

s22

From: s47F <s47F@shenhuawatermark.com>
Sent: Wednesday, 1 March 2017 2:26 PM
To: s22
Cc: s47F s22
Subject: RE: teleconference [SEC=UNCLASSIFIED]

Thanks s22, we will call you tomorrow at 9:30am.

Regards

s47F

From: s22 [mailto:s22@environment.gov.au]
Sent: Wednesday, 1 March 2017 2:14 PM
To: s47F
Cc: s47F s22
Subject: RE: teleconference [SEC=UNCLASSIFIED]

Hi s47F

9.30 am is fine with us. s22's number is s22.

Regards

s22

From: s47F [mailto:s47F@shenhuawatermark.com]
Sent: Wednesday, 1 March 2017 2:04 PM
To: s22 <s22@environment.gov.au>
Cc: s47F s47F @shenhuawatermark.com>
Subject: RE: teleconference [SEC=UNCLASSIFIED]

Hi s22

Can we call at 9:30am tomorrow?

Regards

s47F

From: s47F [mailto:s47F@shenhuawatermark.com]
Sent: Wednesday, 1 March 2017 12:50 PM
To: s22
Cc: s47F
Subject: RE: teleconference [SEC=UNCLASSIFIED]

Hi s22

Tomorrow morning would suit, may I suggest we call you directly. Can you please forward the best number we can call you on?

Thanks and Regards

s47F
Environment Manager
Shenhua Australia
Shenhua Watermark

T s47F
F s47F
M s47F
E s47F @shenhuawatermark.com

368-370 Conadilly Street
Gunnedah NSW, 2380
Australia
www.shenhuaaustralia.com



The information transmitted in this message (including all attachments) may be privileged, confidential or proprietary. If you are not the intended recipient and have received it in error, please contact the sender immediately, delete it from your system and do not copy, use or disclose it. This message cannot be guaranteed to be secure or error-free. Emails to/from Shenhua Watermark Coal Pty Limited may undergo email filtering and virus scanning, including by third party contractors. Any personal information in this email must be handled in accordance with the Privacy Act 1988 (Cth). For more information, please contact Shenhua Watermark Coal Pty Limited

From: s22 [mailto:s22@environment.gov.au]

Sent: Wednesday, 1 March 2017 12:03 PM

To: s47F@shenhuawatermark.com'

Subject: teleconference [SEC=UNCLASSIFIED]

Hi s47F

I've spoken to s22 and he has a few things on this afternoon. Would you and s47F be available tomorrow morning? Otherwise, s22 could be available at about 2 pm this afternoon.

Kind regards

s22
Assistant Director
Post Approvals Section
Compliance and Enforcement Branch
Environmental Standards Division
Department of the Environment and Energy
P: s22
e: s22 @environment.gov.au

s22

From: s22
Sent: Thursday, 30 March 2017 4:02 PM
To: s47F
Cc: s47F 'Mr s47F' s22
Subject: RE: Summary notes from inspection visit [SEC=UNCLASSIFIED]
Attachments: Shenhua letter.pdf

Hi s47F

Please find the letter attached. I appreciate your patience.

Regards


s22
Assistant Director
Post Approvals Section
Compliance and Enforcement Branch
Environmental Standards Division
Department of the Environment and Energy
P: s22
e: s22 @environment.gov.au

From: s47F [mailto:s47F@shenhuawatermark.com]
Sent: Tuesday, 28 March 2017 9:12 AM
To: s22 <s22@environment.gov.au>
Cc: s47F <s47F@shenhuawatermark.com>; 'Mr s47F' <s47F@shenhuawatermark.com>; s22 <s22@environment.gov.au>
Subject: RE: Summary notes from inspection visit [SEC=UNCLASSIFIED]

s22,

we are desperate for the letter we have senior Shenhua people from Beijing arriving early next week and we want to use the letter to tell them what we need.

Regards

<p>s47F Project Director-Watermark Shenhua Australia Shenhua Watermark</p>	<p>T s47F F M s47F E s47F shenhuawatermark.com</p>	<p>368-370 Conadilly Street Gunnedah NSW, 2380 Australia www.shenhuaaustralia.com</p>	
--	---	---	---

The information transmitted in this message (including all attachments) may be privileged, confidential or proprietary. If you are not the intended recipient and have received it in error, please contact the sender immediately, delete it from your system and do not copy, use or disclose it. This message cannot be guaranteed to be secure or error-free. Emails to/from Shenhua Watermark Coal Pty Limited may undergo email filtering and virus scanning, including by third party contractors. Any personal information in this email must be handled in accordance with the Privacy Act 1988 (Cth). For more information, please contact Shenhua Watermark Coal Pty Limited

From: s22 [mailto:s22@environment.gov.au]
Sent: Monday, 20 March 2017 10:56 AM
To: s47F
Cc: s47F 'Mr s47F' s22
Subject: RE: Summary notes from inspection visit [SEC=UNCLASSIFIED]

Hi s47F

Thanks for the opportunity to visit. We certainly have a much better understanding of the project following our discussion and site tour.

Unfortunately I had limited time at work last week, but expect that I will be able to progress drafting the letter to you this week.

Regards

s22

Assistant Director
Post Approvals Section
Compliance and Enforcement Branch
Environmental Standards Division
Department of the Environment and Energy

P: s22

e: s22 @environment.gov.au

From: s47F [mailto:s47F@shenhuawatermark.com]

Sent: Wednesday, 8 March 2017 12:24 PM

To: s22 <s22@environment.gov.au>; s22 <s22@environment.gov.au>

Cc: s47F <s47F@shenhuawatermark.com>; 'Mr s47F

<s47F@shenhuawatermark.com>

Subject: Summary notes from inspection visit

s22

Firstly thank you very much for taking the time on Monday/Tuesday to understand both our project and challenges as we look to develop the Watermark lease.

The following bullet points are designed to give you our understanding of discussions and the next steps through to April. Happy for you to add to them in further correspondence back to us in due course.

Process

- The Department receives requests from various channels regarding the Shenhua Projects progress and its status of the required management plans. Shenhua needs to be aware of this when developing and lodging its plans
- The Department will be referring the draft management plans and all required and requested support documentation to GEOSCIENCES AUSTRALIA for peer review and comment prior to referral to the IESC.
- The Department will give Shenhua clarification in writing on the specific compliance mechanisms for specific conditions where the NSW Consent is referenced in the consent.
- Compliance with the NSW Consent is a requirement for the Federal Consent to be completed.
- Shenhua will be required to show compliance with the Departments guideline documentation including carrying out synthesised risk assessment processes on each Management Plan and supporting documentation.

- All three commonwealth determined management plans are to be lodged concurrently with the compliant and fully mitigated Mine Operational Plan and compliant detailed mine plans and Schedules preferably prior to the 31st of December 2017.
- The "one Stop Shop" process with NSW is **not** defined and operating, however close cooperation between NSW and Commonwealth regulators is expected to be undertaken during the preparation and approval period for the relevant management plans and supporting documentation. Shenhua will be expected to participate in the cooperation process but also run separate NSW and commonwealth approval processes for the management plans and supporting documentation.
- The Department will detail specific requirements in correspondence to Shenhua within 2 working weeks.
- The Department supports the Shenhua proposal to undertake execution plans for each management plan and incorporate departmental comments and advice to establish the final scope for the management plans and the interpretation and expectation of the relevant conditions of consent.
- The Department supports the development of a detailed action plan for each management plan to control and develop the management plans consistent with the execution plan to deliver a complaint draft management plan for consideration, peer review and approval.
- The department requires that Shenhua engage in fortnightly teleconference meetings with a defined agenda and minutes to assess progress and scope compliance with the identified management plan schedule. Agreed milestones in the execution plan requiring face to face meetings with the department with relevant experts in Canberra or Gunnedah. (location as required)
- Shenhua to develop a specific communication plan for the development of the Management Plans.

Concerns

- Department has concerns over several conditions that require operational or definitive clarification on commencement and pre-clearance surveys to and with Shenhua to ensure the required ongoing compliance is achieved.
- Ensuring the management plans don't get released publicly too early and cause criticism on the Government, the Department and Shenhua through FOI requests or parliamentary questions.

Next Steps

- Shenhua to issue the execution plan in doc format for water for review, comment and approval
- Shenhua will develop the execution plans for the bio-diversity and rehabilitation and the supporting documentation requirements for review by the Department
- Department to issue correspondence to Shenhua giving direction on the management plan development and process going forward specifically the requirement for a consolidated package for lodgement that includes the fully mitigated detailed mine plan and schedule and operational plans compliant to NSW requirements.
- Shenhua will prepare a copy of the project flyover for Department use subject to SMT approval.

Regards

s47F
Project Director-Watermark
Shenhua Australia
Shenhua Watermark

T s47F
F
M s47F
E s47F shenhuawatermark.com

368-370 Conadilly Street
Gunnedah NSW, 2380
Australia
www.shenhuaaustralia.com



The information transmitted in this message (including all attachments) may be privileged, confidential or proprietary. If you are not the intended recipient and have received it in error, please contact the sender immediately, delete it from your system and do not copy, use or disclose it. This message cannot be guaranteed to be secure or error-free. Emails to/from Shenhua Watermark Coal Pty Limited may undergo email filtering and virus scanning, including by third party contractors. Any personal information in this email must be handled in accordance with the Privacy Act 1988 (Cth). For more information, please contact Shenhua Watermark Coal Pty Limited



Our reference: 2011/6201

Mr s47F
Project Director - Watermark
Shenhua Watermark
368-370 Conadilly Street
GUNNEDAH NSW 2380

Dear Mr s47F

Management Plans (EPBC 2011/6201 – Watermark Coal Project, NSW)

Thank you for providing the Department of the Environment and Energy (the Department) the opportunity to meet with you on 6-7 March 2017. The meeting and site visit provided valuable insight into the project and your approach to developing the management plans required under the conditions of approval for this project.

Management Plans

At the meeting you outlined that each of the three management plans (Water management Plan, Biodiversity Management Plan and Rehabilitation Management Plan) will be developed through a project execution plan and an action plan. It is the Department's understanding that the intent of the project execution plan is to establish the final scope for the respective management plans consistent with an appropriate interpretation of the relevant conditions of approval. It is also the Department's understanding that the action plans builds on the project execution plans providing more detail on developing the management plans.

The Department looks forward to working with you throughout the development of the project execution plans and action plans with the objective of ultimately delivering management plans that are consistent with the conditions of approval. You have indicated your intention to submit single management plan documents that cover both Commonwealth and State approvals. The Department supports this approach.

We also note your intention to submit the three management plans concurrently along with the Mine Operation Plan and Detailed Mine Plan. The latter plans, although not required to be approved by the Department, are expected to support and provide context to the Water Management Plan, Biodiversity Management Plan and the Rehabilitation Management Plan.

Water Management Plan

As you are aware, the previous Minister for the Environment committed to seeking the advice of the Independent Expert Committee on Coal Seam Gas and Large Coal Mining Development (IESC) on the Water Management Plan prior to making a decision on the approval of this plan. As we discussed, prior to seeking this advice, a peer review of the draft plan submitted to the Department will be undertaken by Geoscience Australia. It is expected that Shenhua Watermark will have the

opportunity to respond and redraft the Water management Plan as necessary prior to the plan's submission to the IESC.

