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Jobs and water security supported by Dendrobium decision

The NSW Government has approved scaled-back plans for underground mining which will support 1,000 jobs and the Port Kembla steelworks while safeguarding the metropolitan area’s water supply.

The Department of Planning and Infrastructure (DP&I) has approved a subsidence management plan (SMP) for Area 3B of the Dendrobium Coal Mine west of Wollongong.

BHP Billiton was given planning approval to mine in Area 3B five years ago.

A SMP was required before mining could commence to manage potential impacts and define how this mining should happen.

The mine directly employs 400 workers, supports a further 600 indirect jobs and plays a critical role supplying premium coking coal to the Port Kembla and Whyalla steelworks.

BHP Billiton sought approval for a SMP to mine ten longwall panels in October last year. This was made publicly available on the department’s website.

In making the decision, the department was satisfied that impacts on Sydney’s water supply would be negligible. It also balanced any of the mine’s impacts against the potential loss of hundreds of jobs and associated economic activity.

The department has also stated that it would have preferred that BHP Billiton had come to it with a draft SMP much earlier, to allow additional time for it to be discussed and resolved.

The department will be raising this issue as a matter of industry practice with the Minerals Council of NSW.

The department has placed a number of significant conditions on the approval including:

- Only allowing mining in the first five longwall panels (panels 9-13) and requiring BHP Billiton to gain a further approval to mine the second five panel set (panels 14-18). This second approval will only be given if mining in the five first panels leads to satisfactory environmental outcomes
- Requiring extensive ongoing independent environmental audits of the impacts of mining in Area 3B
- Ensuring that BHP Billiton must submit a compensation package for possible swamp impacts, which could include protecting and conserving other nearby degraded or at risk swamps
- Requiring the company to fund a $3.5 million research program over a period of five years to improve scientific understanding and industry practice in rehabilitating upland swamps affected by mining
- Ensuring via conditions of approval that any impacts on the Avon Reservoir are not greater than negligible
While there are expected to be impacts on the eight upland swamps situated above the first five longwalls, there are around 1,000 similar swamps situated across the Woronora Plateau.

The mine has completed mining across three areas within the Dendrobium complex – Areas 1, 2 and 3A – which has included mining near Lake Cordeaux with negligible impacts on water supply.

It needed today’s approval to be able to continue to operate.

The department consulted with the Sydney Catchment Authority and Office of Environment and Heritage before making its decision.

The SMP has also been approved by the Department of Trade and Investment, Regional Infrastructure and Services.

Further information about this decision is available at www.planning.nsw.gov.au

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