

APPENDIX I: SOCIAL PEER REVIEW

Social Peer Review – Elton Consulting

1. Peer Review Report dated 11 August 2016
2. Response from WCPL 18 August 2016

Wilpinjong Extension Project

Peer Review of Social Impact Assessment

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Final report

Contact:

Jenny Vozoff

jenny@elton.com.au

02 9387 2600

Sydney

02 9387 2600

Level 6

332 – 342 Oxford Street

Bondi Junction NSW 2022

www.elton.com.au

consulting@elton.com.au

Sydney | Canberra | Darwin

ABN 56 003 853 101

Prepared by	Jenny Vozoff
Reviewed by	Steve Rossiter
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Executive Summary

Elton Consulting was engaged to provide an independent peer review of the *Social Impact Assessment* (SIA) and the *Response to Submissions (RTS)* prepared for Wilpinjong Coal Pty Limited's (WCPL) *Wilpinjong Extension Project Environmental Impact Assessment* (EIA) for the Department of Planning & Environment (DP&E). The review was undertaken in two stages.

We have reviewed the SIA, relevant sections of the EIS, supporting material and information provided by Mid-Western Regional Council (MWRC) and community members during a visit to the region in April 2016. We have subsequently reviewed the RTS in relation to social impact issues and responses.

This report sets out our findings and advice.

Stage 1 Review of Wilpinjong Extension Project SIA

A review of the *Social Impact Assessment* (SIA) determined that the report appears to be of a high standard and aligns with leading practice guidelines. The SIA is clearly written, succinct, focused and well-researched. It incorporates a good mix of qualitative and quantitative data which gives the reader a good understanding of baseline conditions, including the area's rich history and strong community values and connections, and an appreciation of changes over time. The stakeholder engagement process appears to have been wide-ranging, including one-on-one discussions with current and former residents of the local area, Council and government agencies, an on-line community wide survey and a survey of mine employees. The report considers the potential social benefits and impacts of the proposed mine extension, as well the alternative proposal of 'no mine extension'. It shows a good appreciation of how bio-physical impacts (eg noise, dust, visual, water, traffic) can adversely impact on community cohesion, amenity, quality of life and well-being, even though a project is meeting legislative standards. Key strengths of the SIA are the distinctions made in the differential effects (or incidence) of potential social impacts and benefits between different stakeholders and geographical areas, and the integration of community feedback through the assessment, evaluations and conclusions.

Gaps and areas where it is considered the SIA could be strengthened include:

- » Citing experience of from other mining or academic research studies as evidence or case study experience, eg in discussion of managing cumulative impacts or proposed mitigation measures
- » Discussion and analysis of potential health impacts of the proposal for employees and local residents
- » Inclusion of map(s) from other parts of the EIS showing locations of key social impacts experienced, eg properties owned by PEA and those remaining in private ownership; noise and vibration affected areas etc.
- » It is noted there is no discussion in the report of social aspects of post mining site rehabilitation or the potential for community regeneration in future.

Stage 2 Consultations and review of RTS

First-hand information received during face-to-face consultations with residents of Wollar and surrounding areas for this Peer Review showed that the great majority of issues raised were included and evaluated in the SIA. Nevertheless, long-time residents (including members of the Wollar Progress Association – WPA) expressed a view that the SIA's cumulative impact assessment was 'not well done' and is missing important themes or information such as:

- » Cumulative impacts of mine traffic on the local road network and through Wollar village
- » Safety impacts associated with:
 - > additional traffic movements including an increase in oversized, over-massed and heavy vehicles on local roads
 - > loss of Emergency Services / RFS volunteers to attend road accidents
 - > poor (non-existent) mobile phone reception.
- » Additional rail movements (if Bylong Coal Project approved), and continuation of already high levels of rail noise as trains pass Wollar village and diesel emissions as trains stand idling at sidings
- » Stress, anxiety and other health issues for residents of Wollar and nearby rural areas, attributable to existing Wilpinjong mine project operations (eg. rail and mine noise, dust) and uncertainties about future operations
- » Cumulative effects of multiple bio-physical and social impacts for some residents, which individually may meet technical guidelines but together (cumulatively) are not subject to guidelines and are not measured or controlled
- » Progressive decline in quality and amenity of mine-purchased houses and properties (eg lack of maintenance, inattention to appearance and presence of vermin)
- » Implications of the progressive decline and cumulative loss of services.