Communication Schedule

As was outlined at the meeting, the next step in engaging the Department towards developing the management plans is submission of the project execution plans. This would precipitate a series of regular teleconference meetings to discuss progress of the management plan schedule and the continued alignment of the scope with the conditions of approval and, for the Water Management Plan, the requirements of the IESC. It may be beneficial to discuss progress on agreed milestones within the project execution plans through face to face meetings.

The conditions of approval rely in part on the NSW conditions of consent. Acknowledging this, the Department will also work closely with the NSW Office of Environment and Heritage in relation to the management plans.

Compliance

The Department's conditions of approval defer the NSW consent condition 33 in relation to offsets and the date by which they must be secured. The deadline for securing the offsets (15 September 2015) has apparently passed without the offset sites being secured. Although you have advised that you have not taken up the state consent, there are implications from a Commonwealth perspective given that the project has been approved under the *Environment Protection and Biodiversity Conservation Act 1999*.

The Department's Monitoring and Assurance Section is seeking more definitive advice from the NSW Office of Environment and Heritage in relation to this matter and you will be contacted in due course.

Should you wish to discuss this matter further, please contact s22 on s22 or s22 on s22.

Yours sincerely



Director
Post Approvals Section
Compliance & Enforcement Branch
Environment Standards Division

30 March 2017

s22

From: s47F <s47F@shenhuawatermark.com>
Sent: Friday, 31 March 2017 9:01 AM
To: s22
Cc: s47F 'Mr s47F' s22
Subject: RE: Summary notes from inspection visit [SEC=UNCLASSIFIED]

Thankyou s22 can work with this

Regards

s47F
Project Director-Watermark
Shenhua Australia
Shenhua Watermark

T s47F
F s47F
M s47F
E s47F [shenhuawatermark.com](mailto:s47F@shenhuawatermark.com)

368-370 Conadilly Street
Gunnedah NSW, 2380
Australia
www.shenhuaaustralia.com



The information transmitted in this message (including all attachments) may be privileged, confidential or proprietary. If you are not the intended recipient and have received it in error, please contact the sender immediately, delete it from your system and do not copy, use or disclose it. This message cannot be guaranteed to be secure or error-free. Emails to/from Shenhua Watermark Coal Pty Limited may undergo email filtering and virus scanning, including by third party contractors. Any personal information in this email must be handled in accordance with the Privacy Act 1988 (Cth). For more information, please contact Shenhua Watermark Coal Pty Limited

From: s22 [mailto:s22@environment.gov.au]
Sent: Thursday, 30 March 2017 4:02 PM
To: s47F
Cc: s47F 'Mr s47F' s22
Subject: RE: Summary notes from inspection visit [SEC=UNCLASSIFIED]

Hi s47F

Please find the letter attached. I appreciate your patience.

Regards

s22
Assistant Director
Post Approvals Section
Compliance and Enforcement Branch
Environmental Standards Division
Department of the Environment and Energy
P: s22
e: s22@environment.gov.au

From: s47F [mailto:s47F@shenhuawatermark.com]
Sent: Tuesday, 28 March 2017 9:12 AM
To: s22 <s22@environment.gov.au>
Cc: s47F <s47F@shenhuawatermark.com>; 'Mr s47F' <s47F@shenhuawatermark.com>; s22 <s22@environment.gov.au>
Subject: RE: Summary notes from inspection visit [SEC=UNCLASSIFIED]

s22

we are desperate for the letter we have senior Shenhua people from Beijing arriving early next week and we want to use the letter to tell them what we need.

Regards

s47F
Project Director-Watermark
Shenhua Australia
Shenhua Watermark

T s47F
F s47F
M s47F
E s47F [shenhuawatermark.com](mailto:s47F@shenhuawatermark.com)

368-370 Conadilly Street
Gunnedah NSW, 2380
Australia
www.shenhuaaustralia.com



The information transmitted in this message (including all attachments) may be privileged, confidential or proprietary. If you are not the intended recipient and have received it in error, please contact the sender immediately, delete it from your system and do not copy, use or disclose it. This message cannot be guaranteed to be secure or error-free. Emails to/from Shenhua Watermark Coal Pty Limited may undergo email filtering and virus scanning, including by third party contractors. Any personal information in this email must be handled in accordance with the Privacy Act 1988 (Cth). For more information, please contact Shenhua Watermark Coal Pty Limited

From: s22 [\[mailto:s22@environment.gov.au\]](mailto:s22@environment.gov.au)
Sent: Monday, 20 March 2017 10:56 AM
To: s47F
Cc: s47F 'Mr s47F' s22
Subject: RE: Summary notes from inspection visit [SEC=UNCLASSIFIED]

Hi s47F

Thanks for the opportunity to visit. We certainly have a much better understanding of the project following our discussion and site tour.

Unfortunately I had limited time at work last week, but expect that I will be able to progress drafting the letter to you this week.

Regards

s22
Assistant Director
Post Approvals Section
Compliance and Enforcement Branch
Environmental Standards Division
Department of the Environment and Energy
P: s22
e: s22 [@environment.gov.au](mailto:s22@environment.gov.au)

From: s47F [\[mailto:s47F@shenhuawatermark.com\]](mailto:s47F@shenhuawatermark.com)
Sent: Wednesday, 8 March 2017 12:24 PM
To: s22 <s22@environment.gov.au>; s22 <s22@environment.gov.au>
Cc: s47F <s47F@shenhuawatermark.com>; 'Mr s47F' <s47F@shenhuawatermark.com>
Subject: Summary notes from inspection visit

s22

Firstly thank you very much for taking the time on Monday/Tuesday to understand both our project and challenges as we look to develop the Watermark lease.

The following bullet points are designed to give you our understanding of discussions and the next steps through to April. Happy for you to add to them in further correspondence back to us in due course.

Process

- The Department receives requests from various channels regarding the Shenhua Projects progress and its status of the required management plans. Shenhua needs to be aware of this when developing and lodging its plans
- The Department will be referring the draft management plans and all required and requested support documentation to GEOSCIENCES AUSTRALIA for peer review and comment prior to referral to the IESC.
- The Department will give Shenhua clarification in writing on the specific compliance mechanisms for specific conditions where the NSW Consent is referenced in the consent.
- Compliance with the NSW Consent is a requirement for the Federal Consent to be completed.
- Shenhua will be required to show compliance with the Departments guideline documentation including carrying out synthesised risk assessment processes on each Management Plan and supporting documentation.
- All three commonwealth determined management plans are to be lodged concurrently with the compliant and fully mitigated Mine Operational Plan and compliant detailed mine plans and Schedules preferably prior to the 31st of December 2017.
- The "one Stop Shop" process with NSW is **not** defined and operating, however close cooperation between NSW and Commonwealth regulators is expected to be undertaken during the preparation and approval period for the relevant management plans and supporting documentation. Shenhua will be expected to participate in the cooperation process but also run separate NSW and commonwealth approval processes for the management plans and supporting documentation.
- The Department will detail specific requirements in correspondence to Shenhua within 2 working weeks.
- The Department supports the Shenhua proposal to undertake execution plans for each management plan and incorporate departmental comments and advice to establish the final scope for the management plans and the interpretation and expectation of the relevant conditions of consent.
- The Department supports the development of a detailed action plan for each management plan to control and develop the management plans consistent with the execution plan to deliver a compliant draft management plan for consideration, peer review and approval.
- The department requires that Shenhua engage in fortnightly teleconference meetings with a defined agenda and minutes to assess progress and scope compliance with the identified management plan schedule. Agreed milestones in the execution plan requiring face to face meetings with the department with relevant experts in Canberra or Gunnedah. (location as required)
- Shenhua to develop a specific communication plan for the development of the Management Plans.

Concerns

- Department has concerns over several conditions that require operational or definitive clarification on commencement and pre-clearance surveys to and with Shenhua to ensure the required ongoing compliance is achieved.
- Ensuring the management plans don't get released publicly too early and cause criticism on the Government, the Department and Shenhua through FOI requests or parliamentary questions.

Next Steps

- Shenhua to issue the execution plan in doc format for water for review, comment and approval

- Shenhua will develop the execution plans for the bio-diversity and rehabilitation and the supporting documentation requirements for review by the Department
- Department to issue correspondence to Shenhua giving direction on the management plan development and process going forward specifically the requirement for a consolidated package for lodgement that includes the fully mitigated detailed mine plan and schedule and operational plans compliant to NSW requirements.
- Shenhua will prepare a copy of the project flyover for Department use subject to SMT approval.

Regards

s47F

Project Director-Watermark
Shenhua Australia
Shenhua Watermark

T s47F
F
M s47F
E s47F

shenhuawatermark.com

368-370 Conadilly Street
Gunnedah NSW, 2380
Australia

www.shenhuaaustralia.com



The information transmitted in this message (including all attachments) may be privileged, confidential or proprietary. If you are not the intended recipient and have received it in error, please contact the sender immediately, delete it from your system and do not copy, use or disclose it. This message cannot be guaranteed to be secure or error-free. Emails to/from Shenhua Watermark Coal Pty Limited may undergo email filtering and virus scanning, including by third party contractors. Any personal information in this email must be handled in accordance with the Privacy Act 1988 (Cth). For more information, please contact Shenhua Watermark Coal Pty Limited

s22

From: s22
Sent: Tuesday, 28 August 2018 8:42 PM
To: Manning, Gregory
Cc: s22
Subject: Fwd: Shenhua Watermark Coal Mine

Hi Greg
FYI and I'll follow up when I get back to the office.
Cheers

s22

Sent from my iPhone

Begin forwarded message:

From: s47F <s47F@shenhuawatermark.com>
Date: 28 August 2018 at 2:11:16 pm ACST
To: "s22" <s22@environment.gov.au>
Cc: '刘翔' <s47F@shenhuawatermark.com>, "s22" <s22@environment.gov.au>
Subject: RE: Shenhua Watermark Coal Mine

Hello s22

Thanks for your prompt reply.

I have only recently been in the employ of Shenhua Watermark ('the Company') but I can advise that preparation of the management plans is progressing with close reference to both Federal and State requirements as detailed in each Approval instrument.

The Company is eager to consult with your Department at the first opportunity. I would anticipate that the first opportunity, in practical terms, will arise once each of the plans has been prepared to a standard the Company believes would enable meaningful review and consultation. I will look to keep you informed as to when this opportunity is likely to arise when this becomes clearer.

I note that the 30 March 2017 correspondence refers to a Mine Operation Plan. Please be aware that the requirement for a Mining Operations Plan ('MOP') stems from a NSW Mining Lease condition. The Resources Regulator (RR) and Division of Resources and Geoscience (DRG), both within the Department of Planning & Environment (DPE), address the Mining Lease condition relating to a MOP requirement (RR) and the ML instrument (DGR). RR is currently introducing the 'Rehabilitation Reform Project' which will have the effect of replacing the MOP with a Rehabilitation Management Plan. This change is slated to occur in early 2019. As such it is anticipated that a MOP will not be produced for the Shenhua Watermark Mine ('the Mine').

