

Annex I

# I. Agency Correspondence

Our reference: FIL08/18664:DOC09/7806:GN  
Contact: Greg Newman, (02) 4224 4100

BHP Billiton Illawarra Coal Holdings Pty Ltd  
(Attention: Dr Bruce Blunden)  
PO Box 514  
UNANDERRA NSW 2526

Dear Sir

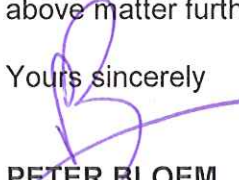
**PROJECT APPLICATION NUMBER 08-0256**  
**COMMENTS ON THE APPIN GAS DRAINAGE PROJECT**

We refer to your request to the Department of Environment and Climate Change (DECC) to identify specific issues regarding the above proposal. DECC has reviewed the Preliminary Environmental Assessment (PEA) which was received on 11 February 2009, and provide the following comments on sections *2.4 Proposed Goaf Gas Management* and *2.5 Identification Of A Preferred Option*.

The Department recommends that these sections include an assessment of the proposed management options for greenhouse gas emissions against current best practice. In this instance DECC considers best practice to be electricity generation if technically feasible and reasonable. In this regards the options assessment would also need to consider the future liabilities for methane and carbon dioxide emissions under the Commonwealth Carbon Pollution Reduction Scheme and the likely increase in wholesale/retail electricity prices caused by the addition of a carbon price to the cost of generating electricity. We understand this pricing effect will make it even more commercially attractive to use the methane to generate electricity and avoid purchasing costs or take advantage of higher prices if the electricity is sold on the grid. However, if electricity generation is not the preferred option justification including technical/feasibility reasons would need to be documented to support any other option.

Please call Greg Newman on (02) 4224 4100 at the DECC Wollongong Office to discuss the above matter further.

Yours sincerely

  
9/3/09  
**PETER BLOEM**  
**Acting Manager Illawarra**  
**Environment Protection and Regulation**

cc: Department of Planning  
(Attention: Ms Alison Thomas)  
GPO Box 39  
SYDNEY NSW 2001

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Department of **Environment and Climate Change** NSW



## Alison Thomas - Re: Appin Goaf Gas Drainage Project

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**From:** Alison Thomas  
**To:** elise.newberry@dpi.nsw.gov.au  
**Date:** 20/01/2009 15:09  
**Subject:** Re: Appin Goaf Gas Drainage Project

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Alison

These are fine although there could be a greater emphasis on the rehabilitation of disturbance. I'll be back in from Monday January 5 if you wish to discuss.

Elise Newberry  
Director, Environmental Sustainability  
Division of Mineral Resources  
Department of Primary Industries  
Phone: 02 4931 6601  
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Ms Alison Thomas  
NSW Department of Planning  
GPO Box 39  
Sydney  
NSW 2001

Contact: Janne Grose  
Phone: 9895 7651  
Fax: 9895 7501  
Email: [janne.grose@dnr.nsw.gov.au](mailto:janne.grose@dnr.nsw.gov.au)

File:  
Our Ref:

23 December 2008

Dear Alison

**Subject: Major Project – Appin Area 7 - Goaf Gas Drainage – Wollondilly LGA – Director General Requirements**

Thank you for your email of 22 December 2008 seeking comment from the Department of Water and Energy (DWE) on the suitability of using the DGR's that were issued for the West Cliff Surface Goaf Gas Drainage project as a template for the subject proposal.

The DWE has reviewed the DGRs that were issued for the West Cliff Surface Goaf Gas project and can not accept these DGRs in their current form as a template for the Appin Area 7 project or any other proposal.

DWE has concerns with the adequacy of the West Cliff DGRs. DWE found the EA that was submitted for the West Cliff proposal was lacking in details required by DWE to undertake assessment (please refer to attached submission on the EA for West Cliff, dated 7 July 2008).

The DGRs for West Cliff include no reference to water. The DGRs for Appin need to outline that the EA must provide details on:

- how water supply is sourced for the proposal
- any water licensing requirements under the *Water Act 1912* or *Water Management Act 2000*
- the protection of any watercourses, riparian corridors and wetlands on the site.

Please note.

1. All operations must be conducted in accordance with licence(s) in force under the *Water Act 1912* (WA) or *Water Management Act 2000*, whichever is applicable
2. Gas drainage bores which intersect groundwaters must be licensed under Part 5 of the WA
3. Mine workings which intercept groundwaters connected to the gas drainage bores must be licensed under Part 5 of the WA
4. No water supply to or water extraction from the workings may occur unless authorised under licences in force under Parts 2 or 5 of the WA
5. Bores constructed to extract coal bed gas must be fully cased or otherwise sealed to prevent drainage from or contamination of aquifers overlying the target coal seam(s)
6. Construction or upgrading of any surface activities must not damage or interfere in any way with:

- Native vegetation and habitat within the riparian zones.
  - The stability of adjacent or nearby bed or banks of Waterfront Land.
  - The stability of Waterfront Land and their associated environments
  - The flow of watercourses within Waterfront Land.
  - The quality of water within Waterfront Land
  - Any pumps or structures in the vicinity (that are licensed under the Water Act 1912 or the Water Management Act 2000).
7. The proponent must ensure that all works and disturbance areas associated with the proposal (with the exception of crossings) are located outside riparian zones and do not compromise the integrity of riparian zones

