

Response ID ANON-URZ4-5FXH-G

Submitted to Fast-track approval applications
Submitted on 2024-05-03 13:59:13

Submitter details

Is this application for section 2a or 2b?

2A

1 Submitter name

Individual or organisation name:
Terra Firma Mining Ltd

2 Contact person

Contact person name:
Lucy Smith

3 What is your job title

Job title:
Director

4 What is your contact email address?

Email:
s 9(2)(a)

5 What is your phone number?

Phone number:
s 9(2)(a)

6 What is your postal address?

Postal address:
s 9(2)(a)

7 Is your address for service different from your postal address?

No

Organisation:

Contact person:

Phone number:

Email address:

Job title:

Please enter your service address:

Section 1: Project location

Site address or location

Add the address or describe the location:

Spring Creek Mine is located 10km from Greymouth, northeast of Dunollie and is accessed from Spring Creek Mine Road.

Terra Firma Mining Ltd (Terra Firma) is seeking a mining permit (MP) from NZ Petroleum and Minerals to re-establish Spring Creek Mine. The original MP, plus responses to requests for further information has been provided to ListedProjects@mfe.govt.nz as a Dropbox link.

Activities requiring resource consents are located within the mining permit area (MPA) on the land parcels identified on the attached document. This document also provides a marked up aerial image showing Spring Creek Mine existing and proposed infrastructure, and the extent of the MPA.

File upload:

Spring Creek Mine Land Parcels Associated with Mine Activities and Mining Permit Area.pdf was uploaded

Upload file here:

No file uploaded

Do you have a current copy of the relevant Record(s) of Title?

Yes

upload file:

WS8C_434_Title_Search_Copy.pdf was uploaded

Who are the registered legal land owner(s)?

Please write your answer here:

The bulk of the Spring Creek Mine surface infrastructure is located on SECT 1 SO 11892, owned by Birchfield Coal Mines Ltd (BCML) (see attached Record of Title).

Most of the land within the MPA is classified as State Coal Reserve, and is administered by LINZ. A small area of land administered by the Department of Conservation land lies within the MPA area, however, no surface activities will be located on DoC land. There is no Schedule 4 land located within the MPA.

Detail the nature of the applicant's legal interest (if any) in the land on which the project will occur

Please write your answer here:

Terra Firma currently has no legal interest over any land required for proposed Spring Creek Mine activities (either surface or underground). Once the mining permit is granted, the company will enter into agreements with landowners to secure access. None of the proposed mining activities set out in this application will take place on the surface of any land administered by DoC.

It is noted that the Fast Track Approval Bill provides for access arrangements as part of its 'one-stop-shop' intention and so Terra Firma would not expect any impediments to securing access agreements over land administered by LINZ.

Section 2: Project details

What is the project name?

Please write your answer here:

Spring Creek Mine

What is the project summary?

Please write your answer here:

Reopening the existing underground Spring Creek Mine to mine the internationally rare coal resource, valued for silicon manufacturing and other specialist markets.

What are the project details?

Please write your answer here:

Spring Creek Mine is an underground coal mine located 10km from Greymouth. The coal type is internationally rare and highly sought after for the silicon metal manufacturing for the electronic industry and in solar panel manufacture. Any coal that does not meet the required specifications for this industry can be sold for steel making or as a blending coal for other NZ coal exporters to improve the specifications of their coals by lowering the ash and sulphur content. The mine was operating until production ceased in 2014 when Solid Energy NZ Ltd (Solid Energy) was liquidated. The mine was placed in care and maintenance until 2017 when the mine was closed and sealed. All the surface infrastructure was left in place as Solid Energy was hopeful that a buyer could be found for the mine. Ultimately this did not happen and the mining permit was surrendered in 2018.

The proposed operation will produce approximately 200,000 tonnes per year and add 60 jobs providing upwards of § 9(2)(b)(i) in wages to the West Coast economy. Revenue from exports will be approximately s 9(2)(b)(ii) per year. Net cashflow is positive from Year 2 and is in the order of s 9(2)(b)(i) per year from Year 5 onwards.

