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Our reference : LIC06/381, DOC07/16815
Contact : Sheridan Ledger, (02) 6332 7608

Mr Phil English
Environment and Community Manager
Ulan Coal Mines Limited
PMB 3006
MUDGEES NSW 2850

21 May 2007

Dear Mr English

I refer to your request from the Department of Environment and Climate Change (DECC) to provide comments regarding the adequacy of the Draft Subsidence & Environmental Risk Assessment completed by Ulan Coal for Longwall Mining Panels W2 and W3 (the "document").

Please note that the Department of Environment and Climate Change (DECC) exercises certain statutory functions and powers in the name of the Environment Protection Authority (EPA).

In reviewing the document the DECC considered the assessment as part of the wider subsidence management plan (SMP) application process and therefore notes that further details will be provided in the SMP application. The DECC appreciates the opportunity to review this document and considers it important that any potential issues are identified early in the process and so ensuring that they are addressed in the SMP application.

The DECC considers that the document has reasonably identified the potential risks associated with Longwall Mining Panels W2 and W3 in the context of the aims of the document. The DECC maintains an expectation that a comprehensive assessment of environment protection and conservation values and threats to those values relevant to the charter of the DEC, will be undertaken as part of the overall SMP process. To assist with the preparation of the SMP application, the DECC considers that the SMP should in addition to those high risks identified in Table 5 of the document, also specifically address and/or provide further details regarding the following:

Identify surface and subsurface areas/features of conservation significance/environmental sensitivity and impact on biodiversity

The DECC recommends consideration of the:

- direct and indirect impacts on areas of natural or cultural heritage resulting from remedial works required following subsidence in the SMP application; and
- Impacts on aquatic (including groundwater dependent ecosystems) and terrestrial ecosystems including threatened species, populations or ecological communities, or their

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habitats, resulting from short and/or long term changes in the water quality and quantity of surface water flows and groundwater.

Surface and subsurface environmental flows, water quality and potential water make

Monitoring and reporting of water quality and river flows should be carried out within the framework of the current government endorsed Water Quality and River Flow Values for Mona Creek. Particularly, your attention is drawn to the protection of pools in times of nil flow and the protection of refuge habitat and connectivity during very low flow.

Although the DECC commends Ulan Coal on the recent advances made to better understand water management issues, in light of past issues, the DECC recommends a thorough assessment of management implications and contingency requirements should the water make exceed predictions.

Monitoring, reporting and response plans

The DECC does not consider that monitoring is a mitigation measure but rather is an indicative tool to trigger the implementation of effective and timely adaptive management measures. It is recommended that any monitoring:

- be scientifically sound and designed to generate clear results;
- include clearly defined thresholds that trigger mitigative responses;
- include use of unmined, similar areas to act as "control" areas for comparative purposes;
- include targeted surveys for recorded and possible threatened flora and fauna species; and
- include clearly defined quantitative thresholds that trigger management responses.

The DECC recommends that any proposed monitoring program includes a component to provide pre mining survey data for comparative purposes. Where data cannot be obtained over a reasonable period, the "control" area will allow for benchmarking. For current threatened species found in the SMP area, and any detected during future surveys, specific long-term targeted monitoring programs should be undertaken.

Should you have any further enquiries please don't hesitate Sheridan Ledger at the Bathurst Office of the DEC by telephoning (02) 6332 7608.

Yours sincerely



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Climate Change and Environment Protection Group