases to impact on the users' water supply. The cut-off levels for depressurization of the alluvial aquifer and water quality parameters shall be determined in consultation with [DNR]. (*emphasis added*)

Based on the conditions of the mine's development consent, the Department advises ACOL that it should implement the measures required under condition 16 of the SMP approval as soon as practicable in order to reduce the inflow volume to a level considered to be satisfactory to DNR. Further, the Department now requires, under condition 1.12 of the mine's consent, that until further notice ACOL report regularly (at the end of each calendar month) to DNR, DPI and the Department regarding:

- volume and sources of groundwater inflows to Longwall 1; and
- identification and implementation of management measures to reduce such inflows.

The Department looks forward to an early resolution of this matter, which is of very significant concern to all agencies involved.

Notwithstanding this issue, the Department is satisfied that the SEMP adequately addresses the requirements set out in conditions 3.18 and 3.19 of the mine's consent. Consequently, I would like to advise you that the Director-General has approved the SEMP for Longwalls 1 – 4. While it is not the Department's general practice to issue conditions on the approval of management plans, the Department endorses the conditions attached to DPI's SMP approval.

If you have any enquiries about this matter, please contact me on 9228 6308.

Yours sincerely



Howard Reed (3-3-07)
A/Manager Mining & Extractive Industries
As delegate to the Director-General

cc Greg Cole-Clark, Department of Primary Industries
 Mark Mignanelli, Manager Major Projects, Department of Natural Resources