The operation will have a negligible impact on the environment with mine infrastructure already in place along with access roads and rail to the loadout facility. The coal will be railed to Lyttelton Port for export utilising existing rail and port infrastructure. The downstream benefits to West Coast contractors and service providers is significant. There are a number of experienced mine workers who live in NZ but work in the Australian coal industry on a fly in fly out basis. A number of these workers are motivated to return to NZ for family and lifestyle reasons. Terra Firma personnel currently includes mine

management, mining engineering and mine ventilation specialists and specialised mine workers.

The coal will be exported but the mine has the potential to create an entirely new industry for New Zealand, manufacturing silicon metal from high purity silica deposits in Southland. Spring Creek Mine has regional and national significance.

Once the mining permit is secured, Terra Firma will seek the necessary resource consents. The full list of activities that require resource consent is yet to be finalised but is likely to include:

- mineral extraction and processing
- ancillary activities
- discharge of treated minewater and stormwater to water
- water take
- discharge of underground gases and dust to air
- placement of fill (from construction of third underground roadway)
- discharge of treated water from waste rock stack to water
- discharge of treated wastewater to land.

Describe the staging of the project, including the nature and timing of the staging

Please write your answer here:

The timeframe below assumes that the mining permit is granted shortly (mid 2024). If this doesn't occur, Terra Firma seeks that the mining permit is addressed through the Fast Track Approval Act, prior to the fast tracking of the required resource consents.

Mid 2024 Granting of Mining Permit

Mid 2024 Confirm investment and funding arrangements

Mid 2024 Supply agreements with International customers and agents

Mid 2024 Contract negotiations with KiwiRail, Lyttelton Port Company and BCML

Late 2024 Request for approval (for resource consents and any necessary access agreements, under Fast Track Approvals Act)

Late 2024 Stage 1 Commences - Recruit first employees for site re-establishment

Late 2024 Prepare re-entry plan and risk assessments; prepare Health and Safety Management System (including Principal Hazard Management Plans and Principal Control Plans) and submit to WorkSafe

Early 2025 Grant of all necessary resource consents and access agreements

Early 2025 Refurbishment of surface facilities and construction of any additional facilities

Mid 2025 Reclaim underground workings, geotechnical assessment of existing underground roadways refurbishment of fixed and mobile plant and equipment and infrastructure.

Mid 2025 Commence construction of third roadway to meet current mining regulation requirements.

Late 2025 Stage 2 - Commencement of coal extraction

What are the details of the regime under which approval is being sought?

Please write your answer here:

Resource Management Act 1991
(resource consents)

Crown Minerals Act 1991
(land access arrangement under section 61 or 61B)

Terra Firma also seeks that, unless NZP&M promptly grants a mining permit for Spring Creek Mine under section 25 of the Crown Minerals Act 1991, this permit is approved under the Fast Track Approvals Act. An application was lodged for Spring Creek Mine in 2020 and has yet to be approved. Terra Firma would subsequently seek the necessary resource consents.

If you seeking approval under the Resource Management Act, who are the relevant local authorities?

Please write your answer here:

Grey District Council
West Coast Regional Council

What applications have you already made for approvals on the same or a similar project?

Please write your answer here:

As noted earlier, Terra Firma lodged an application for the Spring Creek mining permit in July 2020, and at the time of writing, NZP&M is still processing this application. If the permit is not granted promptly, Terra Firma seeks that it be processed via the Fast Track Approvals Act.

Terra Firma has not been in a position to lodge applications for any resource consents relating to Spring Creek Mine. As noted above, a suite of resource consents was granted to the previous operator. Some of these consents were transferred to Birchfield Coal Mines Ltd (BCML) at the time of Solid Energy's liquidation, for the ongoing operation of coal processing plant, where BCML currently processes coal from other mines. The remaining resource consents were surrendered.

Resource consents held by BCML for coal processing activities are critical not only to the existing mining operations they serve but also to the reopened Spring Creek Mine. For that reason, Terra Firma seeks that variations to or renewal of any BCML resource consents that are interrelated with Spring Creek Mine operations are also scheduled in the Fast Track Approval Bill.