With respect to a deadline to secure offsets in accordance with the NSW Development Consent (DC), the Company currently has a Modification application before DPE to link DC conditions to physical commencement of the Mine. Commencement of construction of the Mine is yet to occur. I note in regard to this matter, the 30 March 2017 correspondence referred to your Department's Monitoring and Assurance Section seeking related advice from the NSW Office of Environment and Heritage – with advice that the Company would be 'contacted in due course'. Are you aware of whether our Company was actually contacted or whether this matter was resolved?

Again, if anything above is unclear, please contact me.

I appreciate your assistance.

Regards,

s47F

s47F
Environment Manager
ShenhuaAustralia
Shenhua Watermark

T
F
M
E s47F @shenhuawatermark.com

368-370 Conadilly Street
Gunnedah NSW 2380
Australia
www.shenhuaaustralia.com



From: s22 [mailto:s22@environment.gov.au]

Sent: Tuesday, 28 August 2018 1:52 PM

To: s47F

Cc: 刘翔; s22

Subject: Re: Shenhua Watermark Coal Mine

Hi s47F

Thank you for making contact. Any questions should be directed to me in the first instance. Please note I'm out of the office and will be back Friday.

Kind regards

s22

Sent from my iPhone

On 28 Aug 2018, at 12:55 pm, s47F <s47F@shenhuawatermark.com> wrote:

Hello s22

I refer to previous correspondence by the Department of the Environment and Energy to Shenhua Watermark dated 30 March 2017 (reference 2011/6201). This correspondence was authored by s22 to s47F. I understand that you are in the role previously held by Mr s22. For your information, Mr s47F no longer works for Shenhua.

By way of background, the Watermark Coal Project, NSW (EPBC 2011/6201) received approval under the Environment Protection and Biodiversity Conservation Act, 1999, on 4 July 2015.

The July 2015 Approval requires that Shenhua submit a Biodiversity Management Plan, a Water Management Plan and a Rehabilitation Management Plan for the Minister's approval.

Mine construction is not permitted to commence before both the Biodiversity and Water Plans are approved in writing by the Minister.

The three plans required under the July 2015 Approval are currently in preparation. The correspondence of 30 March 2017 addressed items for which I seek additional clarity. In this context I ask that you advise me as to whether I should refer detailed questions to yourself or would you prefer to nominate a point of contact for me?

Any question on this matter, please contact me.

Regards,

s47F
Environment Manager
ShenhuaAustralia
Shenhua Watermark

T
F
M
E s47F @shenhuawatermark.com

368-370 Conadilly Street
Gunnedah NSW 2380
Australia
www.shenhuaaustralia.com

s22

From: s22
Sent: Wednesday, 19 September 2018 12:25 PM
To: s22
Cc: s22 ; s22
Subject: RE: Shenhua Watermark Coal Mine [DLM=For-Official-Use-Only]

Hi s22

Looking into this now. I recall discussing the matter with Shenhua in early 2017

Cheers

s22

From: s22
Sent: Wednesday, 19 September 2018 12:15 PM
To: s22
Cc: s22 ; s22
Subject: FW: Shenhua Watermark Coal Mine [DLM=For-Official-Use-Only]

Hi s22

Can please have a look at Shenhua's conditions in terms of what it proposed below and let me know if there are any issues? We'll need to do this ASAP.

I'll follow up with s22 about the March 2017 correspondence.

Thanks

s22

From: s47F [mailto:s47F@shenhuawatermark.com]
Sent: Wednesday, 19 September 2018 11:31 AM
To: s22 <s22@environment.gov.au>
Cc: '刘翔' <s47F@shenhuawatermark.com>; s22 <s22@environment.gov.au>
Subject: RE: Shenhua Watermark Coal Mine

Hello s22,

I am just following up my email of 28 August 2018.

I am interested in understanding the situation regarding an issue of compliance addressed in your Department's correspondence to Shenhua dated 30 March 2017 (your reference 2011/6201).

This correspondence stated:

'The Department's conditions of approval defer the NSW consent condition 33 in relation to offsets and the date by which they must be secured. The deadline for securing the offsets (15 September 2015) has apparently passed without the offset sites being secured. Although you have advised that you have not taken up the state consent, there are implications from a Commonwealth perspective given that the project has been approved under the *Environment Protection and Biodiversity Conservation Act 1999*.

The Department's Monitoring and Assurance Section is seeking more definitive advice from the NSW Office of Environment and Heritage in relation to this matter and you will be contacted in due course.'

If you could advise me whether you Department has indeed received this advice from OEH and what you are able to accordingly advise Shenhua.

By way of clarification, I wish to advise the Department that Shenhua does now not consider it necessary to prepare project execution or action plans as a precursor to preparation of the Draft Biodiversity, Water and Rehabilitation Management Plans. Each of these plans are in preparation, as previously indicated. The plans will each fully address conditions of approval issued by the Department.

If you have any question with respect to this email, please contact me.

Regards,

s47F

<p>s47F Environment Manager ShenhuaAustralia Shenhua Watermark</p>	<p>T F M E</p> <p>s47F</p> <p>s47F @shenhuawatermark.com</p>	<p>368-370 Conadilly Street Gunnedah NSW 2380 Australia www.shenhuaaustralia.com</p>	 <p>国家能源集团 CHN ENERGY</p>
--	--	--	--

From: s47F [mailto:s47F@shenhuawatermark.com]

Sent: Tuesday, 28 August 2018 2:41 PM

To: s22

Cc: '刘翔'; s22

Subject: RE: Shenhua Watermark Coal Mine

Hello s22

Thanks for your prompt reply.

I have only recently been in the employ of Shenhua Watermark ('the Company') but I can advise that preparation of the management plans is progressing with close reference to both Federal and State requirements as detailed in each Approval instrument.

The Company is eager to consult with your Department at the first opportunity. I would anticipate that the first opportunity, in practical terms, will arise once each of the plans has been prepared to a standard the Company believes would enable meaningful review and consultation. I will look to keep you informed as to when this opportunity is likely to arise when this becomes clearer.

I note that the 30 March 2017 correspondence refers to a Mine Operation Plan. Please be aware that the requirement for a Mining Operations Plan ('MOP') stems from a NSW Mining Lease condition. The Resources Regulator (RR) and Division of Resources and Geoscience (DRG), both within the Department of Planning & Environment (DPE), address the Mining Lease condition relating to a MOP requirement (RR) and the ML instrument (DGR). RR is currently introducing the 'Rehabilitation Reform Project' which will have the effect of replacing the MOP with a Rehabilitation Management Plan. This change is slated to occur in early 2019. As such it is anticipated that a MOP will not be produced for the Shenhua Watermark Mine ('the Mine').

With respect to a deadline to secure offsets in accordance with the NSW Development Consent (DC), the Company currently has a Modification application before DPE to link DC conditions to physical commencement of the Mine. Commencement of construction of the Mine is yet to occur. I note in regard to this matter, the 30 March 2017 correspondence referred to your Department's Monitoring and Assurance Section seeking related advice from the

NSW Office of Environment and Heritage – with advice that the Company would be ‘contacted in due course’. Are you aware of whether our Company was actually contacted or whether this matter was resolved?

Again, if anything above is unclear, please contact me.

I appreciate your assistance.

Regards,

s47F

<p>s47F Environment Manager ShenhuaAustralia Shenhua Watermark</p>	<p>T s47F F M E s47F @shenhuawatermark.com</p>	<p>368-370 Conadilly Street Gunnedah NSW 2380 Australia www.shenhuaaustralia.com</p>	 <p>国家能源集团 CHN ENERGY</p>
--	---	--	--

From: s22 [mailto:s22@environment.gov.au]
Sent: Tuesday, 28 August 2018 1:52 PM
To: s47F
Cc: 刘翔; s22
Subject: Re: Shenhua Watermark Coal Mine

Hi s47F

Thank you for making contact. Any questions should be directed to me in the first instance.

Please note I'm out of the office and will be back Friday.

Kind regards

s22

Sent from my iPhone

On 28 Aug 2018, at 12:55 pm, s47F <s47F@shenhuawatermark.com> wrote:

Hello s22 ,

I refer to previous correspondence by the Department of the Environment and Energy to Shenhua Watermark dated 30 March 2017 (reference 2011/6201).

This correspondence was authored by s22 to s47F . I understand that you are in the role previously held by s22 For your information, Mr s47F no longer works for Shenhua.

By way of background, the Watermark Coal Project, NSW (EPBC 2011/6201) received approval under the Environment Protection and Biodiversity Conservation Act, 1999, on 4 July 2015.

The July 2015 Approval requires that Shenhua submit a Biodiversity Management Plan, a Water Management Plan and a Rehabilitation Management Plan for the Minister's approval.

Mine construction is not permitted to commence before both the Biodiversity and Water Plans are approved in writing by the Minister.

The three plans required under the July 2015 Approval are currently in preparation.

The correspondence of 30 March 2017 addressed items for which I seek additional clarity. In this context I ask that you advise me as to whether I should refer detailed questions to yourself or would you prefer to nominate a point of contact for me?

Any question on this matter, please contact me.

Regards,

s47F
Environment Manager
ShenhuaAustralia
Shenhua Watermark

T
F
M
E s47F [@shenhuawatermark.com](mailto:s47F@shenhuawatermark.com)

368-370 Conadilly Street
Gunnedah NSW 2380
Australia
www.shenhuaaustralia.com

s22

From: s22
Sent: Wednesday, 19 September 2018 1:23 PM
To: s22
Cc: s22 ; s22
Subject: RE: Shenhua Watermark Coal Mine [DLM=For-Official-Use-Only]

Hi s22

There are two EPBC conditions relevant to this matter:

- Condition 1 requires Shenhua to comply with NSW consent condition 33.
- Condition 9 requires Shenhua to provide the Department with details of each offset area, including written evidence that a protection mechanism is in place (and other details) for each **offset area** within 30 days of securing each **offset area** in accordance with NSW consent condition 33.

The approval conditions define **offset areas** as the 4 sites listed in Annexure 1 of the Approval (also listed in Table 12 of the NSW consent), in addition to an offset for Grey-box Woodland obtained in accordance with NSW consent condition 29.

NSW consent condition 33 requires that Shenhua makes suitable arrangements to protect the offset areas in perpetuity:

- By the end of May 2015 unless the Secretary agrees otherwise for the offsets in Table 12 of the NSW consent.
- Within 6 months of identifying the additional offset required under condition 29, for the additional Grey-box Woodland offset area.

As the EPBC conditions require compliance with NSW condition 33, there could be an issue if the Department of Planning and Environment (DPE) Secretary hasn't agreed to an extension for in-perpetuity protection of the Table 12 offsets beyond May 2015. There would also be an issue if the offsets have been secured as the Department has not received any correspondence regarding offsets as required by condition 9.

To inform s22 view on the matter, I'm happy to contact DPE to clarify whether such agreement has been provided by the Secretary, and for an update on the security status of the offsets. Are you happy with that approach?

Cheers

s22

From: s22
Sent: Wednesday, 19 September 2018 12:15 PM
To: s22
Cc: s22 ; s22
Subject: FW: Shenhua Watermark Coal Mine [DLM=For-Official-Use-Only]

Hi s22

Can please have a look at Shenhua's conditions in terms of what it proposed below and let me know if there are any issues? We'll need to do this ASAP.

