

ITEM 16 - MAYORAL MINUTE - 11/05/15 – LITHGOW MINING TASKFORCE – SPRINGVALE MINE EXTENSION PROJECT APPLICATION

REPORT BY: CLR MAREE STATHAM - MAYOR

SUMMARY

Following a recent meeting of the Lithgow Mining Taskforce I would like to update the Council on developments with the Springvale Mine and Centennial Coal's application for extension.

COMMENTARY

A meeting of the Lithgow Mining Taskforce was held last Wednesday afternoon, 6 May 2015. During this meeting the Taskforce was advised that Centennial Coal's application for the Springvale Mine Extension Project has been referred to the Planning Assessment Commission (PAC).

Centennial is currently extracting Long Wall 417 at the Springvale Mine. The extraction of LW 417 will be complete by the end of June. There will then be a longwall changeover to LW 418 (approximately 5 weeks). Federal approval is in place to develop LW 418 but not to extract. It is currently anticipated Springvale will be ready to extract LW 418 by mid-August 2015.

A PAC hearing has been scheduled to be held on 27 May 2015 to hear the application by Centennial Coal for the extension of the Springvale Mine. This will include public submissions and an opportunity will be provided for interested persons to speak. The PAC review process is expected to take 8-9 weeks.

When the PAC makes a final determination this triggers the EPBC process. This is a process under the Commonwealth's Environment Protection and Biodiversity Conservation Act 1999. Here there is a statutory 30 business days to complete the EPBC process. Additional information may evoke stop the clock provisions under this Act.

If the appropriate State and Federal approvals are not in place by mid-August Springvale will lose longwall mining continuity.

State Mining Approval

The approval process for the Springvale Mine Extension Project application is currently being dealt with through the NSW Planning Assessment Commission, a statutory body established under the Environmental Planning and Assessment Act 1979 (EP&A Act).

The Commission is independent of the NSW Government, the Minister for Planning and the Department of Planning and Environment.

The EP&A Act details the functions of the Commission including the determination of development applications when those matters are delegated to it by the Minister, and the provision of independent expert advice to the Minister on a range of planning and development matters.

Council will recall that it was supportive of the Draft Minerals Industry Action Plan which is seeking streamlining of the application process.

A summary of the process that Centennial Coal have had to go through so far is attached to provide an indication of the process.

Environment Protection and Biodiversity Conservation (EPBC) Act 1999 Process

Under the Act an **action** is an activity that will, or has the potential to, have a significant impact on a matter of national environmental significance. This action is then referred to as a **controlled action**.

In the case of the Springvale Mine the matters of national environmental significance are swamps and groundwater. A person cannot undertake a controlled action without approval under the EPBC Act. An action that has been referred to the Department under the EPBC Act for approval cannot be undertaken until that approval is either granted or refused.

A person cannot refer part of a larger action, if the part and/or the whole action will, or has the potential to, have a significant impact on a matter of national environmental significance.

The Springvale Mine Extension Project is being assessed under the Accredited Assessment Bilateral Agreement between the State of NSW and the Federal Government. This means that the State will undertake the assessment of the potential impacts to matters of national environmental significance on behalf of the Federal Government.

Springvale Mine

The original consent for the Springvale Mine was granted in 1992 and the mine itself came into production around 1995. The mine is an underground longwall operation and is a very important employer in the Lithgow Local Government Area with several hundred jobs employed directly at the mine.

Also very importantly the Springvale mine is the only viable supplier of coal to the nearby Mount Piper Power Station comprising two 700 MW coal-fired generators. The power station is also the employer of several hundred people.

Centennial can now only develop LW 418 but cannot mine LW 418. LW 418 cannot be mined even though there is no impact to swamps/groundwater because all of LW 418 has been referred in the EPBC process. That is, LW 418 cannot be mined until the EPBC approval is granted.

Conclusion

We are all well aware of the difficult period that the Lithgow community has had in recent times with the economy tightening, world coal prices dropping and the loss of local jobs, including those from the recently closed Angus Place Mine.

Unfortunately we now face another very serious challenge where Centennial Coal is seeking to extend the life of the Springvale Mine by renewing its current planning consent. While its current State consent expires in September 2015 the Federal approval expires sooner than this with the completion of LW 417 and the development of LW 418.

The Springvale Mine employs in excess 300 direct jobs, most of whom live in the Lithgow Local Government Area, added to this is the critical nature of Springvale Mine coal supply to Mt Piper Power Station.

I understand that the Springvale Mine Extension Project Environmental Impact Statement (EIS) was submitted to the NSW Department of Planning and Environment some 12 months ago. In addition to this, I also understand that in 2013 Centennial submitted a referral application for the Springvale Mine Extension Project to the Federal Government. As a result of this application the Department of Environment declared the Project to be a 'controlled action' due to the potential for a significant impact on matters of national environmental significance.

I appreciate that the application must go through the appropriate controls but with so many jobs under threat and a potential impact on the Mt Piper Power Station, I am extremely hopeful that the Federal process can be dealt with as quickly as possible. If possible, I would hope that the assessment of Centennial's application can be dealt with concurrently with the State process. I have written and spoken with the Federal Member for Calare, the Hon. John Cobb, along these lines.

I have also been making representations to our State Member, the Hon. Paul Toole about the PAC process.

The mine is vitally important to the Lithgow economy and any delays in the process may jeopardise many, if not hundreds, of direct jobs and many more indirectly.

Council support should now be provided to the Centennial Coal application for the Springvale Mine Extension Project.

POLICY IMPLICATIONS

NIL

FINANCIAL IMPLICATIONS

NIL

LEGAL IMPLICATIONS

NIL for Council

ATTACHMENTS

1. Flowchart – Springvale Mine Extension Project Application

RECOMMENDATION

THAT Council:

1. Note the Mayoral Minute in relation to the Lithgow Mining Taskforce and the Springvale Mine Extension Project
2. Support the application by Centennial Coal for the Springvale Mine Extension Project
3. Make a submission to the Planning Assessment Commission in relation to the application
4. Authorise the Mayor to make whatever representations she believes to be appropriate to support the application
5. Lobby for the reform of the Commonwealth's Environment Protection and Biodiversity Conservation Act