

MR G. KIRKBY: Good afternoon and welcome. Before we begin, I would like to acknowledge the traditional owners of the land on which we meet and pay my respects to elders past and present. Welcome to the meeting today KEPCO Bylong Australia Proprietary Limited – the applicant – is proposing to develop the Bylong Coal Project, an open-cut and underground thermal coal mine near Mudgee New South Wales in the Mid-Western Regional Council of New South Wales.

My name is Gordon Kirkby. I'm the chair of this IPC panel. Joining me are Wendy Lewin and Steve O'Connor. Other attendees of the meeting are David Way and Matthew Todd-Jones from the IPC secretariat and Sam Paine, Julie Robertson, Brad Cam and Cameron Amos representing Mid-Western Regional Council. In the interests of openness and transparency and to ensure the full capture of information, today's meeting is being recorded and a full transcript will be produced and made available on the commission website.

The meeting is one part of the commission's decision making process. It is taking place at the preliminary stage of the process and will form one of several sources of information on which the commission will base its decision. It's important for the commissioners to ask questions of attendees and to clarify issues wherever we consider it appropriate. If you're asked a question and not in a position to answer, please feel free to take a question on notice and you can provide any additional writing – information in writing which we will then put up on our website. We will now begin. So thank you for hosting us here today. We have an agenda which I think David has forwarded through to you.

MR B. CAM: Thank you.

MR KIRKBY: We have an agenda which I think David has forwarded through to you.

MR CAM: Yes. I've

MR KIRKBY: So we will try and keep this relatively informal. I guess, we've – it might good to start with an introduction just so that the transcript can - - -

MR CAM: Know who we are.

MR KIRKBY: - - - go back and pick voices with words, so we might start with you.

MR S. PAINE: Sam Paine.

MR CAM: Deputy Mayor.

MR PAINE: Deputy Mayor.

MR CAM: And the Mayor is an apology. He's just away and certainly would have been here but had a pre-booked trip away and so his apology and is very grateful that Sam was available, our Deputy Mayor. Brad Cam, General Manager, Mid-Western Regional Council.

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MS J. ROBERTSON: Julie Robertson, Director of Development at Mid-Western Regional Council.

MR C. AMOS: Cameron Amos, Town Planner at Mid-Western Regional Council.

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MR D. WAY: David Way, Senior Planner.

MS W. LEWIN: Wendy Lewin, IPC.

15 MR KIRKBY: Gordon Kirby from the IPC.

MR O'CONNOR: And Steve O'Connor from the IPC.

MR KIRKBY: Okay. Thank you. We've obviously seen – we've read through all the EIS documentation and obviously, there was the review that the then PAC, I think, as we were called then did. And obviously, the KEPCO has responded to that and come back with revised documentation to respond to those issues and the department has done a – an assessment report with recommendations for approval subject to a range of conditions, I guess. We've been through and we've seen various correspondence from council to the department on a range of issues. But, I guess, it would be good just to, sort of, I guess get council's views upfront on the revised plans and the recommendation now before us.

MR CAM: Sure. Look, first of all, just the council have the understanding that there has been a huge investment from KEPCO and the community have really expressed as well as the council that they want to see this investment occurring in New South Wales. They've expressed that concern to both the department and also the Premier. We're very lucky to have the Premier up here doing the sod turning of the hospital a couple of months ago and a delegation of people met with the Premier to discuss the KEPCO project and their support for it. The Premier is fully aware of the investment that has occurred from the Koreans and we want to see this project carried forward. Particularly, we feel – or the council feel that the response from KEPCO to the previous PACs concerns about heritage, we really feel now that they've addressed that and that's why that we have – there is that support. We feel that they've listened – the council feel that they've listened and have made those changes necessary. Do you, Julie, you want to say something about that?

MS ROBERTSON: Let me just have a look. The Mayor has actually prepared a letter which he wanted - - -

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MR KIRKBY: Okay.

MS ROBERTSON: - - - to take in his absence. So there is a letter there and I'm not sure if you want us to read that or it just goes into a copy - - -

MR KIRKBY: If you just want to go through the - - -

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MS LEWIN: Thank you.

MR KIRKBY: - - - the headlines, I guess.

10 MS ROBERTSON: Yes.

MR KIRKBY: Yes.

15 MS ROBERTSON: So that first section talks about the future investment in New South Wales and so certainly we are well aware of the impacts of the project and in particular, the investment and creation of jobs in the region. The high levels of local support for the project are certainly there, so compared to a number of projects in the past, there has been overwhelming support from the council – or expressed to council. We did have – a petition was presented at the last council meeting, so just at
20 our most recent October council meeting.

