

Our reference: Contact: FIL12/9351-02: DOC13/14436: WD William Dove (02) 4224 4100

REGISTERED POST

Endeavour Coal Pty Limited (Attention: Mr Troy McDonald) PO Box 514 UNANDERRA NSW 2526

Dear Mr McDonald

Endeavour Coal Pty Limited's Environment Protection Licence 2504 Section 58(5) Notice

I refer to your correspondence received 14 September 2012 and 18 September 2012 containing a licence variation request for Endeavour Coal Pty Limited's (BHP) Environment Protection Licence No 2504 (EPL 2504) for the operation of West Cliff mine. BHP requested licence limits, monitoring requirements and a Pollution Reduction Program be added to EPL 2504 to regulate the discharge from West Cliff mine to Brennans Creek, a tributary of the upper Georges River.

Attached to this letter is Notice 1508855 (notice) issued under section 58(5) of the *Protection of the Environment Operations Act 1997* (POEO Act) which varies EPL 2504.

The notice includes new licence limits, additional monitoring requirements and three Pollution Reduction Programs (PRP). The background to the issue of the notice is described on page 1 under points A) to I). The changes to EPL 2504 are detailed on page 2 of the notice under points 1 and 2, and include:

- PRP 18 which requires BHP to change the configuration of the discharge from a pipe at the bottom of Brennans Creek Dam to surface water off-take by 30 June 2013;
- PRP 19 which requires BHP to reduce levels of pollutants in the discharge to meet specified concentration limits through a program of works by 30 December 2016; and
- PRP 20 which requires BHP to assess the aquatic health of Brennans Creek and the upper Georges River prior to, during and after completion of PRP 18 and PRP 19.

Draft notices were provided to BHP for comment in December 2012 and February 2013, and your comments have been considered by the Environment Protection Authority (EPA) when issuing the notice.

As stated in the notice, the EPA will review the requirement to monitor discharges from Brennans Creek Dam via Licenced Discharge Point 10 (LDP 10) weekly, after 12 months of data have been obtained. This review will also be informed by the data obtained from the continuous monitoring at LDP 10.

PRP 19 specifies the outcomes that must be achieved for the discharge waters from LDP 10 to Brennans Creek, and the timetable for achieving these limits. PRP 19 does not specify how BHP should achieve the discharge limits, which provides BHP flexibility in meeting the PRP requirements. BHP has spoken of inter catchment transfer from West Cliff mine to the Nepean River. The EPA has advised BHP that any proposal for discharge of Brennans Creek Dam waters into the Nepean River would be subject to environmental

assessment. The EPA also considers that there would be considerable merit in maintaining a flow to Brennans Creek, to maintain ecological and recreational values in the upper Georges River.

BHP has also expressed concern about the completion date for PRP 19. The completion date of PRP 19 is coordinated with the 5 year commitment period conditioned as part of the Bulli Seam Operations Project Water Management Plan requirements, and also considers the very strong community position put to the EPA during the consultation sessions. The EPA considers that the time period provides adequate time to achieve the PRP requirements.

The attached notice is currently publicly available on the EPA web page. The EPA will also post a copy of the notice, this cover letter, and a 'Statement of Reasons' considering the factors described under Section 45 Matters to be taken into consideration in licensing functions of the POEO Act on the EPA web page under the heading 'Variation to an Environment Protection Licence Section 58 of the POEO Act – public consultation' at the following link www.environment.nsw.gov.au/licensing.

The EPA is also proposing to arrange an information session with interested community groups who were consulted about this application for EPL variation over the assessment period.

If you have any questions in relation to this issue or wish to discuss this matter further, please contact William Dove on (02) 4224 4100.

Yours sincerely

CRAIG LAMBERTON

A/Chief Environmental Regulator Environment Protection Authority

Att: Notice 1508855