I'll follow up with s22 about the March 2017 correspondence.

Thanks

s22

From: s47F [mailto:s47F@shenhuawatermark.com]
Sent: Wednesday, 19 September 2018 11:31 AM
To: s22 s22 @environment.gov.au>
Cc: '刘翔' <s47F@shenhuawatermark.com>; s22 <s22@environment.gov.au>
Subject: RE: Shenhua Watermark Coal Mine

Hello s22

I am just following up my email of 28 August 2018.

I am interested in understanding the situation regarding an issue of compliance addressed in your Department's correspondence to Shenhua dated 30 March 2017 (your reference 2011/6201).

This correspondence stated:

'The Department's conditions of approval defer the NSW consent condition 33 in relation to offsets and the date by which they must be secured. The deadline for securing the offsets (15 September 2015) has apparently passed without the offset sites being secured. Although you have advised that you have not taken up the state consent, there are implications from a Commonwealth perspective given that the project has been approved under the *Environment Protection and Biodiversity Conservation Act 1999*.

The Department's Monitoring and Assurance Section is seeking more definitive advice from the NSW Office of Environment and Heritage in relation to this matter and you will be contacted in due course.'

If you could advise me whether you Department has indeed received this advice from OEH and what you are able to accordingly advise Shenhua.

By way of clarification, I wish to advise the Department that Shenhua does now not consider it necessary to prepare project execution or action plans as a precursor to preparation of the Draft Biodiversity, Water and Rehabilitation Management Plans. Each of these plans are in preparation, as previously indicated. The plans will each fully address conditions of approval issued by the Department.

If you have any question with respect to this email, please contact me.

Regards,

s47F

<p>s47F Environment Manager ShenhuaAustralia Shenhua Watermark</p>	<p>T F M E</p> <p>s47F s47F@shenhuawatermark.com</p>	<p>368-370 Conadilly Street Gunnedah NSW 2380 Australia www.shenhuaaustralia.com</p>	 <p>国家能源集团 CHN ENERGY</p>
--	---	--	--

From: s47F [mailto:s47F@shenhuawatermark.com]
Sent: Tuesday, 28 August 2018 2:41 PM
To: s22
Cc: '刘翔'; s22
Subject: RE: Shenhua Watermark Coal Mine

Hello s22

Thanks for your prompt reply.

I have only recently been in the employ of Shenhua Watermark ('the Company') but I can advise that preparation of the management plans is progressing with close reference to both Federal and State requirements as detailed in each Approval instrument.

The Company is eager to consult with your Department at the first opportunity. I would anticipate that the first opportunity, in practical terms, will arise once each of the plans has been prepared to a standard the Company believes would enable meaningful review and consultation. I will look to keep you informed as to when this opportunity is likely to arise when this becomes clearer.

I note that the 30 March 2017 correspondence refers to a Mine Operation Plan. Please be aware that the requirement for a Mining Operations Plan ('MOP') stems from a NSW Mining Lease condition. The Resources Regulator (RR) and Division of Resources and Geoscience (DRG), both within the Department of Planning & Environment (DPE), address the Mining Lease condition relating to a MOP requirement (RR) and the ML instrument (DGR). RR is currently introducing the 'Rehabilitation Reform Project' which will have the effect of replacing the MOP with a Rehabilitation Management Plan. This change is slated to occur in early 2019. As such it is anticipated that a MOP will not be produced for the Shenhua Watermark Mine ('the Mine').

With respect to a deadline to secure offsets in accordance with the NSW Development Consent (DC), the Company currently has a Modification application before DPE to link DC conditions to physical commencement of the Mine. Commencement of construction of the Mine is yet to occur. I note in regard to this matter, the 30 March 2017 correspondence referred to your Department's Monitoring and Assurance Section seeking related advice from the NSW Office of Environment and Heritage – with advice that the Company would be 'contacted in due course'. Are you aware of whether our Company was actually contacted or whether this matter was resolved?

Again, if anything above is unclear, please contact me.

I appreciate your assistance.

Regards,

s47F

s47F
Environment Manager
ShenhuaAustralia
Shenhua Watermark

T s47F
F s47F
M s47F
E s47F @shenhuaaustralia.com

368-370 Conadilly Street
Gunnedah NSW 2380
Australia
www.shenhuaaustralia.com



国家能源集团
CHN ENERGY

From: s22 [mailto:s22@environment.gov.au]

Sent: Tuesday, 28 August 2018 1:52 PM

To: s47F

Cc: 刘翔; s22

Subject: Re: Shenhua Watermark Coal Mine

Hi s47F

Thank you for making contact. Any questions should be directed to me in the first instance.

Please note I'm out of the office and will be back Friday.

Kind regards

s22

Sent from my iPhone

On 28 Aug 2018, at 12:55 pm, s47F <s47F@shenhuawatermark.com> wrote:

Hello s22

I refer to previous correspondence by the Department of the Environment and Energy to Shenhua Watermark dated 30 March 2017 (reference 2011/6201).

This correspondence was authored by s22 to s47F. I understand that you are in the role previously held by s22. For your information, Mr s47F no longer works for Shenhua.

By way of background, the Watermark Coal Project, NSW (EPBC 2011/6201) received approval under the Environment Protection and Biodiversity Conservation Act, 1999, on 4 July 2015.

The July 2015 Approval requires that Shenhua submit a Biodiversity Management Plan, a Water Management Plan and a Rehabilitation Management Plan for the Minister's approval.

Mine construction is not permitted to commence before both the Biodiversity and Water Plans are approved in writing by the Minister.

The three plans required under the July 2015 Approval are currently in preparation.

The correspondence of 30 March 2017 addressed items for which I seek additional clarity. In this context I ask that you advise me as to whether I should refer detailed questions to yourself or would you prefer to nominate a point of contact for me?

Any question on this matter, please contact me.

Regards,

s47F
Environment Manager
ShenhuaAustralia
Shenhua Watermark

T
F
M
E s47F @shenhuawatermark.com

368-370 Conadilly Street
Gunnedah NSW 2380
Australia
www.shenhuaaustralia.com

s22

From: s22
Sent: Wednesday, 19 September 2018 1:35 PM
To: s22
Cc: s22 ; s22 ; s22
Subject: RE: Shenhua Watermark Coal Mine [DLM=For-Official-Use-Only]
Attachments: RE: Shenhua Watermark Coal Mine [DLM=For-Official-Use-Only]

Thanks s22 You might find the attached background useful.

Are you able to forward me the response after it goes? We are looking at their conditions in anticipation receiving their offset and water plans plus we've been dealing with a number of FOIs, media enquiries and Min corro.

Cheers

s22

From: s22
Sent: Wednesday, 19 September 2018 1:30 PM
To: s22
; s22 ; s22
Subject: RE: Shenhua Watermark Coal Mine [DLM=For-Official-Use-Only]

Hi s22

We will look into it and respond to s47F

Thanks

s22

From: s22
Sent: Wednesday, 19 September 2018 12:20 PM
To: s22 <s22 @environment.gov.au>
Cc: s22 <s22 @environment.gov.au>; s22 <s22 @environment.gov.au>; s22 <s22 @environment.gov.au>
Subject: FW: Shenhua Watermark Coal Mine [DLM=For-Official-Use-Only]

Hi s22

Please see below – just following up Shenhua's query re. March 2017 corro from the then Monitoring and Assurance Section. Are you able to provide any updates?

Thanks

s22

From: s47F [mailto:s47F @shenhuawatermark.com]
Sent: Wednesday, 19 September 2018 11:31 AM
To: s22 s22 @environment.gov.au>
Cc: '刘翔' <s22 @shenhuawatermark.com>; s22 <s22 @environment.gov.au>
Subject: RE: Shenhua Watermark Coal Mine

Hello s22

I am just following up my email of 28 August 2018.

I am interested in understanding the situation regarding an issue of compliance addressed in your Department's correspondence to Shenhua dated 30 March 2017 (your reference 2011/6201).

This correspondence stated:

'The Department's conditions of approval defer the NSW consent condition 33 in relation to offsets and the date by which they must be secured. The deadline for securing the offsets (15 September 2015) has apparently passed without the offset sites being secured. Although you have advised that you have not taken up the state consent, there are implications from a Commonwealth perspective given that the project has been approved under the *Environment Protection and Biodiversity Conservation Act 1999*.

The Department's Monitoring and Assurance Section is seeking more definitive advice from the NSW Office of Environment and Heritage in relation to this matter and you will be contacted in due course.'

If you could advise me whether you Department has indeed received this advice from OEH and what you are able to accordingly advise Shenhua.

By way of clarification, I wish to advise the Department that Shenhua does now not consider it necessary to prepare project execution or action plans as a precursor to preparation of the Draft Biodiversity, Water and Rehabilitation Management Plans. Each of these plans are in preparation, as previously indicated. The plans will each fully address conditions of approval issued by the Department.

If you have any question with respect to this email, please contact me.

Regards,

s47F

<p>s47F Environment Manager ShenhuaAustralia Shenhua Watermark</p>	<p>T F M E</p> <p>s47F</p> <p>s47F @shenhuawatermark.com</p>	<p>368-370 Conadilly Street Gunnedah NSW 2380 Australia www.shenhuaaustralia.com</p>	 <p>国家能源集团 CHN ENERGY</p>
--	---	--	--

From: s47F [mailto:s47F@shenhuawatermark.com]
Sent: Tuesday, 28 August 2018 2:41 PM
To: s22
Cc: '刘翔'; s22
Subject: RE: Shenhua Watermark Coal Mine

Hello s22

Thanks for your prompt reply.

I have only recently been in the employ of Shenhua Watermark ('the Company') but I can advise that preparation of the management plans is progressing with close reference to both Federal and State requirements as detailed in each Approval instrument.

The Company is eager to consult with your Department at the first opportunity. I would anticipate that the first opportunity, in practical terms, will arise once each of the plans has been prepared to a standard the Company believes would enable meaningful review and consultation. I will look to keep you informed as to when this opportunity is likely to arise when this becomes clearer.

I note that the 30 March 2017 correspondence refers to a Mine Operation Plan. Please be aware that the requirement for a Mining Operations Plan ('MOP') stems from a NSW Mining Lease condition. The Resources Regulator (RR) and Division of Resources and Geoscience (DRG), both within the Department of Planning & Environment (DPE), address the Mining Lease condition relating to a MOP requirement (RR) and the ML instrument (DGR). RR is currently introducing the 'Rehabilitation Reform Project' which will have the effect of replacing the MOP with a Rehabilitation Management Plan. This change is slated to occur in early 2019. As such it is anticipated that a MOP will not be produced for the Shenhua Watermark Mine ('the Mine').

With respect to a deadline to secure offsets in accordance with the NSW Development Consent (DC), the Company currently has a Modification application before DPE to link DC conditions to physical commencement of the Mine. Commencement of construction of the Mine is yet to occur. I note in regard to this matter, the 30 March 2017 correspondence referred to your Department's Monitoring and Assurance Section seeking related advice from the NSW Office of Environment and Heritage – with advice that the Company would be 'contacted in due course'. Are you aware of whether our Company was actually contacted or whether this matter was resolved?