MR CAM: And there's a copy of the petition.

MR KIRKBY: Okay. Thank you.

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MR CAM: It has been lodged with you as well - - -

MR KIRKBY: Yes.

30 MR CAM: - - - I thought we would present it. And, as Julie said, it – they came – the delegation came to the last council meeting and spoke, presented that petition, and council were overwhelming supportive of the community of the Kandos and Rylstone region in support of the project.

35 MS ROBERTSON: And so the key points there are that the communities of Kandos and Rylstone have had two major projects close in - - -

MR KIRKBY: Yes.

40 MS ROBERTSON: - - - over the last probably five years with Cement Australia and the Charbon coalmine. And so you do have a community there that is well used to and aware of the benefits and impacts of major projects and that's why they have expressed through the petition that has been tabled that they are really – the petition clearly states the project represents a lifeline for the region and certainly that's a
45 view that council shares.

The final part of the letter talks about the Department of Planning and Environment's assessment report and the council have looked at that and have provided unanimous support to say that they also support the findings of the Department of Planning. So we're satisfied that with all of the agencies that are involved and we got a lot of
5 petitions and information that has been presented that - - -

MR KIRKBY: Do you think that's the loudspeaker? Is – is that interview playing loud? You can hear people talking and coughing.

10 MS ROBERTSON: Yes. So just – like, I guess, being aware that KEPCO has now made a major – it demonstrates the commitment they've made by reducing the size of the footprint for those that flatline and then also the extra measures that have been taken to protect Tarwyn Park and also – I mean, the amount of money that they have put into that - - -

15 MR CAM: Yes. Look, a couple of months ago councillors did an inspection of Tarwyn Park and had a look at some of the work that has happened down there since KEPCO have taken over and they were very impressed with the – not only the work that has been done on the actual house itself and the natural sequence farming area
20 but also the money that has been spent on the farming area there.

And it has become a significant cattle producer down there and we've noticed that back in our sale yards so they're selling their livestock through our sale yards and through our local agents and it's really nice and council were very impressed to see
25 that cohabitation of not only mining but also agriculture that – with the – particularly with the KEPCO project. So, you know, I think that KEPCO have recognised the significance of Tarwyn Park and, therefore, as part of their new submission, have maintained that entire Tarwyn Park so - - -

30 MR KIRKBY: Just going through a couple of – a couple of sort of things I noted out of your submissions as to – so it appears now that all the – that the VPA has now been agreed and in place subsequent to approval.

MR CAM: Yes. Not only the VPAs but also over - - -
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MR KIRKBY: And the road.

MR CAM: - - - the road contributions for maintenance but also the road upgrades, both through the Munghorn and also the Wollar, Bylong Valley Way intersection and
40 the Bylong Valley Way between that and Upper Bylong, they have all been agreed - the scope and the contributions made.

MR KIRKBY: Because I know you had - I think it was a cumulative issue you had way back about that intersection and the other mine sites . The agreement covers all
45 that. You're satisfied with those are - - -

MR CAM: Yes. Yes, we are now.

MR KIRKBY: Okay.

MR CAM: And subsequently with the upgrade of the Wollar – Ulan-Wollar Road, it has been done through Resources for Regions.

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MR KIRKBY: Yes.

MR CAM: And we received 15.9 million and that project will be finished by the end of the year. That will be then fully sealed.

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MR KIRKBY: Yes.

MR CAM: And then we have a combination of KEPCO money as well as Black Spot money as well as council money towards the Munghorn upgrade and straightening which we're working on with the National Parks at the moment.

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MR KIRKBY: Okay. Just on the VPA, you have a policy, I understand, about how sort of money received through VPAs is sort of allocated through the community and I think there was a reference that, you know, that Bylong could put a – the community there could put in a submission for that - - -

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MR CAM: Yes, absolutely.

MR KIRKBY: - - - and it will be given priority. What's the sort of process for that, just to - - -

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MS ROBERTSON: So the highest level plan that council prepares is community plans.

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MR KIRKBY: Yes.

MS ROBERTSON: That's part of the OPNR framework - - -

MR KIRKBY: Yes.

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MS ROBERTSON: - - - from local government. And in that community plan we go – we go out and consult with the communities. The last time we did that which was two years ago – every four years it needs to be reviewed – two and a half thousand people participated. We go and set up stalls in each of the towns and ask them to give us feedback on what they want as they're ultimately the community's plan.

