



**Ulan Coal Mines Ltd CCC Meeting
6 December 2011**

Attending Guests: Scott Lillis (SL), Geoff Mitchell (GM), Julia Imrie (JI), Garry West (GW), Bev Smiles (BS), Chris Pavich (CP), John Webb (JW), Esme Martens, (EM) Vicki Tapp (VT)

UCML Attendees: Bertie Stanley (BSt), Jamie Lees (JL), Tara Stokes (TS), Ian Flood (IF), Dan Reinhard (DR)

Apologies: None

Chair: Garry West (GW)

Meeting Opened: 5.10pm **Meeting Closed:** 7.01pm

INTRODUCTION

No Apologies recorded

PREVIOUS MINUTES

GM Moved that previous minutes be accepted as true and accurate record of CCC meeting.
JI Seconded.

Arising issues

None

CORRESPONDENCE

Letter from Council (in response to where UCML donated Voluntary Planning Agreement (VPA) funds were spent) stating VPA funds (\$2m) had been spent on Glen Willow Sporting Complex.

Letter received from JI regarding the report for Emergency Discharge to Goulburn River (Dec 2010 –March 2011). Raised issues regarding the methodology and conclusions in the summary provided by Biodiversity Monitoring Services. This email discussed in "Review of actions".

MWRC "Towards 2030 Community Plan", date for submissions has passed however was not tabled at the previous meeting. John Webb stated that MWRC were still open to receiving feedback and invited the CCC to do so.

Review of actions

GW Identified status of each action from the November minutes.

ITEM	RAISED BY	ACTION	RESPONSIBILITY	STATUS
1	JL	Organise Col Mackie to talk to CCC about Ulan monitoring and methodologies used	JL	Closed, new action to be raised.
2	BS	Provide update on Ulan Road Strategy	JL	Complete
3	JL	Report on where funds that were provided to Council have been spent	JW	Complete
4	JL	Provide 2011 Emergency discharge to Goulburn River report	BSt	Complete
5	JL	Provide update on the Goulburn River Diversion Project with time frames for works	JL	Complete
6	JL	Update of monitoring and discharges at each meeting	BSt	Complete
7	GW	Provide an update on plans including timeframe for Talbragar River discharge	JL	Complete
8	GW	CCC to be notified when new EPL becomes available on internet, provide link and hard copy or CD on request	TS	Open, not yet received
9	JL	Review methodology for Aquatic Fauna monitoring. JL willing to help review or consultant to defend methodology used	JL	Await response from consultant. Once received to discuss with JL. Action complete
10	CP	Look into video/camera options for biodiversity monitoring	BSt	Await response from consultant. Once received to discuss with CP.
11	JW	Investigate requirements onsite for a Weed Management Plan	JL	Included in Biodiversity Plan. Action complete.

JL Actions 2,3,4,5,6,7&11 to be closed out through current presentation and correspondence. Action 8; new EPL not yet received. Action 10 ongoing.

JL Action 1, what additional information is required on this action; there was discussion on this issue at the August meeting.

JL Model and baseflow calculations are still to be verified, concerned that river has changed from a gaining river to a losing river and effect on critical base flows during dry periods; how will base flow predictions be verified over time? Will it include the cumulative loss from a number of sources (e.g. removal of alluvial flats, leakage from diversion).

GW Could we cover issue in the monitoring section of presentation?

JL Close action and make a new one; to organise Col Mackie to spend time with CCC next year.

JL Action 9: Correspondence (email) to UCML from JL tabled. JL would like to discuss in person rather than reply email.

As a downstream property owner expressed concern on maintaining a healthy river system. Need robust monitoring program which produces useful data on which to base management decisions, questioned some assumptions & conclusions in aquatic fauna AEMR. Consultant uses many qualifications and conclusions some based on the control site

at Ulan which is a highly modified environment with 'noisy' variables. Monitoring stops Upstream from bridge, should continue into more natural downstream sections of the river and could include comparative study of local creeks (suggested Murrumbidgee Creek). Commented that the report is not peer reviewed.

JL Stated that this is the wrong forum to discuss the technical merit of the monitoring methodology. Additionally the report provided to the CCC was the last report of a bigger process and therefore does not contain all the information that is being queried. The email has been referred to the consultant for comment, however no response yet. Let's remember we're operating in a non-pristine environment and it's inappropriate to establish a control site in a pristine environment.

ULAN OPERATIONAL UPDATE

JL Provided Operational update with discussion as questions raised.