Is approval required for the project by someone other than the applicant?

No

Please explain your answer here:

No other parties require approval for the Spring Creek Mine. Terra Firma is a privately owned NZ business.

If the approval(s) are granted, when do you anticipate construction activities will begin, and be completed?

Please write your answer here:

As noted in the timeline above (and assuming the minerals permit is granted in mid 2024), Terra Firma anticipates that Stage 1 of mine operation (re-establishment) will commence in late 2024, with recruitment of the first employees. Stage 2 (coal extraction) is anticipated to commence 18 months after granting of the mining permit, i.e. late 2025.

Terra Firma is seeking a mining permit term of 40 years, however the extent of the resource allows mining well beyond this.

Section 3: Consultation

Who are the persons affected by the project?

Please write your answer here:

Grey District Council
West Coast Regional Council
Te Rūnanga o Ngāti Waewae
Birchfield Coal Mines Ltd

The location of Spring Creek Mine is remote from the township of Dunollie, with the nearest residential dwelling at least 850m from the mine site. Terra Firma considers that whilst Dunollie residents are likely to be interested in the project, they are not likely to be affected by the proposed mining and ancillary activities.

Detail all consultation undertaken with the persons referred to above. Include a statement explaining how engagement has informed the project.

Please write your answer here:

Terra Firma has consulted with all the parties referred to above throughout its application for a mining permit, and is clear that there is a high level of project support, which reinforces its strategic and economic importance. Once the hurdle of securing a mining permit is cleared, Terra Firma will continue consultation on the resource consent process.

More detail about the nature of conversations with these parties is set out below.

The West Coast Mayors, Chairs and Iwi Forum comprises representatives of Grey District and West Coast Regional Councils, Ngati Waewae, Buller and Westland District Councils, Development West Coast and Te Rūnanga o Mākaawhio. The Forum was consulted prior to lodging the mining permit application in July 2020 and advised that members strongly support the project given the significant positive benefits it would generate for the West Coast region. Terra Firma continues to keep the Forum updated.

Grey District Council

Terra Firma has held a number of meetings and discussions with Grey District Council Mayor and staff on mining permit application progress, and the resource consent process for the land use consent/s that will be required. Spring Creek Mine is recognised as an important and much-needed project for the district.

West Coast Regional Council

Terra Firma recently met with WCRC staff to discuss consenting process following granting once the mining permit is granted. There do not appear to be any particular impediments to Terra Firma securing similar consents to those granted to the previous operator, albeit at a smaller scale of operations.

Ngati Waewae

Te Runanga o Ngati Waewae has expressed strong support for the proposal to reopen Spring Creek mine since this was first discussed in 2020. Ngati Waewae is committed to improving the economic wellbeing of the West Coast and in particular creating employment for the people on the West Coast. As such, Ngati Waewae is partnering with TFM in bringing the Spring Creek project to fruition. TFM has had early talks with Ngati Waewae about taking this partnership further through investment in the project. Lincoln Smith (Managing Director) and Craig Smith (Mining Executive) both whakapapa to Ngai Tahu, and are motivated to offer Ngati Waewae a financial stake in the project.

Birchfield Coal Mines Ltd

Terra Firma continues to consult with BCML at a high level in relation to coal handling, processing and transport and site access, and is confident that it can negotiate the necessary contractual and access agreements. A number of the resource consents held by BCML are interrelated with Spring Creek Mine activities and it is important for both parties that the renewal or variation of these consents are able to be expedited via the Fast Tract Approval Act.

Upload file here:

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Describe any processes already undertaken under the Public Works Act 1981 in relation to the land or any part of the land on which the project will occur:

Please write your answer here:

Not relevant

Section 4: Iwi authorities and Treaty settlements

What treaty settlements apply to the geographical location of the project?

Please write your answer here:

No treaty settlements apply to the location.

Are there any Ngā Rohe Moana o Ngā Hapū o Ngāti Porou Act 2019 principles or provisions that are relevant to the project?