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MR KIRKBY: Yes.

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MS ROBERTSON: They identify the projects that they would like to see there. Then every year we have our annual budgeting and delivery program process where if the community is able to put forward a community program initiatives – a

submission into the plan – and we then consider those and take them into account in the budgeting process. So, yes, certainly any member of the community can put in a submission to say this is how we would like to see those funds spent.

5 MR CAM: And, not only that, we also have – council have a financial assistance program and so community groups will throughout the year – apart from that process throughout the year have an opportunity to write in for a particular – an event they may have or a particular project they might be doing and council will then, through that bucket of money - that financial assistance bucket which is about 160,000 a year
10 – council then vote to give projects.

So it's not only that one-off opportunity each time budget is happening; they can continue to do that throughout the year. And we – this VPA money, along with some of the other VPA money, we will top that – that financial assistance money up if
15 there's more projects that council want to support.

MR KIRKBY: Okay. Steve or Wendy, do you have any - - -

MR O'CONNOR: I just was interested to see that the VPA has already been signed,
20 sealed and delivered. Normally VPAs are offered and if a project gets approved there's a condition that says you must enter into it. So it's absolutely all a done deal and - - -

MR KIRKBY: Yes, a done - - -
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MR O'CONNOR: - - - presumably there must be something in the VPAs - triggers once approval is granted.

MR KIRKBY: Yes. So that's - - -
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MR CAM: Yes, it's based on approval and then based on the first production - - -

MR O'CONNOR: Yes.

MR CAM: - - - and then cents per ton of production thereafter and then CPI. So that was done probably 18 months ago, maybe even two years ago, and there was a little bit of discussion. I think more of the discussion was around the maintenance – road maintenance contribution rather than the VPA. I think we only had two rounds of communication. Council were very pleased with the initial offer and - - -
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MR KIRKBY: Okay.

MR CAM: - - - and then came back to KEPCO and said, “We want a little bit more” and they were forthcoming. So, yes, that was – that has sort of been – all of that
45 discussion has been off the table for a long time which is great.

MS ROBERTSON: Which – and that’s certainly council’s preference. We’ve had other projects. We’ve had a long history of projects and some of them have gone well beyond approval. Particularly negotiating that which is not ideal.

5 MR KIRKBY: Yes.

MS ROBERTSON: So it’s much better to have them in place upfront.

MR KIRKBY: Okay.

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MR CAM: I have to say the relationship between KEPCO and council has been very – very friendly. They have been forthcoming. They have really listened to any concerns that council have raised at any time and have gone out of their way to actually address those concerns and so I would say it’s probably one of the strongest relationships we’ve had with an applicant in a State significant project. I wouldn’t – I couldn’t put my hand on my heart and say that about other projects that we’ve dealt with but these – working with the Koreans and KEPCO have been fantastic experience and really very supportive of them and that they’re very supportive of the community and council.

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MS ROBERTSON: And a good example of that is the work with accommodation facility. We certainly expressed right up-front that we were not supportive of that being on site because of the impacts of that and they have listened and probably tried hard to - - -

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MR CAM: They have.

MS ROBERTSON: - - - convince us otherwise but also listened to our local expertise and knowledge around the demand for accommodation and how – how supply tends to kick in when it’s needed.

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MR KIRKBY: And how is the generally, I guess, sort of, Mudgee community sort of dealing with all this sort of mining happening in terms of new housing and things like that? Is it a strain for you or are you keeping up or - - -

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MR CAM: I think in 2012 when we had the – that first initial boom, I don’t think we were prepared for that and I think that we went through some pain when - - -

MR KIRKBY: Yes.

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MR CAM: - - - there was that resources boom. And we’ve learnt from that and we’ve geared ourselves up to be able to cope with those fluctuations of demand for housing; also understanding that we need to make sure that we don’t affect our tourism trad - because it’s very big industry – and we’ve done that well. We’re not finding with our – and we’ve got State significant projects or expansions - - -

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MR KIRKBY: Yes. Yes.

MR CAM: - - - happening all the time. We haven't had any of the pain that we had back in 2012. It's more the communities, particularly the Kandos/Rylstone, but also up here saying, "We want a decision. We want to see it happening because we're suffering." And it's a real economic – will be a real economic boost to the
5 Kandos/Rylstone region, this project.

MS LEWIN: Is that suffering from inertia about making the decision or is it suffering for many other reasons as well as this?