Again, if anything above is unclear, please contact me.

I appreciate your assistance.

Regards,

s47F

<p>s47F Environment Manager ShenhuaAustralia Shenhua Watermark</p>	<p>T F M E s47F @shenhuawatermark.com</p>	<p>368-370 Conadilly Street Gunnedah NSW 2380 Australia www.shenhuaaustralia.com</p>	 <p>国家能源集团 CHN ENERGY</p>
--	--	--	---

From: s22 [mailto:s22@environment.gov.au]
Sent: Tuesday, 28 August 2018 1:52 PM
To: s47F
Cc: 刘翔; s22
Subject: Re: Shenhua Watermark Coal Mine

Hi s47F

Thank you for making contact. Any questions should be directed to me in the first instance.

Please note I'm out of the office and will be back Friday.

Kind regards

s22

Sent from my iPhone

On 28 Aug 2018, at 12:55 pm, s47F <s47F@shenhuawatermark.com> wrote:

Hello s22

I refer to previous correspondence by the Department of the Environment and Energy to Shenhua Watermark dated 30 March 2017 (reference 2011/6201).

This correspondence was authored by s22 to s47F. I understand that you are in the role previously held by s22. For your information, Mr s47F no longer works for Shenhua.

By way of background, the Watermark Coal Project, NSW (EPBC 2011/6201) received approval under the Environment Protection and Biodiversity Conservation Act, 1999, on 4 July 2015.

The July 2015 Approval requires that Shenhua submit a Biodiversity Management Plan, a Water Management Plan and a Rehabilitation Management Plan for the Minister's approval.

Mine construction is not permitted to commence before both the Biodiversity and Water Plans are approved in writing by the Minister.

The three plans required under the July 2015 Approval are currently in preparation.

The correspondence of 30 March 2017 addressed items for which I seek additional clarity. In this context I ask that you advise me as to whether I should refer detailed questions to yourself or would you prefer to nominate a point of contact for me?

Any question on this matter, please contact me.

Regards,

s47F
Environment Manager
ShenhuaAustralia
Shenhua Watermark

T
F
M
E s47F [@shenhuawatermark.com](mailto:s47F@shenhuawatermark.com)

368-370 Conadilly Street
Gunnedah NSW 2380
Australia
www.shenhuaaustralia.com

s22

From: s22
Sent: Wednesday, 19 September 2018 1:23 PM
To: s22
Cc: s22 ; s22
Subject: RE: Shenhua Watermark Coal Mine [DLM=For-Official-Use-Only]

Hi s22

There are two EPBC conditions relevant to this matter:

- Condition 1 requires Shenhua to comply with NSW consent condition 33.
- Condition 9 requires Shenhua to provide the Department with details of each offset area, including written evidence that a protection mechanism is in place (and other details) for each **offset area** within 30 days of securing each **offset area** in accordance with NSW consent condition 33.

The approval conditions define **offset areas** as the 4 sites listed in Annexure 1 of the Approval (also listed in Table 12 of the NSW consent), in addition to an offset for Grey-box Woodland obtained in accordance with NSW consent condition 29.

NSW consent condition 33 requires that Shenhua makes suitable arrangements to protect the offset areas in perpetuity:

- By the end of May 2015 unless the Secretary agrees otherwise for the offsets in Table 12 of the NSW consent.
- Within 6 months of identifying the additional offset required under condition 29, for the additional Grey-box Woodland offset area.

As the EPBC conditions require compliance with NSW condition 33, there could be an issue if the Department of Planning and Environment (DPE) Secretary hasn't agreed to an extension for in-perpetuity protection of the Table 12 offsets beyond May 2015. There would also be an issue if the offsets have been secured as the Department has not received any correspondence regarding offsets as required by condition 9.

To inform s22's view on the matter, I'm happy to contact DPE to clarify whether such agreement has been provided by the Secretary, and for an update on the security status of the offsets. Are you happy with that approach?

Cheers

s22

From: s22
Sent: Wednesday, 19 September 2018 12:15 PM
To: s22
Cc: s22 ; s22
Subject: FW: Shenhua Watermark Coal Mine [DLM=For-Official-Use-Only]

Hi s22

Can please have a look at Shenhua's conditions in terms of what it proposed below and let me know if there are any issues? We'll need to do this ASAP.

I'll follow up with s22 about the March 2017 correspondence.

Thanks

s22

From: s47F [mailto:s47F@shenhuawatermark.com]
Sent: Wednesday, 19 September 2018 11:31 AM
To: s22 <s22@environment.gov.au>
Cc: '刘翔' <s47F@shenhuawatermark.com>; s22 <s22@environment.gov.au>
Subject: RE: Shenhua Watermark Coal Mine

Hello s22

I am just following up my email of 28 August 2018.

I am interested in understanding the situation regarding an issue of compliance addressed in your Department's correspondence to Shenhua dated 30 March 2017 (your reference 2011/6201).

This correspondence stated:

'The Department's conditions of approval defer the NSW consent condition 33 in relation to offsets and the date by which they must be secured. The deadline for securing the offsets (15 September 2015) has apparently passed without the offset sites being secured. Although you have advised that you have not taken up the state consent, there are implications from a Commonwealth perspective given that the project has been approved under the *Environment Protection and Biodiversity Conservation Act 1999*.

The Department's Monitoring and Assurance Section is seeking more definitive advice from the NSW Office of Environment and Heritage in relation to this matter and you will be contacted in due course.'

If you could advise me whether you Department has indeed received this advice from OEH and what you are able to accordingly advise Shenhua.

By way of clarification, I wish to advise the Department that Shenhua does now not consider it necessary to prepare project execution or action plans as a precursor to preparation of the Draft Biodiversity, Water and Rehabilitation Management Plans. Each of these plans are in preparation, as previously indicated. The plans will each fully address conditions of approval issued by the Department.

If you have any question with respect to this email, please contact me.

Regards,

s47F

<p>s47F Environment Manager ShenhuaAustralia Shenhua Watermark</p>	<p>T F M E</p> <p>s47F s47F@shenhuawatermark.com</p>	<p>368-370 Conadilly Street Gunnedah NSW 2380 Australia www.shenhuaaustralia.com</p>	 <p>国家能源集团 CHN ENERGY</p>
--	---	--	--

From: s47F [mailto:s47F@shenhuawatermark.com]
Sent: Tuesday, 28 August 2018 2:41 PM
To: s22
Cc: '刘翔'; s22
Subject: RE: Shenhua Watermark Coal Mine

Hello s22

Thanks for your prompt reply.

I have only recently been in the employ of Shenhua Watermark ('the Company') but I can advise that preparation of the management plans is progressing with close reference to both Federal and State requirements as detailed in each Approval instrument.

The Company is eager to consult with your Department at the first opportunity. I would anticipate that the first opportunity, in practical terms, will arise once each of the plans has been prepared to a standard the Company believes would enable meaningful review and consultation. I will look to keep you informed as to when this opportunity is likely to arise when this becomes clearer.

I note that the 30 March 2017 correspondence refers to a Mine Operation Plan. Please be aware that the requirement for a Mining Operations Plan ('MOP') stems from a NSW Mining Lease condition. The Resources Regulator (RR) and Division of Resources and Geoscience (DRG), both within the Department of Planning & Environment (DPE), address the Mining Lease condition relating to a MOP requirement (RR) and the ML instrument (DGR). RR is currently introducing the 'Rehabilitation Reform Project' which will have the effect of replacing the MOP with a Rehabilitation Management Plan. This change is slated to occur in early 2019. As such it is anticipated that a MOP will not be produced for the Shenhua Watermark Mine ('the Mine').

With respect to a deadline to secure offsets in accordance with the NSW Development Consent (DC), the Company currently has a Modification application before DPE to link DC conditions to physical commencement of the Mine. Commencement of construction of the Mine is yet to occur. I note in regard to this matter, the 30 March 2017 correspondence referred to your Department's Monitoring and Assurance Section seeking related advice from the NSW Office of Environment and Heritage – with advice that the Company would be 'contacted in due course'. Are you aware of whether our Company was actually contacted or whether this matter was resolved?

Again, if anything above is unclear, please contact me.

I appreciate your assistance.

Regards,

s47F

s47F
Environment Manager
ShenhuaAustralia
Shenhua Watermark

T s47F
F
M
E s47F [@shenhuaaustralia.com](mailto:s47F@shenhuaaustralia.com)

368-370 Conadilly Street
Gunnedah NSW 2380
Australia
www.shenhuaaustralia.com



国家能源集团
CHN ENERGY

From: s22 [\[mailto:s22@environment.gov.au\]](mailto:s22@environment.gov.au)

Sent: Tuesday, 28 August 2018 1:52 PM

To: s47F

Cc: 刘翔; s22

Subject: Re: Shenhua Watermark Coal Mine

Hi s47F

Thank you for making contact. Any questions should be directed to me in the first instance.

Please note I'm out of the office and will be back Friday.

Kind regards

s22

Sent from my iPhone

On 28 Aug 2018, at 12:55 pm, s47F <s47F@shenhuawatermark.com> wrote:

Hello s22,

I refer to previous correspondence by the Department of the Environment and Energy to Shenhua Watermark dated 30 March 2017 (reference 2011/6201).

This correspondence was authored by s22 to s47F. I understand that you are in the role previously held by s22. For your information, Mr s47F no longer works for Shenhua.

By way of background, the Watermark Coal Project, NSW (EPBC 2011/6201) received approval under the Environment Protection and Biodiversity Conservation Act, 1999, on 4 July 2015.

The July 2015 Approval requires that Shenhua submit a Biodiversity Management Plan, a Water Management Plan and a Rehabilitation Management Plan for the Minister's approval.

Mine construction is not permitted to commence before both the Biodiversity and Water Plans are approved in writing by the Minister.

The three plans required under the July 2015 Approval are currently in preparation.

The correspondence of 30 March 2017 addressed items for which I seek additional clarity. In this context I ask that you advise me as to whether I should refer detailed questions to yourself or would you prefer to nominate a point of contact for me?

Any question on this matter, please contact me.

Regards,

s47F
Environment Manager
ShenhuaAustralia
Shenhua Watermark

T
F
M
E s47F @shenhuawatermark.com

368-370 Conadilly Street
Gunnedah NSW 2380
Australia
www.shenhuaaustralia.com

s22

From: s22
Sent: Wednesday, 19 September 2018 3:52 PM
To: s22
Subject: RE: Shenhua Watermark Coal Mine [DLM=For-Official-Use-Only]

Hi s22

The relevant contact at DPE is on leave and I'm waiting on a call back from his replacement. Hopefully it will be this afternoon.

Cheers

s22

From: s22
Sent: Wednesday, 19 September 2018 3:31 PM
To: s22
Cc: s22 ; s22 ; s22
Subject: RE: Shenhua Watermark Coal Mine [DLM=For-Official-Use-Only]

Thanks s22

We'll follow it up and let you know.

