

Mr Howard Reed
Manager Mining
Major Projects Assessment
Department of Planning and Infrastructure
GPO Box 39
SYDNEY NSW 2001

Dear Mr Reed

**Response to Submissions
Proposed Coalpac Consolidation Project**

NSW Trade and Investment, Division of Resources and Energy (DRE) has reviewed the proponent's response to submissions made on the Environmental Assessment (EA) for the proposed Coalpac Consolidation Project.

DRE provides the following comments and recommendations regarding the three principle issues raised in our letter dated 31 May 2012:

- 1. That a program of subsidence monitoring is developed by the proponent for approval by the Department's Principal Subsidence Engineer prior to highwall mining operations being conducted.***

Section 4.1.2 of the response addresses this recommendation in part. Coalpac have stated that the proposed Mining, Rehabilitation and Environmental Management Plan (MREMP) will ensure that management and mitigation measures are included in highwall mining designs. This may address the recommendation, however, DRE have recommended that a program of subsidence monitoring is developed and approved by the Principal Subsidence Engineer as a separate process to the MREMP (currently the Mine Operation Plan) process.

DRE will require a separate approval for the mine subsidence monitoring, to be approved by the Principal Subsidence Engineer before Highwall Mining occurs.

- 2. That performance criteria are stipulated in the development consent conditions in accordance with the following table(s):**

<i>Final Landform</i>	All rehabilitated slope angles less than 18 degrees, free draining with no final void
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Section 4.20.2 of the response relates to this recommendation. DRE is prepared to remove the requirement for part of the stated performance criteria, that is, for all rehabilitated slopes angles to be less than 18 degrees. Slopes over 18 degrees will be considered by DRE within the required Rehabilitation Management Plan on a case by case basis, with additional controls required to address the erosion and stability risk associated with rehabilitation of steep slopes.

The requirements for rehabilitated slopes to be *free draining* and *no final void* remain.

<i>Extinguishment of subsurface heating</i>	Extinguishment of all subsurface combustion in overburden emplacements and underground mine working before mining is conducted within 1 km of these areas.
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Section 4.3 of the response relates to this recommendation. DRE suggests that this performance criteria should remain as originally stated. According to the conceptual open cut scheduling plan provided as Figure 9 in the EA, it appears that the project's operation will not be impacted by this performance criteria until approximately Year 12. DRE believes that this gives the proponent sufficient time to ensure all heating is permanently extinguished before mining operations are impacted.

<i>Management of Acid Generating Material</i>	<p>All washery rejects to be treated as potential acid generating material and managed separately from general overburden emplacement in accordance with the Rehabilitation Management Plan.</p> <p>The acid generating material located at the existing Invincible Colliery Tailings Drying Area to be remediated within 3 years of the consent date and in accordance with the Rehabilitation Management Plan.</p>
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Section 4.8.4 and 4.10 of the response attempts to address this recommendation. Coalpac does not appear to have provided information to specifically address the above performance criteria, rather, general information regarding potential acid forming material.

DRE prefer that this performance criteria should remain as originally stated.

Progressive Rehabilitation	Active mining areas and un-rehabilitated dumps to be maintained at a total area not exceeding 180 hectares.
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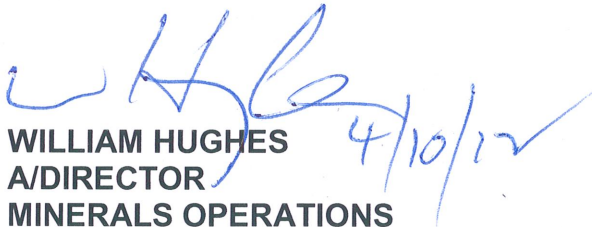
No comment appears to have been provided in the response on this performance criteria. DRE maintains that this performance criteria should remain as originally stated.

- 3. *Insert standard Rehabilitation Management Plan condition to ensure that rehabilitation and the specific issues raised above are administered by the Department Trade & Investment, Division of Resources & Energy. The Rehabilitation Management Plan format and content is to be in accordance with the Department's most recent Mining Operations Plan guideline.***

The response does not appear to have addressed this recommendation specifically. However, the response makes several comments regarding the need for additional information to be provided in a Mining, Rehabilitation and Environmental Management Plan (MREMP), which is basically a Rehabilitation Management Plan.

Should you have any enquires regarding this matter please contact Vince Fallico, Project Officer, Industry Coordination on 8281 7340.

Yours sincerely


WILLIAM HUGHES
A/DIRECTOR
MINERALS OPERATIONS