



25 June 2014

Ms Gabrielle Kibble AO
Chair
NSW Planning Assessment Commission
GPO Box 3415
SYDNEY NSW 2001

Email: pac@pac.nsw.gov.au

Dear Ms Kibble

Re: PAC Hearing on the Watermark Coal Project (R020/13)

Thank you for the opportunity to comment on the Shenhua Watermark Coal Project proposal.

Cotton Australia is the peak representative body for the Australian cotton growing industry. We represent about 270 growers in the Upper and Lower Namoi Catchments, which are supported by 3 separate cotton ginning organisations in a series of locations throughout the region.

In terms of economic value, the Upper Namoi produced approximately 150,000 bales of cotton this year, worth about \$70 million, while 2 years ago in the 2011/12 growing season, cotton production was 250,000 bales, valued at \$120 million. This range of production is generally representative of cotton's annual contribution in this growing region.

Our Policy on Mining, developed by cotton growers in NSW and Queensland, is attached for your information. In particular, your attention is drawn to the section of our Policy on groundwater, that seeks to "Protect the sustainability of aquifers that underlie irrigated and dry land cotton production and their communities".

The over-riding concern of Cotton Australia and its members is that the region's surface water and groundwater resources are protected.

Cotton Australia continues to object to the proposal given the significance of the land and water resources at stake. It is noted that the mining proposal has moved off the valuable black soils onto the ridge lines, however, potential remains for significant impacts to water resources and crops.

Notwithstanding our continued objection, should the project proceed, we offer the following comments and suggested amendments to the draft Consent Conditions.

Apart from the requirement to hold Water Access Licenses (WAL) and to conduct monitoring,



there are currently no other credible avoidance or mitigation measures planned, designed or required in the event unexpected, unpredicted impacts to groundwater or surface water occur.

This reliance on expectations without avoidance or mitigation leaves significant untreated risk which needs to be addressed in the conditions relating to water and rehabilitation (Schedule 3, conditions 21-26 and 48-50).

A clear process for mitigation of unpredicted impacts, including stopping work, must be articulated within any consent contemplated by the Commission. Further, requirements that models used in the EIS be validated and updated should also be required to have mitigation and avoidance programs included.

Monitoring must be required for decades beyond the mine closure period, given the issue raised in the Caroon Coal Action Group submission, supported by Cotton Australia, that consideration of receiving waters and increasing salinity in the final void is predicted to rise. This was not sufficiently covered in the response to submissions (RTS).

The Department's draft Assessment Report addresses the potential for dust impacts on surrounding cotton crops (p. 76) and notes that conditions "to apply real time monitoring and active dust management systems would assist in reducing off site dust levels" (Schedule 3, condition 19).

Cotton Australia recommends that an independent assessment of the dust impacts on cotton crops be added to this condition, to determine if the predicted weather conditions, dust modelling and the dust management plan are effective. This could be done in the first year of the mine's operation that coincides with the time that bolls open in March, April through to the harvest which is typically complete by early June. Compensation must be required by the consent if there were to be dust impacts.

Unannounced compliance activities including independent audits (Schedule 5) must be required to be undertaken by the EPA and Department within the Consent and the results of these compliance activities made public.

Transparency is critical and must be reflected throughout the draft conditions and all management plans, reports, audits, notifications and documents required to be produced under the consent must be publicly available as soon as possible and updated regularly which is not included in the requirement for Access to Information (condition 11, schedule 5).

Real-time, public reporting of continuous surface water, groundwater and dust monitoring programs and any exceedences must be required not just studied and reported on (schedule 5, condition 11).

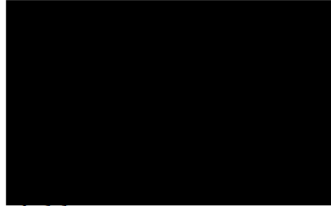
To summarise, Cotton Australia's members expect no impact on the surface water or groundwater resources and no impact on the capability of the land to produce both now and into the future as a result of this project.



Should you or the Department's staff require further information on this submission or the views of Cotton Australia's members, please the undersigned on [REDACTED] or

[REDACTED].

Yours sincerely,



Siobhan Barry
Policy Officer





Cotton Australia Mining Policy

Endorsed February 2013



Cotton Australia

Cotton Australia is the key representative body for the Australian cotton growing industry. It helps the industry to work together to be world competitive and sustainable, and also tell the good news about the industry's achievements. Cotton Australia determines and drives the industry's strategic direction, retaining its strong focus on R&D, promoting the value of the industry, reporting on its environmental credibility, and implementing policy objectives in consultation with its stakeholders.