Cheers

s22

From: s22
Sent: Wednesday, 19 September 2018 3:13 PM
To: s22 <s22 @environment.gov.au>
Cc: s22 <s22 @environment.gov.au>; s22 <s22 @environment.gov.au>; s22 <s22 @environment.gov.au>
Subject: FW: Shenhua Watermark Coal Mine [DLM=For-Official-Use-Only]

s22 – we can't find anything relating to this company/action. I think s22's suggestion of contacting DPE is a good one. If s22 contacts DPE and considers them to be non-compliant we should talk some more about the best way to approach it.

s22

From: s22
Sent: Wednesday, 19 September 2018 2:15 PM
To: s22 <s22 @environment.gov.au>
Cc: s22 ; s22 @environment.gov.au>
Subject: RE: Shenhua Watermark Coal Mine [DLM=For-Official-Use-Only]

Hi s22 I just did a thorough search in CEMS and came up with nothing. No cases at all in the system relating to that project.

Note there are 2 doc sets in SPIRE for some reason. I can't find anything relating to this issue in either doc set.

And this does not ring any bells for me, I'm not sure what it's all about.

Perhaps s22 knows something about it?

Library Tools	
Documents	Library
2011-6145 - Oleander Drive Reserve, Yungaburra QLD	15/008847 27/04/2015 4:29 PM Oleander Drive Reserve, Yungaburra QLD
2011-6149 - Construction of a private dwelling at 327 Edelsten Road, Jimboomba, QLD	15/008804 27/04/2015 3:23 PM Construction of a private dwelling at 327 Edelsten R
2011-6152 Blacksmith Ribara Iron Ore Project WA	14/012552 30/09/2014 2:48 PM To construct and operate an iron ore mine on the Bl
2011-6153 Somerville Drive Extension (Robertson Drive Extension), Bunbury, WA	15/006791 12/02/2015 9:59 AM
2011-6158 - Cobbara Coal	14/008052 5/08/2014 11:37 AM Cobbara Holding Company Pty Ltd - Mining - 56km 1
2011-6163 - North Weston Residential Development, Weston Creek, ACT	15/014239 20/05/2015 11:40 AM
2011-6169 Airds and Bradbury Renewal Project	14/008025 5/08/2014 10:46 AM Department of Finance and Services, Land and Hou
2011-6171 - Cross Country and Downhill Tracks	15/007754 27/03/2015 4:09 PM 2011-6171 - Cross Country and Downhill Tracks - Bl
2011-6176 - Stratford Extension Project, NSW	15/019006 23/12/2015 3:36 PM
2011-6177 - Additional Cyclone Moorings, Bowen Harbour, Queensland	15/008792 27/04/2015 2:57 PM Additional Cyclone Moorings, Bowen Harbour, Queer
2011-6180 Grampians Road Safety Improvement Project	17/004303 4/05/2017 10:26 AM Documents relating to EPBC 2011/6180
2011-6181 Post Approval SunWater-Woleebee-Creek-to-Glebe-Weir-Pipeline	15/006045 23/12/2014 3:11 PM 2011-6181 Post Approval SunWater Limited Woleeb
2011-6183 Wild Dog Aerial Baiting Victoria	14/010922 5/08/2014 10:22 AM
2011-6186 - Lot 21, Webster Road, Forrestfield, WA	18/001177 1/02/2018 10:49 AM To clear and develop Lot 21 Webster Road, Forrestf
2011-6187 - Curragh West Project, QLD	16/007403 27/04/2015 2:51 PM Curragh West Project, QLD
2011-6188 - Apache Balnaves Condensate Field Development, Boneparte, WA	15/008795 27/04/2015 3:04 PM
2011-6192 Newmont Boddington Gold Interim Permit	15/002033 30/10/2014 3:12 PM Newmont Boddington Gold Pty Ltd/Mining/Approx 1
2011-6194 Post Approval Adani-Abbot-Point-Terminal-D	15/004527 26/11/2014 11:33 AM Post-Approval-Adani-Abbot-Point-Pty-Ltd-Port-of-Ab
2011-6201 Shenhua Watermark mine - Gunnedah NSW	15/015884 23/07/2015 2:30 PM
2011-6201 Shenhua Watermark project	15/016092 30/07/2015 4:33 PM
2011-6202 Macquarie River to Orange Pipeline	14/010909 18/09/2014 1:46 PM Orange City Council/Water management and use/Mi
2011-6205 - Development of the Mokinlay Quarry	16/003882 26/03/2016 11:18 AM
2011-6206 - Crudine Ridge Wind Farm, Crudine Ridge NSW	17/002154 2/03/2017 5:32 PM
2011-6207 Residential subdivision, Nowra	15/015061 17/06/2015 11:20 AM 500m North of Shoalhaven River and West of North
2011-6210 Tarkine Forest Drive Road Upgrade	15/002859 29/10/2014 8:45 AM Department of Infrastructure, Energy and Resource
2011-6213 Abbot Point Capital Dredging	17/008812 18/07/2014 4:28 PM North Queensland Bulk Ports Corporation Limited/Ci
2011-6213 Exploration minerals, Approx 3km offshore Abbot Point	14/004570 27/06/2014 2:07 PM North Queensland Bulk Ports Corporation Limited/Es
2011-6214 Construction of an alternate route to Lot 218 Salt Ash, NSW	16/011336 10/10/2016 3:24 PM To construct an utilise an alternate haul route from 1
2011-6221 Australia Pacific LNG Ruby Spur Line Project	16/003078 14/08/2014 12:32 PM To construct, operate and decommission a 17 km ga existing Darling Downs Power Station Pipeline (PPL
2011-6228 Mount Emerald wind farm	15/018837 2/12/2015 4:26 PM To develop a wind farm within the Springmount Stat
2011-6228 Postapprovals Mount Emerald Wind Farm QLD	16/011002 2/12/2015 4:19 PM To develop a wind farm within the Springmount Stat

From: s22
Sent: Wednesday, 19 September 2018 12:52 PM
To: s22 <s22@environment.gov.au>
Cc: s22 <s22@environment.gov.au>
Subject: RE: Shenhua Watermark Coal Mine [DLM=For-Official-Use-Only]

Hi s22 ,

Are you aware of this case, I've done a quick search and cannot find anything.

Thanks,

s22

From: s22
Sent: Wednesday, 19 September 2018 12:20 PM
To: s22 <s22@environment.gov.au>
Cc: s22 <s22@environment.gov.au>; s22 <s22@environment.gov.au>; s22 <s22@environment.gov.au>
Subject: FW: Shenhua Watermark Coal Mine [DLM=For-Official-Use-Only]

Hi s22

Please see below – just following up Shenhua’s query re. March 2017 corro from the then Monitoring and Assurance Section. Are you able to provide any updates?

Thanks

s22

From: s47F [mailto:s47F@shenhuawatermark.com]
Sent: Wednesday, 19 September 2018 11:31 AM
To: s22 <s22@environment.gov.au>
Cc: '刘翔' <s47F@shenhuawatermark.com>; s22 <s22@environment.gov.au>
Subject: RE: Shenhua Watermark Coal Mine

Hello s22

I am just following up my email of 28 August 2018.

I am interested in understanding the situation regarding an issue of compliance addressed in your Department’s correspondence to Shenhua dated 30 March 2017 (your reference 2011/6201).

This correspondence stated:

‘The Department’s conditions of approval defer the NSW consent condition 33 in relation to offsets and the date by which they must be secured. The deadline for securing the offsets (15 September 2015) has apparently passed without the offset sites being secured. Although you have advised that you have not taken up the state consent, there are implications from a Commonwealth perspective given that the project has been approved under the *Environment Protection and Biodiversity Conservation Act 1999*.

The Department’s Monitoring and Assurance Section is seeking more definitive advice from the NSW Office of Environment and Heritage in relation to this matter and you will be contacted in due course.’

If you could advise me whether you Department has indeed received this advice from OEH and what you are able to accordingly advise Shenhua.

By way of clarification, I wish to advise the Department that Shenhua does now not consider it necessary to prepare project execution or action plans as a precursor to preparation of the Draft Biodiversity, Water and Rehabilitation Management Plans. Each of these plans are in preparation, as previously indicated. The plans will each fully address conditions of approval issued by the Department.

If you have any question with respect to this email, please contact me.

Regards,

s47F

s47F Environment Manager ShenhuaAustralia Shenhua Watermark	T F M E s47F @shenhuawatermark.com	368-370 Conadilly Street Gunnedah NSW 2380 Australia www.shenhuaaustralia.com	 国家能源集团 CHN ENERGY
--	---	--	---

From: s47F [mailto:s47F@shenhuawatermark.com]
Sent: Tuesday, 28 August 2018 2:41 PM
To: s22
Cc: '刘翔'; s22
Subject: RE: Shenhua Watermark Coal Mine

Hello s22

Thanks for your prompt reply.

I have only recently been in the employ of Shenhua Watermark ('the Company') but I can advise that preparation of the management plans is progressing with close reference to both Federal and State requirements as detailed in each Approval instrument.

The Company is eager to consult with your Department at the first opportunity. I would anticipate that the first opportunity, in practical terms, will arise once each of the plans has been prepared to a standard the Company believes would enable meaningful review and consultation. I will look to keep you informed as to when this opportunity is likely to arise when this becomes clearer.

I note that the 30 March 2017 correspondence refers to a Mine Operation Plan. Please be aware that the requirement for a Mining Operations Plan ('MOP') stems from a NSW Mining Lease condition. The Resources Regulator (RR) and Division of Resources and Geoscience (DRG), both within the Department of Planning & Environment (DPE), address the Mining Lease condition relating to a MOP requirement (RR) and the ML instrument (DGR). RR is currently introducing the 'Rehabilitation Reform Project' which will have the effect of replacing the MOP with a Rehabilitation Management Plan. This change is slated to occur in early 2019. As such it is anticipated that a MOP will not be produced for the Shenhua Watermark Mine ('the Mine').

With respect to a deadline to secure offsets in accordance with the NSW Development Consent (DC), the Company currently has a Modification application before DPE to link DC conditions to physical commencement of the Mine. Commencement of construction of the Mine is yet to occur. I note in regard to this matter, the 30 March 2017 correspondence referred to your Department's Monitoring and Assurance Section seeking related advice from the NSW Office of Environment and Heritage – with advice that the Company would be 'contacted in due course'. Are you aware of whether our Company was actually contacted or whether this matter was resolved?

Again, if anything above is unclear, please contact me.

I appreciate your assistance.

Regards,

s47F

s47F
Environment Manager
ShenhuaAustralia
Shenhua Watermark

T s47F
F
M
E s47F @shenhuawatermark.com

368-370 Conadilly Street
Gunnedah NSW 2380
Australia
www.shenhuaaustralia.com



From: s22 [mailto:s22@environment.gov.au]
Sent: Tuesday, 28 August 2018 1:52 PM
To: s47F

Cc: 刘翔; s22

Subject: Re: Shenhua Watermark Coal Mine

Hi s47F

Thank you for making contact. Any questions should be directed to me in the first instance.

Please note I'm out of the office and will be back Friday.

Kind regards

s22

Sent from my iPhone

On 28 Aug 2018, at 12:55 pm, s47F <s47F@shenhuawatermark.com> wrote:

Hello s22

I refer to previous correspondence by the Department of the Environment and Energy to Shenhua Watermark dated 30 March 2017 (reference 2011/6201).