No

If yes, what are they?:

Are there any identified parcels of Māori land within the project area, marae, and identified wāhi tapu?

No

If yes, what are they?:

Is the project proposed on any land returned under a Treaty settlement or any identified Māori land described in the ineligibility criteria?

No

Has the applicant has secured the relevant landowners' consent?

No

Is the project proposed in any customary marine title area, protected customary rights area, or aquaculture settlement area declared under s 12 of the Māori Commercial Aquaculture Claims Settlement Act 2004 or identified within an individual iwi settlement?

No

If yes, what are they?:

Has there been an assessment of any effects of the activity on the exercise of a protected customary right?

No

If yes, please explain:

Upload your assessment if necessary:

No file uploaded

Section 5: Adverse effects

What are the anticipated and known adverse effects of the project on the environment?

Please describe:

Please refer to attached document.

Upload file:

Environmental Effects Spring Creek Mine 3 May 2024.docx was uploaded

Section 6: National policy statements and national environmental standards

What is the general assessment of the project in relation to any relevant national policy statement (including the New Zealand Coastal Policy Statement) and national environmental standard?

Please write your answer here:

Relevant national policy statements are the National Policy Statement for Freshwater Management 2020 (NPS-FM) and the National Policy Statement for Indigenous Biodiversity 2023 (NPS-IB). Relevant national environmental standards are the National Environmental Standards for Air Quality 2004 (NSE-AQ) and the National Environmental Standards for Freshwater 2020 (NES-F)

As part of its RMA reforms, the Government announced in December 2023 that it was going to replace the NPS-FM, which was expected to take 18 to 24 months and include a public consultation process. The first RMA Amendment Bill seeks clarification that consent applicants no longer need to demonstrate their proposed activities follow the NPS-FM hierarchy of obligations, and that the coal mining consenting pathway in the NPS-FM, NPS-IB and NES-F is the same as for other mining activities Terra Firma supports these proposed amendments.

Consent applications for Spring Creek Mine operations will require resource consents under the West Coast Regional Land and Water Plan and Regional Air Quality Plan, which must implement NPS and NES. Consideration will be given to the status of NPS and NES at the time of application, given that some of these instruments are proposed to be amended and/or replaced.

File upload:

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Section 7: Eligibility

Will access to the fast-track process enable the project to be processed in a more timely and cost-efficient way than under normal processes?

Yes

Please explain your answer here:

The Spring Creek mining permit application was lodged with NZP&M in July 2020, nearly four years ago. Terra Firma has confidence that if NZP&M does not promptly grant the permit promptly, then the fast track process will expedite the permit processing.

The resource consent application process is likely to be straightforward, as consents have previously been granted for a larger scale of operations at Spring Creek and the environmental effects of the reduced scope of activities will be minor and within the previously authorised envelope. However, there are no guarantees and it is possible that in-principle opposition by one or more NGOs could delay a decision and/or result in Environment Court appeals, possibly jeopardising the granting of consents.

Given the very slow processing of the mining permit application, it is important that the resource consenting process does not cause undue delay to commencement of mining operations.

What is the impact referring this project will have on the efficient operation of the fast-track process?

Please write your answer here:

The Spring Creek Mine project is an excellent candidate for the fast-track process. The reopening of an existing mining operation, which was closed due to the liquidation of Solid Energy not because of issues with the mine, that can become productive in a relatively short timeframe. The mining permit application is comprehensive and Terra Firma believes there is no technical reason why this could not be granted in short order, whether by NZP&M or via the fast-track process (if the Bill is amended to allow for this). The environmental impacts are expected to be minor but as a coal mining application it would be expected to be opposed by anti-mining groups on principle, regardless of the minor environmental impacts and the positive economic benefits. The specialist nature of the coal and its value to the solar panel industry substantially outweighs any arguments related to fossil fuel use.

Preparation of resource consent applications will commence once the mining permit is granted. Grey District Council and West Coast Regional Council have both indicated their support for the project and Terra Firma will work closely with them to develop the detail of applications, including a suite of agreed consent conditions.