Cotton Australia works to ensure an environment conducive to efficient and sustainable cotton production. It has a key role in Best Management Practices (*MyBMP*), an environmental management program for growers. This work has seen a significant improvement in the environmental performance of the industry, with huge improvements in water use efficiency, significant reductions in pesticide use, and millions of dollars invested into R&D.

The Australian cotton industry directly employs thousands of Australians and this year will contribute over \$2 billion to the Australia economy.

For further information or discussion on the content of this policy please contact Cotton Australia's Mining and Coal Seam Gas Policy Officer [REDACTED].



The mining industry is a rapidly expanding industry in Queensland (QLD) and New South Wales (NSW). Its activities overlap cotton production in many areas of Central and Southern Queensland and North-West NSW.

This policy is a broad statement of principles. Cotton Australia, its members and growers reserve the right to implement these principles in a variety of ways, which reflect the different physical, historical and regulatory frameworks which apply across the cotton growing regions.

As an overriding principle Cotton Australia will not accept any negative impact on the property rights of cotton growers, arising out of the activities of the mining industry.

Any impact intended or unintended must be fully compensated by the mining industry and guaranteed by government.

While Cotton Australia will work with both Government and the mining industry to develop the appropriate industry and regulatory framework, the responsibility to protect growers from negative impacts rests with Government.

In developing its Mining Policy Cotton Australia recognises that the mining industry offers potential economic benefits to Australia. However, without proper regulation and enforcement the mining industry also poses significant risks to the Australian Cotton Industry.

Cotton Australia's Mining Policy seeks to:

- *Protect the productive capacity of agricultural land from mining extraction activities.*
 - That Cotton Australia opposes any mining development unless and until it can be definitively proven, that the development will have no impact on the productive capacity of the land.
 - That any existing or approved mines are rehabilitated to their pre-development productive capacity, within five-years of ceasing production.
 - A mining development approval must include a comprehensive rehabilitation plan, with clear and enforceable timeframes.



Protect the sustainability of aquifers and surface water sources that service irrigated and dry land cotton production and their communities.

- There can be no negative impact on the water property (including quantity, quality, access and deliverability) right that is currently held by existing users.
- All decisions related to water resource management and the mining industry must be made with full access to, and consideration of, independent, high quality, peer reviewed science.
- Independent and comprehensive water quality and quantity monitoring, evaluation and reporting networks must be funded by the mining companies. The outcome of these monitoring, evaluation and reporting networks must include independent, peer-reviewable reports characterized by the highest scientific standards. These would include the requirement for comprehensive baseline assessments.
- The “water balance” and “water quality” must be maintained to ensure aquifer and surface water sustainability.
- A robust water-licensing, measuring and monitoring scheme must be used to account for all mining related water and form part of a broader state water licencing process, with similar requirements and guidelines as current alluvial water legislation.
- Industry best practice for all construction, operation and rehabilitation of mining infrastructure and is overseen by government regulation and ensuring compliance with appropriate infringement penalties and remediation requirements.
- All activities must be carried out in accordance with environmental best practice.

Amenity, Health and Social Impacts

- All mining projects should seek to minimize the social impacts and implications of their activities on both rural communities and miners themselves. Cotton Australia recommends the adoption of Social Impact Assessments which provide baseline, predictive and actual data to greater understand the impact of mining activities on communities and assist in the development of policy to minimize any harm on these communities.
- The amenity of traditional cotton growing regions should be preserved. This includes, but not limited to, impacts from dust, noise, air-blast, light, traffic movements, and vibration.
- Cotton Australia recommends the adoption of independent Health Impact Assessments which provide baseline, predictive and actual data to greater understand the impact of mining activities on the health of communities and assist in the development of policy to minimize any harm on these communities.



- Directly affected individuals and communities must be adequately resourced to assess and respond to the mining approval process.

Cotton Australia respects the right of landholders to enter into agreements with resource companies, and believes negotiations should be consistent with the following principles.

- Allow for flexibility in negotiating Access Arrangements or Conduct and Compensation Agreements (herein referred to as “land access agreements”), so that the focus is on minimising the impact of mining activities on the land and landholder.
- All land access agreements to recognize case-by-case complexities of each scenario and cannot be addressed using a “one-size-fits-all” approach.
- All access terms are not to be inconsistent with requirements stipulated under Cotton Australia’s *myBMP* programme.
- Strengthen compensation arrangements in both States to ensure all real losses for landholders are compensated for.
- All land access arrangements should enhance the value of the farming business.

End