10 MR CAM: It's a combination, but certainly the slowness of the decision, I think, has been frustrating for the community and, therefore, they want to see a decision made this time, not see it again, a non-decision or a series of conditions. I mean, with the Department of Planning saying that this project is able to be approved with conditions, that's why the community see – read that and say, "Why is it taking so
15 long?" And we understand the process that needs to happen, but the community don't.

MS LEWIN: Yes.

20 MS ROBERTSON: And I guess the point there is that Kandos and Rylstone having had those closures, they've had families that are just hanging in there or businesses just hanging in there, waiting to see what happens here. So they're really getting to the point where they need to make decisions about their futures, I suppose, whether they see any business and employment opportunities locally or whether they do bite
25 the bullet and remove children from schools and relocate elsewhere, I guess.

MR CAM: In all my time in local government, I find this probably one of the most unique positions, this project, that it has overwhelming support for the project.

30 MR O'CONNOR: Community support, you mean.

MR CAM: Community support.

MR O'CONNOR: Yes.

35 MR CAM: And council support. We have unanimous council support. Whereas any other project you see the community divided. You will see the factions, and we've certainly seen it in some of the other projects – renewable projects that have occurred in our region. It has really divided the community and really divided
40 council. This project is unique in the fact that we have overwhelming community support and unanimous council support and, yes, it's just the opposition that you will listen to from people outside the region which I find frustrating that you have to, and I understand you have to listen to that, but those people are not being affected by this particular project. And when you have overwhelming support, I think that's
45 something that you need to consider in your deliberation that you don't have opposition to this particular project and there is the ability for both the coal mines

agricultural, tourism in our region to work together successfully and we've proven that that can happen.

5 MR KIRKBY: Okay. Just is there anything in the department's report or the recommended conditions that council has any particular comment on or issue with or is there any conditions that don't work for you or you feel the department could have strengthened, just - - -

10 MS ROBERTSON: We would probably need to take it on notice - - -

MR KIRKBY: Okay.

MS ROBERTSON: - - - to fully comprehend the full set of conditions.

15 MR KIRKBY: Yes.

MS ROBERTSON: We have the recommended – we have the changes to the conditions.

20 MR KIRKBY: Yes.

MS ROBERTSON: I mean, we didn't actually look at them all together. But we could provide that feedback. Generally, however, we were satisfied with the conditions in the original assessment report and so the changes – definitely there would be changes to the recommended conditions we have reviewed and it does note the agreed road funding upgrade - - -

MR KIRKBY: Yes.

30 MS ROBERTSON: - - - so it has recognised what we have been negotiating with KEPCO.

MR KIRKBY: Okay, anyone have any further questions or comments?

35 MS LEWIN: No. I think we haven't come to - - -

MR KIRKBY: Sorry.

40 MS ROBERTSON: So just on conditions - - -

MS LEWIN: Yes.

45 MS ROBERTSON: - - - would you like us to do that review of – I don't know if they were producing a full set or not?

MR KIRKBY: There is a full set, I think, up on the department's website.

MS LEWIN: Yes.

MR KIRKBY: But, look, even if it's - - -

5 MS ROBERTSON:

MR KIRKBY: - - - just coming back saying, "We don't have any issues," yes.

MS ROBERTSON: We will do that.

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MS LEWIN: Small modifications, yes, yes.

MR KIRKBY: It's more to know if ever there is - - -

15 MR CAM: Yes. There's nothing. Like, in the past, there was nothing that council raised that they were concerned about it, so we will just have another check.

MS ROBERTSON: I will just send you an email to check the - - -

20 MR KIRKBY: Okay.

MR CAM: Well, nothing glaring anyway.

MR KIRKBY: Obviously, yes, it's without prejudice. It's not an indication if - - -

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MR CAM: Yes.

MS ROBERTSON: That- that's - - -

30 MR KIRKBY: - - - how we might go, but it's - - -

MR CAM: No. Sure.

35 MR KIRKBY: It's good to know. Okay. All right then. Well, if anyone else has no comments so - - -

MR CAM: No.

40 MR KIRKBY: - - - I close the meeting. Thank you very much.

MR CAM: Thank you.

MS ROBERTSON: Thank you.

45 MR CAM: Thank you for the time - - -

MR KIRKBY: That's all right.

MR CAM: - - - and the opportunity to talk.

MR KIRKBY: Thanks.

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MEETING CONCLUDED AT 8.54 AM