

HRSTS Regulation Review Reform and Compliance Branch Environment Protection Authority PO Box A290 Sydney South NSW 1232.

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Submission on the Public Consultation Draft of the Protection of the Environment Operations (Hunter River Salinity Trading Scheme) Amendment Regulation 2016

The Nature Conservation Council of New South Wales (**NCC**) is the state's peak environment organisation. We represent 150 environment groups across NSW. Together we are dedicated to protecting and conserving the wildlife, landscapes and natural resources of NSW.

NCC welcomes the opportunity to comment on issues arising from the Public Consultation Draft of the proposed Protection of the Environment Operations (Hunter River Salinity Trading Scheme) Amendment Regulation 2016.

NCC has had a long interest in the health of the Hunter River system and the long term impacts of the expanding coal mining industry particularly, but not exclusively, with regards to water quality and river flows. The community is very aware that uncontrolled discharges of polluted mine water has despoiled many rivers around the world (in Australia, Indonesia, Europe and South America, to name just a few locations involving Australian mining companies), and devastated the natural and human communities that depend on those river's essential ecosystem services.

The NSW Government must effectively limit the volume and timing of mining discharges in the Hunter River (and other river systems) and protect the drinking water of Newcastle and other towns, the water quality of downstream aquifers, and the regions various important wetlands.

NCC supports the continuation, and enforcement, of the Hunter River Salinity Trading Scheme (HRSTS), as an effective tool in managing the discharge of polluted mine water in an economically efficient manner, while also recognising that the rules determining discharge timing and volumes must be effective in ensuring that mining companies must mitigate the impacts of their discharges on downstream water users and the environment as a whole.

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NCC supports the amendments that increase the flow trigger levels for discharge events, and considers them essential for the scheme to achieved its environmental protection targets.

NCC supports the new requirement for licensed 'dischargers' to nominate the specific site at which they may become entitled to discharge under the rules of the HRSTS.

NCC supports the proposed maximum 600 Electrical Conductivity (EC) salinity target for the Scheme at Denman, and a maximum of 900EC for downstream indicator sites, but believes that lower salinity targets would be both achievable and beneficial.

A conservative approach - setting high discharge triggers and low salinity targets - is important at this time, when:

- there are significant changes to the operation of, and capital investment in, coal mining activities in the region, that will ultimately determine their ability to manage their discharges;
- flows in the Hunter River system are highly variable and the historical record demonstrates extended periods (of almost 10 continuous years) of low flows;
- the existing monitoring and assessment of river health is not fit for purpose nor does it meet ANZECC/ARMCANZ (2000) guidelines for the protection of aquatic ecosystems (despite nearly twenty years of operation of the HRSTS);
- the health of macro-invertebrate communities is poor in many sections of the Hunter River system and is sensitive to saline discharges at EC levels below those currently being discharged by the Scheme participants;
- and the sole management indicator (EC) may represent salt load but does not account for other mining water pollutants known to negatively affect aquatic biota.

NCC does not support any low flow discharges nor exemptions under higher flows. It recommends the removal of Clause 26 of the Regulation (consistent with the findings of the review of the scheme) and the requirement that all mine discharges be conducted using credits under the trading scheme.

NCC recommends that surplus revenue generated through the regular auction of salinity credits be invested in improved monitoring and assessment programs, particularly in areas of intensive mining operations and proposed expansions, and including groudwater quality.

Yours sincerely,



Kate Smolski Chief Executive Officer