Operational progress and issues

JL Transition from LW26 to LWC. UW box cut still under construction; some delays with geological issues being experienced, paleo channel extended beyond expectations. Early January the first portals are expected to go in.

BS What is the problem with paleo channel?

JL Paleo causes problems with the long term stability of the highwall area.

JL Snapshots and discussion of rehab and the design of the clean water systems through site, an EPL licence variation will be sought for the discharge point after the water has flowed through the newly constructed wetland environment. In recent rainfall events we took samples of the spoil runoff around site and tested for EC, pH and turbidity.

JL The MOP has been updated to include the open cut extension; this was approved on 2nd Dec.

JL Expressed concern over groundwater connectivity and leakage of groundwater from the East Pit into old underground workings and the Goulburn River. What monitoring is occurring in this area? There is potential for long term effects during and after the life of mine.

JL The pH in East Pit is relatively neutral around 6.8 despite rejects entering this pit, we are doing more monitoring in this area to look at the connectivity with groundwater.

Approvals

Land and Environment Court HEL vs. DP&I

- 24 Nov 2011 – Justice Pain decision stated that *"approval should in principle be granted to the project identified in MP 08_0184 subject to conditions"*
- Hearing date postponed due to the Judge being ill
- UCML continues to operate under a valid consent

s75W Modification – still subject to determination by DP&I

- Approval required to enable longwall extraction of the North 1 panels and determination of subordinate approvals

Mining Operations Plan (MOP)

- Updated to include provisions for Open Cut extension

- DTIRIS approval granted – 2 December 2011

Subsidence Management Plan

- Submitted to DTIRIS for approval - 6 September 2011
- Subject to s75W modification approval

Extraction Plan

Required in accordance with PA 08_0184

- Submitted to DP&I for approval - 6 September 2011
- Subject to s75W modification approval

BS Would'n't the issues between the North 1 panels and existing No3 panels be different in regards to the Subsidence Management Plan?

JL Yes, this is a large document which covers the variance, we have included all these panels in a consolidated documents as we are aiming to minimise the number of documents requiring review.

JL Are the difficulties with the LW panels related to the basalt geology?

JL Issues with West 4 LW panel; roof and stress conditions; not related to basalt.

EPL 394

Feb 2011 – Modified to amend blasting conditions (aligned with PA08_0184)

Sept 2011 – Modified to amend emission criteria and Air Quality, Blasting and Water monitoring sites and Licensed Discharge Points (aligned with PA08_0184)

Nov - Dec 2011 – Finalisation of EPL due to major errors resulting from OEH uploading the license into the new OEH licensing database

Key modifications

- Requirement for Turbidity/TSS monitoring on discharge points
 - Goulburn River DS GS included as a Monitoring Point
 - New air and noise monitoring locations aligned PA08_0184 and approved management plans
- Working with OEH with regard to storm event conditions and getting the EPL correctly loaded into the OEH's new database.

BS Wilpinjong Coal Mine planned to be a nil discharge mine and they now have a discharge licence. Reverse will happen in the next 10yr drought when some mines won't have enough water and will need to draw water from the environment.

JL Brings into question the need to plan and account for extremes in EIS modelling.

Future EPL Modification

- UCML working with OEH regarding storm event conditions – Dec 2011
- New Licenced discharge points to be established off rehabilitation areas – Feb 2012
- Talbragar discharge – April–June 2012
 - Research study has been commissioned to satisfy Project Approval requirements & Statement of Commitment 6.5.6 and includes:
 - Identification of downstream landholder assets i.e. river crossings
 - Review of historical water quality data for Talbragar River
 - Determine baseline conditions for water quality, ecology, hydrology/hydraulics and geomorphology
 - Develop flow release protocol with consideration to items above
 - Develop surface water monitoring program
 - Consultation with Talbragar River landholders
 - Timeframes are subject to pipeline (and discharge point) design – Q3&4 2012.

- JL Release pattern between east and west over entire operations, we have a surplus of water in the East Pit and it will be a key issue to discharge this water.
- BS Is the Talbragar discharge associated with mining of Ulan West?
- JL No Ulan West is a contributor but the discharge will be part of the 'Ulan complex' plans, it is not aligned to the mining of particular panels.
- BS So there will be discharge of eastern catchment groundwater into the western catchment?
- JW I don't see an issue with this as long as the water is clean
- JL Overarching message is the Talbragar discharge options is for all mine water onsite, Ulan West is a contributor.