This correspondence was authored by s22 to s47F. I understand that you are in the role previously held by s22. For your information, Mr s47F no longer works for Shenhua.

By way of background, the Watermark Coal Project, NSW (EPBC 2011/6201) received approval under the Environment Protection and Biodiversity Conservation Act, 1999, on 4 July 2015.

The July 2015 Approval requires that Shenhua submit a Biodiversity Management Plan, a Water Management Plan and a Rehabilitation Management Plan for the Minister's approval.

Mine construction is not permitted to commence before both the Biodiversity and Water Plans are approved in writing by the Minister.

The three plans required under the July 2015 Approval are currently in preparation.

The correspondence of 30 March 2017 addressed items for which I seek additional clarity. In this context I ask that you advise me as to whether I should refer detailed questions to yourself or would you prefer to nominate a point of contact for me?

Any question on this matter, please contact me.

Regards,

s47F
Environment Manager
ShenhuaAustralia
Shenhua Watermark

T
F
M
E s47F @shenhuawatermark.com

368-370 Conadilly Street
Gunnedah NSW 2380
Australia
www.shenhuaaustralia.com

s22

From: s22
Sent: Monday, 24 September 2018 3:02 PM
To: s22 @environment.nsw.gov.au'
Cc: s22
Subject: Shenhua development consent [SEC=UNCLASSIFIED]

Hi s22

Thanks for your time this morning clarifying requirements around condition 33 of Shenhua's state development consent, which required the in-perpetuity protection of specific offsets by May 2015.

From our discussion my understanding is that Shenhua have yet to satisfy the requirements of condition 33. However, non-compliance is not triggered until such time as Shenhua 'takes up the consent' (meaning physical commencement of the project) without first obtaining the Secretary's agreement for a revised date to secure the offsets. Provided that Shenhua obtains such agreement from the Secretary prior to taking up the consent, Shenhua remain compliant at present and non-compliance will not be triggered upon commencement.

I would appreciate if you could confirm that my understanding is correct.

Thanks

s22
Assistant Director
Post Approvals Section
Assessments (WA, SA, NT) and Post Approvals Branch
Environment Standards Division
Department of the Environment and Energy
P: s22
e: s22 @environment.gov.au

s22

From: Gregory Manning
Sent: Tuesday, 13 November 2018 5:28 PM
To: s22 ; s22
Subject: RE: Shenhua QoN [SEC=UNCLASSIFIED]

Understood thanks.

From: s22
Sent: Tuesday, 13 November 2018 10:09 AM
To: s22 ; Gregory Manning
Subject: RE: Shenhua QoN [SEC=UNCLASSIFIED]

Hi Greg

There are 3 management plans. The Biodiversity and Water management plans must be approved by the Minister prior to commencement. While Shenhua must prepare a Rehabilitation Management Plan for the Minister's approval and then implement the approved plan. However, this is not tied to any milestone.

The IESC advised that it would be appropriate to stage groundwater monitoring to develop hydrogeological knowledge during operations in the first pit (Eastern mining area) and to use the data thus generated to validate the modelled impacts associated with the second pit (Southern mining area). The Southern mining area is where the localised groundwater drawdown impacts are predicted to be the greatest. The [Water Impact Verification Report](#) will be informed by this monitoring data and must demonstrate that recalibrated modelled predictions for the Southern mining area are no greater than the potential impacts approved under the NSW consent. The Southern Mining Area is defined in the approval conditions only in relation to its location on a map attached to the Approval.

The Water Impact Verification Report report also requires consideration of cumulative impacts on the Upper Namoi Alluvial Aquifer.

Regards

s22

From: s22
Sent: Monday, 12 November 2018 5:37 PM
To: s22 <s22@environment.gov.au>
Subject: FW: Shenhua QoN [SEC=UNCLASSIFIED]

Hi s22

Are you able to respond?

Thanks

s22

From: Gregory Manning
Sent: Monday, 12 November 2018 5:35 PM

To: s22 <s22 @environment.gov.au>; s22 <s22 @environment.gov.au>
Subject: Shenhua QoN [SEC=UNCLASSIFIED]

Hi

I think this qon as below is now fine but a couple of questions.

1. Do I understand correctly that there are actually three Management Plans outstanding including Biodiversity, Water and Rehabilitation? If so do I understand correctly that the rehab plan is not linked to any particular milestone? What does the condition say about when it is needed by?
2. What is the Water Impact Verification Report and how does it relate to commencement.. ie what is different about the 'Southern' mining area? Is this a defined thing?

Senator Larissa Waters asked:

Regarding Shenhua's conditional approval, requiring provision of a Water Management Plan and a Biodiversity Management Plan:

What information has been supplied by Shenhua to date?

What more is required?

Answer:

Information supplied by Shenhua to date

- In March 2017, Shenhua provided the Department an outline of their proposed approach to developing the biodiversity, water and rehabilitation management plans required by the projects conditions of approval. This included a proposal to engage the Department during the process of preparing draft management plans for approval.
- On 8 March 2017, Shenhua confirmed the approach by email and indicated that they were planning to submit the management plans for approval prior to 31 December 2017.
- On 28 August and 19 September 2018, Shenhua advised the Department that the biodiversity, water and rehabilitation management plans were still in development.

What more is required

- Shenhua is required to have the following plans approved in writing by the Minister prior to the commencement of construction:
 - Biodiversity Management Plan
 - Water Management Plan
- Shenhua is also required to have the Water Impact Verification Report approved by the Minister prior to commencing construction in the Southern mining area.

s22

From: s22
Sent: Tuesday, 30 October 2018 1:48 PM
To: s22
Cc: Gregory Manning
Subject: Re: Industry request for briefing re Shenhua Watermark Project [DLM=Sensitive]
Attachments: Backpacket brief - Shenhua Watermark Project - October 2018.docx

Thank you, s22 .

I'm happy for that to be provided to Dept Industry for preparing their brief for their Minister.

Cheers

s22

Post Approvals Section

Assessment (WA, SA, NT) & Post Approvals Branch
Department of the Environment and Energy

I will be in Canberra from 29 October – 9 November 2018 on s22

Otherwise, I'm located in Tasmania: Phone s22

From: s22

Sent: Tuesday, 30 October 2018 1:37 PM

To: s22

Subject: Backpacket brief - Shenhua Watermark Project - October 2018 [DLM=Sensitive]

Hi s22

As discussed, the Department of Industry are preparing urgent briefing for Minister Canavan and have asked if we have any off-the-shelf briefing that we can provide. I'm proposing to send them the back pocket brief prepared for the recent round of estimates. I've separately sought advice from the Aboriginal Heritage section for an update to their Autumn Estimates input (noting that, as there was no Divisional briefing for Shenhua, I didn't request an update this time around), and will add this when they send it to me later this afternoon.

Could you please advise if you are happy for the attached brief to be sent to Industry.

Cheers

s22

BACKPOCKET BRIEF - SHENHUA WATERMARK PROJECT - OCTOBER 2018**Update since Autumn 2018 Budget Estimates**

- On 19 July 2018, the NSW Government announced its renewal of the remaining portion of Shenhua Watermark's coal exploration licence.
- This announcement is consistent with the NSW Government's announcement of 12 July 2017 when they committed to buying back 51.4 percent of the exploration licence at a cost of \$262 million and restricting future mining activity to the ridglands.
- Exploration licences are a matter for NSW and the announcement has no implications for the Commonwealth approval, which has strict conditions applied to it under national environmental law.
- Before the project can commence, the Commonwealth Approval conditions require Shenhua to submit for my approval a detailed water management plan, water impact verification report and biodiversity management plan. These plans have not yet been submitted.
- If there is any change in scope of the project approved by the Commonwealth, that would need to be reflected in the detailed management plans to be submitted for my approval.

Issues

The Shenhua Watermark Coal Project is located in the Liverpool Plains of NSW, a region of prime agricultural land. There has been local interest in the project, particularly in relation to impacts on water resources, Indigenous heritage, and the status of management plans required under the conditions of approval.

Talking points (by key issue)

- The Shenhua Watermark Coal Project was approved on 4 July 2015 (by the previous Minister for the Environment, the Hon Greg Hunt MP) with 18 strict environmental conditions to protect water resources and listed threatened species and ecological communities.
- In making his decision and given the significance of water resources in the area, the Minister sought advice on four separate occasions from the *Independent Expert Scientific Committee on Coal Seam Gas and Large Coal Mining Development*. The Minister fully implemented all of their advice in the approval conditions.
- The environmental conditions include a requirement for Shenhua Watermark Coal Pty Ltd (Shenhua) to submit a Biodiversity Management Plan and a Water Management Plan for approval. Project construction cannot commence until the Minister has approved the plans.
 - The Department is yet to receive either plan.
- A Water Impact Verification Report is also required to be submitted and approved by the Minister prior to commencing construction in the Southern Mining Area.

If asked about water impacts

- The detailed Water Management Plan will include a water monitoring program to improve water model predictions and detect deviations between predicted and actual impacts at an early stage.
- Stop work triggers will ensure that mine operations can be stopped if impacts to water resources are greater than those anticipated.
- The Government will seek further advice from the *Independent Expert Scientific Committee on Coal Seam Gas and Large Coal Mining Development's* on the Water Management Plan.
- The mine is located on ridge country and will use less than 0.09% of available groundwater, mostly from deep, lower quality aquifers.

If asked about agricultural land or air quality

- Matters relating to the regulation of the mining industry, including impacts to agriculture and air quality, are primarily the responsibility of the New South Wales Government.

If asked about the impact of the NSW Government decision to buy back Shenhua Watermark's exploration licence

- On 12 July 2017, the NSW Government announced that it would buy back more than 50% of Shenhua Watermark's exploration licence, restricting future mining activity to the ridgelines.
- Regulation of exploration licences are a matter for the State Government.
- Any reduction in scope of the project approved by the Commonwealth would need to be reflected in the detailed management plans to be submitted for the Minister's approval.

Background

- The Australian Government is committed to maintaining community and industry confidence in the regulation of the environmental impacts of large coal mining projects. Water related impacts are rigorously assessed under the 'water trigger' provisions of the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act).
- The Commonwealth regulatory regime works in concert with state and territory governments, which have primary responsibility for water resources and regulating environmental impacts associated with the resources sector.
- The best available science is utilised in assessments, and is publicly available:
 - The *Independent Expert Scientific Committee on Coal Seam Gas and Large Coal Mining Development* provides expert advice on water issues.
 - The Bioregional Assessment Program provides transparent scientific information about the potential cumulative impacts of coal seam gas and coal mining development on water resources. The assessments focus on 6 priority bioregions (split into 13 subregions) across New South Wales, Queensland, Victoria and South Australia.

- The Namoi bioregional assessment will cost around \$7.5m and analyses the potential water related impacts of several mines, including the Shenhua Watermark Coal Project.