Has the project been identified as a priority project in a:

Local government plan or strategy

Please explain your answer here:

Spring Creek Mine has been identified as a priority project for the West Coast. A briefing document from the Mayors, Chairs and Iwi entitled Elevating New Zealand through Development of the West Coast (dated 13 December 2023) was provided to Ministers. The document notes that permitting the Spring Creek Mine will boost the economy, create jobs, generate flow on economic benefits, contribute to the green economy, enable new industry for NZ, balance growth with the environment, and encourage further investment.

Link to the document:

<https://www.wcrc.govt.nz/repository/libraries/id:2459ikxj617q9ser65rr/hierarchy/Documents/Council/News%20and%20Announcements/News%20%28media%20>

Will the project deliver regionally or nationally significant infrastructure?

National significant infrastructure

Please explain your answer here:

It is planned that the coal production will be railed across the Midland Line and exported through the Lyttelton Port. The Midland line is a significant part of the NZ rail network that is dependent on the continued use by coal producers. The Lyttelton Port Company coal exporting infrastructure is a significant national asset whose continued economic viability will be assisted by the introduction of an additional coal exporting company.

Will the project:

Please explain your answer here:

Not relevant

Will the project deliver significant economic benefits?

Yes

Please explain your answer here:

As noted earlier, the proposed operation will produce approximately 200,000 tonnes per year and add 60 jobs providing upwards of s 9(2)(b)(iii) in wages to the West Coast economy.

Will the project support primary industries, including aquaculture?

Yes

Please explain your answer here:

The West Coast agricultural industry is dependent on the continued availability of the Midland Line. As stated above the additional coal tonnage from Spring Creek Mine will be significant in determining that the Midland Line remains sustainable.

Will the project support development of natural resources, including minerals and petroleum?

Yes

Please explain your answer here:

Reopening Spring Creek Mine will allow the production of specialist coal for export. The coal resource is extensive and will allow mining well beyond the 40 year term sought in the mining permit. The coal resource has the potential to support a domestically-based silicon manufacturing business utilising the high grade Southland silica deposits in the future.

Will the project support climate change mitigation, including the reduction or removal of greenhouse gas emissions?

Yes

Please explain your answer here:

Spring Creek coal characteristics are internationally scarce, and highly valued as a specialist coal, including for manufacture of silicon, which is the principal component of solar panels. This is the intended market for the coal. The project therefore indirectly supports the reduction of global greenhouse gas emissions.

Will the project support adaptation, resilience, and recovery from natural hazards?

No

Please explain your answer here:

Not relevant to this project.

Will the project address significant environmental issues?

No

Please explain your answer here:

Not relevant to this project.

Is the project consistent with local or regional planning documents, including spatial strategies?

Yes

Please explain your answer here:

The Operative Grey District Plan does not zone for mining activities - these are subject to a number of effects-based standards.

The Proposed Te Tai o Poutini Plan (TTPP) recognises the significance of extractive activities on the West Coast and includes various objectives, policies, rules and zones including the Mineral Extraction Zone, which underlies much of the mining permit area (including the mine site).

The West Coast Regional Policy Statement include provisions that recognise the role of mining in the region, and the importance of avoiding reverse sensitivity effects on mining resources.

Anything else?

Please write your answer here:

Does the project includes an activity which would make it ineligible?

No

If yes, please explain:

Section 8: Climate change and natural hazards

Will the project be affected by climate change and natural hazards?

No

If yes, please explain:

Section 9: Track record

Please add a summary of all compliance and/or enforcement actions taken against the applicant by any entity with enforcement powers under the Acts referred to in the Bill, and the outcome of those actions.

Please write your answer here:

No compliance and/or enforcement actions have been taken against Terra Firma.

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Declaration

Do you acknowledge your submission will be published on environment.govt.nz if required

Yes

By typing your name in the field below you are electronically signing this application form and certifying the information given in this application is true and correct.

Please write your name here:

Lucy Smith

Important notes