JW was excused at 6.02pm to attend another meeting.

- JL Hasn't seen a project schedule for the discharge but has a meeting on Thursday. Landholder access issues to be discussed. The earliest this project could happen would be June more likely December.
- GW Concerned about the lack of landholder awareness and consultation
- JL There is a need to do environmental studies and modelling work to assist with explaining potential impacts to landholders.
- BS Landholder who called her was not impressed (Sara Fergusson) with the consultation to date (particularly during the development of the discharge strategy).
- JL Confirmed what consultation has happened to date, being a recent landholder meeting with some downstream Talbragar River landholders but the main consultation happened prior to this, during the EA process (2008–2009), Jamie consulted with Talbragar River landholders by way of meetings in Dunedoo and the Bungaba Hall and newsletter drops. Raised the question of whether Sara Fergusson lived in the area at the time of consultation. There will also be further consultation in 2012.
- JL Will study into Flow regimes in the Goulburn River be carried out to establish an appropriate discharge protocol?.
- JL When we reduce the surplus water it will allow us to look at a wetting and drying release. Mentioned the idea of possibly having a floating approval limit (with 2 discharge points on Ulan Creek) i.e. if it was 25ML/d you could either release 10ML from one site and 15ML/d from the other on a given day or instead release 25ML/d from the lower site and none from the upper site thereby allowing the upstream creek to return to ephemeral nature.
- GM There are some river crossings that aren't authorised, fisheries may want to get them out; creating issues for landholders crossing the river.

Incident: Blasting impact on Heritage sites

- Monitoring measured vibration levels in excess of 10 mm/s on Heritage sites
- Blast monitoring had not been occurring at Old Bobadeen Homestead due to confusion with the condition
- Incident reported to DP&I and OEH

Investigation

- Box cut contractor failed to report internal blast monitoring results in a timely manner
- Confusion in the Project Approval over what Heritage sites are relevant to the condition i.e. timber getting sites vs. Old Ulan village vs Aboriginal rock shelters

Actions

- Remodelled blast events to confirm that there were no exceedences at Old Ulan village
- Condition assessments on Aboriginal Rock Shelters were undertaken to confirm no blast impacts had occurred
- Modified Blast and Heritage Mgt Plans to clarify confusion

- Working with DP&I to clarify Project Approval condition

Monitoring and environmental performance

Data sharing

- Currently an informal environmental data sharing agreement exists between the 3 mines
 - UCML is facilitating the formalisation of this agreement (expected Dec 2011)

Cumulative Noise Management Protocol

- 3 mines are working together to develop management response to real time monitoring data in response to cumulative noise impacts
 - This protocol builds on an expanded noise monitoring network & a data sharing agreement

The noise management protocol process will be transferable to the management of cumulative air impacts.

GW Once UCML have sharing agreements signed could it be explained how this will be implemented and data used?

JL Novecom are working with us and the other mines with the set up, we will revise our TARPS and procedures in line with changes this agreement brings.

Water discharge

JL No discharge from the NWSD RO plant from 12/10/2011 to 11/11/2011 due to a failure of the RO membranes blocked with fine clay content.
EC levels elevated downstream Goulburn River when there is no discharge, this could indicate a potential influence by Moolarben Creek.

BS How much water are Moolarben taking? What is it used for?

JL 20 to 30 ML/month (max. has been 40ML); mainly coal washing

JL Need to talk further with technician about anomalies at the downstream gauging station. Asked JI how these results compare with her samples from this period.

JI Have some samples from this period, however there is some downstream dilution detectable even 100m due to seepage of lower EC groundwater into the river.

Noise monitoring; UCML operating in compliance, there are cumulative effects in the Cope Road area.

BS These values are getting close to criteria (35dB), do landholders have the right to acquisition?

JL No, the acquisition criteria are 40dB although we are currently working with all impacted landholders.

GW I think it's commendable. Are there cumulative impacts?

JL Yes, the cumulative noise acquisition criteria are 45dB (at night), currently we are operating at levels that were predicted in the noise model. However UCML have taken a proactive approach to working with these landowners.

BS Consent conditions from the government are not realistic, not liveable.

GW Is there a willingness to look at joint cooperation between the mining operations creating the cumulative impacts?

JL Yes we have discussed this with other parties involved.

GW I think this is a good outcome.

Subsidence Monitoring Program for North 1 Panels includes:

- Physical Subsidence Monitoring – Survey
- Cliffline Monitoring

- Surface Water flowline
- Flora

GM Does this monitoring assist the mine with respect to knowing what's coming?