### **Water Management**

The EA must provide adequate details for DWE to assess the impact of the proposal on surface water and groundwater resources. Details required by DWE include:

- any water supply sourced within current licence arrangements – water supply source(s) for the proposal must be fully explained
- volumes of water to be used for this aspect of the mine project must be explained,
- any proposed additional surface water extraction for the proposal must be explained, including purpose, location of existing and proposed pumps, dams,
- any proposed groundwater extraction related to the project, including extraction from the operating coal mine, must be explained
- the function and location of all existing and proposed storages/ponds on the site must be explained,
- the design, layout, pumping and storage capacities, all associated earthworks and infrastructure works must be clearly shown and explained
- whether any extraction of incidental groundwater by means of the works are proposed, and how this will be authorised under licence

### **Groundwater**

The EA must take into account the potential impacts of the proposal on the surrounding groundwater resources and other users of groundwater in the vicinity of the development (including the environment).

Appin Colliery does not possess a licence under Part 5 of the Water Act 1912 authorising interception, extraction and use of groundwater. If the gas drainage bores are to be constructed to the producing seam for the underground mine, the mining operation must be licensed prior to any gas drainage works being installed, should incidental groundwater extraction be required.

DWE will require evidence that the gas extraction bore holes have been successfully isolated from the producing aquifers. The proposal may require a Part 5 licence from DWE under the Water Act 1912, so in this regard it is considered necessary for the results of full casing or cement bond logging of the bore holes to be provided. If it can be demonstrated that the bores holes have been successfully isolated from the producing aquifers a licence under the Water Act 1912 will not be required.

Appropriate measures must be adopted to avoid impacts, should risks to groundwater be identified. The project must protect the groundwater resource, enhance groundwater quality and protect groundwater-dependent ecosystems. Consideration must be given to the vulnerability of groundwater locally and prevention of any potential mixing of lower with higher quality groundwater source by explaining the risks associated with drilling through any higher aquifer

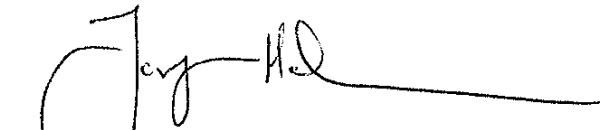
and means to protect these aquifers from drainage or contamination. The vulnerability of groundwaters and the aquifers in which those groundwaters are associated must be examined; any disturbance to groundwater sources through which drilling is proposed, and any protective measures for these groundwater sources must be explained.

**Protection of Watercourses and Riparian Lands**

The EA should explain any potential impacts on watercourses, wetlands and riparian corridors including the location of any surface activities associated with the proposal in relation to the location of watercourses/wetlands/riparian corridors such as any additional stream crossings or upgrade to existing stream crossings. Any crossing construction should comply with Departmental standards for crossing construction.

Should you have any queries in respect to this matter, please contact Fergus Hancock on (02) 4904 2532 at the Newcastle office or Janne Grose on (02) 9895 7651 at the Parramatta office.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Mark Mignanelli', with a long horizontal line extending to the right.

per Mark Mignanelli  
Manager,  
Major Projects, Mines Assessments and Planning

Our Ref: 09/546  
Contact: Chris Millet (42212570)  
Your Ref:



Mr Hank Pinkster  
Manager, Rehabilitation and Infrastructure  
BHP Biliton  
PO Box 514  
UNANDERRA NSW 2526

06 MAY 2009

**WOLLONDILLY SHIRE COUNCIL – PROPOSED PART 3A MAJOR PROJECT –  
HW2, HUME HIGHWAY, GOAF – IC GAS DRAINAGE PROJECT ADJACENT TO  
HUME HIGHWAY, DOUGLAS PARK**

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Dear Sir

Reference is made to your email to Mal Blianiwskyj, Southern Regional Manager Roads and Traffic Authority (RTA), dated 16 April 2009 regarding the subject proposal forwarded to the RTA for consideration.

The RTA has reviewed the information submitted and provides the following comments for your consideration:

- The environmental assessment (EA) should outline any impacts to the Hume Highway during construction and operation. This should include construction of the pipe, access for construction and potential lane closures.
- Section 138 consent will be required from the RTA under the Roads Act, 1993 for the structures within the road reserve. In this regard, the RTA will require a Deed of Agreement to be executed between the RTA and the Proponent. The RTA's preference is to modify the existing Appin Area 7 Deed of Agreement to cover this pipeline. All costs associated with this agreement will be borne by the Proponent.
- The Proponent would be responsible for all OHS issues, traffic management (if required), and public liability issues associated with the work.
- The top of the pipe would need to be at least 5 m below the surface of the Hume Highway.
- The pipe would need to be installed by under boring from outside the Hume Highway road reserve.
- When the pipeline is decommissioned, the Proponent would be responsible for any works required to rehabilitate the area, including filling and blocking of the pipe.

Should you require any clarification on this matter please call Chris Millet on 4221 2570

Yours faithfully



Trish McClure  
Manager, Road Safety and Traffic Management  
Southern Operations & Engineering Services

CC:

Major Development Assessment  
Department of Planning  
GPO Box 39  
SYDNEY NSW 2001