The Shenhua Watermark Coal Project

- The Shenhua Watermark Coal project involves an open cut coal mine to extract 268 million tonnes of coal over 30 years.
- On 22 December 2011, the project was determined to be a 'controlled action' for two nationally protected matters – listed threatened species (Regent honeyeater, Swift parrot, Spotted-tail quoll, Large-eared Pied bat and South-eastern Long-eared Bat) and ecological communities (Box gum woodland, Grey box gum woodland and Weeping Myall woodland); and listed migratory species (Regent honeyeater).
- On 24 October 2013, following amendments to the EPBC Act, the Minister decided that the water trigger provisions, which protect water resources from large coal mining development, would also be a controlling provision.
- To compensate for residual impacts, a Biodiversity Offset Strategy will provide for the long term protection and management of approximately 3323 hectares of critically endangered Box Gum Woodland, and the restoration of 2686 hectares of other vegetation through extensive revegetation activities.

NSW exploration licence

- On 12 July 2017, the Hon Don Harwin, NSW Government Minister for Resources and the Hon Niall Blair Minister for Primary Industries and Minister for Regional Water, issued a joint press release stating that the NSW Government has reached an agreement to protect the farming future of the Liverpool Plains by scaling back the section of the Shenhua Watermark Coal exploration licence that encroached on the flat fertile agricultural land of the plains.
- The NSW Government press release says that 51.4 per cent of the exploration licence will be handed back with the Government refunding about \$262 million of the original licence fee. Any future mining activity will now be restricted to the ridge lands.

s22

From: s22
Sent: Wednesday, 31 October 2018 10:23 AM
To: s22
Cc: s22 ATSIHPA; s22
Subject: Shenhua points for the Department of Industry [DLM=Sensitive]
Attachments: Shenhua points for the Department of Industry.docx

H s22

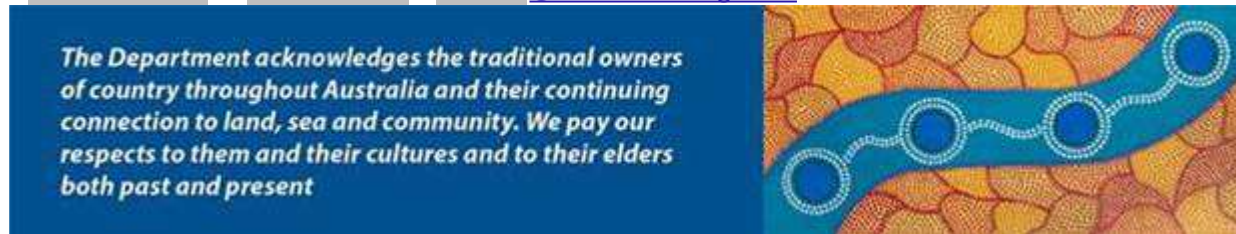
Director cleared talking points attached.

Kind regards

s22

Department of the Environment and Energy
Indigenous Heritage Section | Heritage, Reef and Marine Division
GPO Box 787 CANBERRA, ACT 2601

T s22 M s22 E s22 [@environment.gov.au](mailto:s22@environment.gov.au)



From: s22
Sent: Tuesday, 30 October 2018 1:29 PM
To: s22 <s22@environment.gov.au>
Cc: s22 <s22@environment.gov.au>
Subject: Shenhua points for the Department of Industry [DLM=Sensitive]

Hi s22

As discussed, the Department of Industry are after some dot points (by today) on Shenhua for Minister Canavan's Office. I'm proposing to provide them with our most recent estimates briefing, from which they can draw points as needed. I was hoping you might be able to :

- update the Aboriginal Heritage component, as this was not updated for last week's estimates, and
- confirm that you are happy for the updated points to be provided to the Department of Industry.

Note that I didn't seek an update as there was no Divisional brief required for Shenhua this time around.

Thanks

s22

Assistant Director
Post Approvals Section
Assessments (WA, SA, NT) and Post Approvals Branch
Environment Standards Division
Department of the Environment and Energy

P: s22

e: s22 [@environment.gov.au](mailto:s22@environment.gov.au)

EP08 - SHENHUA WATERMARK PROJECT**Issues**

The Shenhua Watermark Coal Project is located in the Liverpool Plains of NSW, a region of prime agricultural land. There has been local interest in the project, particularly in relation to impacts on water resources, Indigenous heritage, and the status of management plans required under the conditions of approval.

Talking points (by key issue)

- The Shenhua Watermark Coal Project was approved on 4 July 2015 (by the previous Minister for the Environment, the Hon Greg Hunt MP) with 18 strict environmental conditions to protect water resources and listed threatened species and ecological communities.
- In making his decision and given the significance of water resources in the area, the Minister sought advice on four separate occasions from the *Independent Expert Scientific Committee on Coal Seam Gas and Large Coal Mining Development*. The Minister fully implemented all of their advice in the approval conditions.
- The environmental conditions include a requirement for Shenhua Watermark Coal Pty Ltd (Shenhua) to submit a Biodiversity Management Plan and a Water Management Plan for approval. Project construction cannot commence until the Minister has approved the plans.
 - The Department is yet to receive either plan.
- A Water Impact Verification Report is also required to be submitted and approved by the Minister prior to commencing construction in the Southern Mining Area.

If asked about water impacts

- The detailed Water Management Plan will include a water monitoring program to improve water model predictions and detect deviations between predicted and actual impacts at an early stage.
- Stop work triggers will ensure that mine operations can be stopped if impacts to water resources are greater than those anticipated.
- The Government will seek further advice from the *Independent Expert Scientific Committee on Coal Seam Gas and Large Coal Mining Development's* on the Water Management Plan.
- The mine is located on ridge country and will use less than 0.09% of available groundwater, mostly from deep, lower quality aquifers.

If asked about agricultural land or air quality

- Matters relating to the regulation of the mining industry, including impacts to agriculture and air quality, are primarily the responsibility of the New South Wales Government.

Contact Officer: s22

Telephone: s22

Cleared by (SES level): Greg Manning

Telephone: s22 / s22

If asked about the impact of the NSW Government decision to buy back Shenhua Watermark's exploration licence

- On 12 July 2017, the NSW Government announced that it would buy back more than 50% of Shenhua Watermark's exploration licence, restricting future mining activity to the ridgelines.
- Regulation of exploration licences are a matter for the State Government.
- Any reduction in scope of the project approved by the Commonwealth would need to be reflected in the detailed management plans to be submitted for the Minister's approval.

Indigenous Heritage

First application

- On 28 April 2015, the former Minister for the Environment, the Hon Greg Hunt MP, received applications under sections 9 and 10 of the *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (ATSIHP Act) to protect areas from injury or desecration attributed to the proposed Watermark coal mine.
- On 4 May 2016, Minister Hunt decided not to make an emergency declaration under section 9 of the ATSIHP Act, as on the basis of the evidence available, he was not satisfied that the area specified in the application was under serious and immediate threat of injury or desecration.
- On 17 August 2016, former Minister for the Environment and Energy, the Hon Josh Frydenberg MP nominated s47F [REDACTED] to prepare a report under section 10 of the ATSIHP Act.
 - s47F [REDACTED] has provided her section 10 report to the Department.

Second application

- In a letter dated 1 November 2016, former Minister Frydenberg received correspondence from the applicant regarding a notification under section 20 of the *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* of possible Aboriginal remains in the area.
- The applicant submitted a new application under sections 10 and 20 of the ATSIHP Act on this matter on 21 December 2017.
- These new applications are being dealt with as separate applications.
- On 12 February 2018, former Minister Frydenberg appointed s47F [REDACTED] as the independent reporter as required under section 10 of the ATSIHP Act for the 21 December 2017 application. The matter under section 20 will be dealt with as part of this reporting process.
 - s47F [REDACTED] has provided her section 10 report to the Department.
- There is no statutory deadline for a decision.
- No additional comment.

Background

- The Australian Government is committed to maintaining community and industry confidence in the regulation of the environmental impacts of large coal mining projects. Water related impacts are rigorously assessed under the 'water trigger' provisions of the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act).
- The Commonwealth regulatory regime works in concert with state and territory governments, which have primary responsibility for water resources and regulating environmental impacts associated with the resources sector.
- The best available science is utilised in assessments, and is publicly available:
 - The *Independent Expert Scientific Committee on Coal Seam Gas and Large Coal Mining Development* provides expert advice on water issues.
 - The Bioregional Assessment Program provides transparent scientific information about the potential cumulative impacts of coal seam gas and coal mining development on water resources. The assessments focus on 6 priority bioregions (split into 13 subregions) across New South Wales, Queensland, Victoria and South Australia.
 - The Namoi bioregional assessment will cost around \$7.5m and analyses the potential water related impacts of several mines, including the Shenhua Watermark Coal Project.

The Shenhua Watermark Coal Project

- The Shenhua Watermark Coal project involves an open cut coal mine to extract 268 million tonnes of coal over 30 years.
- On 22 December 2011, the project was determined to be a 'controlled action' for two nationally protected matters – listed threatened species (Regent honeyeater, Swift parrot, Spotted-tail quoll, Large-eared Pied bat and South-eastern Long-eared Bat) and ecological communities (Box gum woodland, Grey box gum woodland and Weeping Myall woodland); and listed migratory species (Regent honeyeater).
- On 24 October 2013, following amendments to the EPBC Act, the Minister decided that the water trigger provisions, which protect water resources from large coal mining development, would also be a controlling provision.
- To compensate for residual impacts, a Biodiversity Offset Strategy will provide for the long term protection and management of approximately 3323 hectares of critically endangered Box Gum Woodland, and the restoration of 2686 hectares of other vegetation through extensive revegetation activities.

NSW exploration licence

- On 12 July 2017, the Hon Don Harwin, NSW Government Minister for Resources and the Hon Niall Blair Minister for Primary Industries and Minister for Regional Water, issued a joint press release stating that the NSW Government has reached an agreement to protect the farming future of the Liverpool Plains by scaling back the section of the Shenhua Watermark Coal exploration licence that encroached on the flat fertile agricultural land of the plains.

- The NSW Government press release says that 51.4 per cent of the exploration licence will be handed back with the Government refunding about \$262 million of the original licence fee. Any future mining activity will now be restricted to the ridge lands.

The ATSIHP Act

- Sections 9 and 10 of the *Aboriginal and Torres Strait Islander Heritage Protection Act 1984* (ATSIHP Act) require the Minister to decide whether to make declarations to protect Aboriginal and Torres Strait Islander heritage. Section 9 allows for 'emergency declarations' that operate for up to 60 days. Section 10 allows for declarations that operate for a long-term period. There are no statutory timeframes for decisions under the ATSIHP Act.
- In making decisions under sections 9 and 10 of the ATSIHP Act, the Minister is required to decide whether to make a declaration to protect a specified area where it reaches the thresholds of a 'significant Aboriginal area' (as defined in the ATSIHP Act) and being 'under threat of injury or desecration'.
- Section 9 of the ATSIHP Act requires a decision on whether the threat is serious and immediate. Section 10 requires the Minister to consider a report from a person nominated before deciding these matters. The reporting process enables interested persons to make submissions.
- Section 20 of the ATSIHP Act concerns the discovery of Aboriginal remains.
- If the Minister is satisfied about these matters and decides to make a declaration, consultation with a relevant state or territory minister is required under section 13 of the ATSIHP Act. In this instance consultation may also be required with Shenhua Watermark Coal Pty Limited and other interested parties.