JL Yes, although some of it is compliance monitoring, however it does assist in building a subsidence model to predict future impacts.

Noise – summary of complaints

BS Are these because of the Box Cut?

JL Yes, it's a new open cut mining operation and this hasn't happened for a few years.

GM And the nature and expectations of the people living in that community has changed in the last 20 years.

GW You've got a social licence to work with the community and I think that demonstrates that you're doing that.

BS July would be the inversion periods?

JL Yes

Community complaints and response to complaints

Complaints

- 83 Complaints YTD (all noise except 1 for blast)
- Recommencement of open cut mining operations
- Project Approval criteria aligned to INP criteria (35dB)
- Rural background noise levels < 25 dB
- Undertaken extensive real time and attended monitoring at complainants residences
- UCML & Moolarben (MCO) agreed a joint mgt plan for Cope Road residences subject to cumulative impacts. UCML & MCO continue to work to resolve these issues.

Newsletter (2nd Newsletter for 2011 (Dec edition) is being distributed)

Community Information Session:

- 1st Dec 2011 at Ulan Community Hall
- 6 community members attended – informal opportunity to talk to UCML employees about the operation and future plans. BBQ provided.

Wongaroo Road Community Information Session proposed for early 2012

- Invitation will be letter box dropped to the immediate community

Ulan Road Strategy

JL Provided an overview of the Ulan Road Strategy and its key findings

JL Are overtaking lanes included?

JL No this was not recommended, although it was recommended to reduce speed limit to 90km/h.

BS Does this consider the future and Stage 2 of Moolarben?

JL Yes, looked at a base study and projections. Different parts of the road have different users so road was analysed using sections and proportioning costs.

EM Has Council agreed to this?

JL No

GENERAL BUSINESS

Goulburn River Diversion Remediation

- Sept 2011 – Goulburn River Diversion Rehabilitation Plan approved by DP&I
- During 2011 – Development of Tender Documents
- Dec – Jan 2012 – Project Tender
- Feb – March 2012 – Agency consultation and detailed project design
- April 2012 – Proposed rehabilitation start date (part Reach 4)

Key Issues

- Seasonal climatic conditions i.e. Flooding
- Erosion & sediment control
- POEO Act
- Bulk earth movement of Eastern Bank material – in-stream access track

The Drip Monitoring Program

UCML is currently negotiating with MCO regarding a monitoring program for 'The Drip' – in principle agreement has been reached.

Monitoring program will include:

- Piezometers upstream of 'The Drip' to identify any potential changes in the groundwater regime, including changes to water levels and quality.
- Location of these monitoring bores will be determined in consultation with NOW and the relevant landholder.
- No progress has occurred on this issue due to competing priorities to comply with PA08_0184.

Jl There are risks drilling near/into the Drip aquifer. From memory the monitoring bore nearest to the Drip is PZ24.

JL This is not a shallow bore.

Jl Suggested monitoring direction of Triassic groundwater flow to see whether the mine's depressurisation of the groundwater is diverting flows that normally support the Drip aquifer.

JL Committed to meet with Jl to discuss further.

GW Perhaps Moolarben could be involved with this.

Closing remarks

GW This is our first year under the new CCC arrangements, thank you to all for your participation, and also the open way in which Jamie and team respond to all the issues. The robust discussions we have are a good outcome for the company and the community. Next year, propose 4 meetings, stick to current pattern. Aim for first Tues of each 3 months i.e. 6 Mar, 5 Jun, 4 Sep, 4 Dec. Let Garry know ASAP if anyone has any issues with any of these dates.

JL Thank you to all for your involvement on the CCC, 2011 has been an interesting year with many challenges and 2012 will be no different. GW chairing this committee has been of great benefit.

NEXT MEETING

6th March 2012

Action Status Table

ITEM	RAISED BY	ACTION	RESPONSIBILITY	STATUS
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1	Jl	Organise Col Mackie to talk to CCC about Ulan monitoring and methodologies used	JL	New Action
2	GW	CCC to be notified when new EPL becomes available on internet, provide link and hard copy or CD on request	TS	To provide once received
3	CP	Look into video/camera options for biodiversity monitoring	BSt	Await response from consultant. Once received to discuss with CP.
4	GW	Update CCC on how data sharing agreement with other mines will be implemented and how data will be used	JL	
5	JL	Talk to consultant about peaks in Goulburn river EC monitoring and the potential for errors with probes	IF	