In addition to these cumulative social impacts, discussions and a community workshop held in April 2016 as part of Stage 2 of this Peer Review revealed a number of additional social impacts and concerns missing from the SIA:

- » Concerns about adequacy of the community engagement process, such as the numbers and cross-section of people interviewed
- » A view that the community is unable to adequately respond to questions about their future because they are not in possession of all information, and that as a result the SIA consultants cannot obtain a true understanding of what is going on. Information conveyed to the SIA consultants was also said to be limited by confidentiality agreements relating to property sales and leaseback arrangements
- » A need for clearer distinctions between stakeholder groups in discussing views and impacts
- » Concerns that mine-owned property is reserved for mine workers
- » Correction of a statement in the SIA that the decline in population between 2001 and 2006 occurred independently of mining activities. The Wollar Progress Association notes that Cumbo Station was acquired "by agents for Excell" as early as 1998 to enable mine exploration activities and continued through to 2006 when the entire mine area had been acquired

A large part of the Wollar community workshop was devoted to discussions about the lived experience of noise levels, which was informed by the presence of an independent acoustic consultant. Residents of Wollar and surrounding areas have major concerns about the legislative framework for noise approvals and described difficulties of living with both mine and train noise emissions.

Many of the issues raised in face-to-face discussions were then provided as submissions on the SIA / EIS and addressed in the RTS. In relation to social impact issues, the RTS provides little additional information other than confirming the studies and approaches adopted meet government guidelines and legislative requirements.

At a more general level, community member comments expressed a lack of faith in the engagement and wider social / environmental assessment (and government decision-making) processes and their ability to fairly reflect and weigh up changes to the social fabric with the wider economic and social

benefits that will flow from the expected jobs and mining revenues. These views and experiences with the SIA and EIA processes are likely to work against the effectiveness of future community engagement recommended in the SIA's and RTS's proposed mitigation measures which involve future community participation and engagement.

Conclusions about adequacy and gaps

This peer review has highlighted a number of areas where the SIA could have included additional information or where additional emphasis could have been given to potential social impacts of the proposal on Wollar and the surrounding areas. Incorporation of this additional information would add to the accuracy and completeness of the analysis, and go some way to providing residents with evidence that their key issues and concerns have been properly articulated and considered in weighing up the extent and incidence of social impacts and benefits from this proposal.

However, the key concern identified through this SIA peer review process is the implications the report's findings raise for the future of the community that continues to live in Wollar village and surrounding areas. The SIA states that Wollar is in decline and is likely to "cease to function", but offers no further comments on the significance or desirability of this outcome, or what could be done to prevent it. Little additional information is offered in the RTS to address these expressed concerns, which instead cites compliance with government guidelines and legislation. Such analysis would at the very least assist in understanding the depth and intensity of social impacts from mining operations under current approvals, the gravity of choices faced by Wollar's remaining long-time residents and whether there is a future for residents who wish to stay on the land in the vicinity of Wollar and the Wilpinjong mine.

Recommendations for improving the quality of this SIA

Notwithstanding the additional information and analysis that could be added to this SIA, this peer review considers the assessment and evaluation to be of a generally high standard and consistent with good practice guidelines.

At this stage in the assessment process, however, it is critical that the report's mitigation measures are fully reflective of the social impacts raised by all stakeholders and can adequately minimise or avoid further social impacts of the mine. The mitigation strategies currently proposed in the SIA and those mentioned in the RTS cannot address these deep-seated impacts and ongoing concerns because it is considered the social sustainability of this village is already in doubt.

Practical mitigation measures will require more detailed consideration of:

- » whether further mitigation or management measures, or more detail around those proposed, can address the social and cumulative impacts raised in discussions with community members as part of this peer review, and in submissions
- » whether the proposal will only worsen the already difficult social impacts experienced by some local residents and pressures on community networks and relationships.

In response to MWRC's request that the SIA examine "cumulative impact on all remaining sensitive receptors ... to protect the amenity of residents in the locality" (p. 13), it is considered that Wollar residents – both in the village and in surrounding areas - have made clear through submissions and face-to-face feedback that the related noise and dust impacts and the gradual erosion of community through property purchases by the mine, have already severely compromised the quality of life for remaining residents. In other words, irrespective of the contents of the SIA or the outcomes of this Peer Review, the social impacts of the Wilpinjong mine on Wollar residents already appear to exceed an acceptable level and the few remaining residents of the village in particular believe they are unlikely to be able to continue to live with these effects.

This marginal and very difficult situation for residents is largely attributable to Peabody Energy's 'proactive property strategy', which involves purchasing farms and properties affected by noise and

giving residents the opportunity to leave. Recognition of this strategy and its cumulative impacts on residents of the village in particular, would imply a responsibility on Peabody Energy to offer acquisition rights to residents remaining in the village, should they wish to relocate – even if outside a designated affectation zone. Terms of the offer should be adequate to cover costs for property purchase, relocation, replacement costs and disturbance.

It is beyond the scope of this peer review to comment on systemic issues related to EIA processes and legislation. However, the review has highlighted a need for processes and mitigation measures to better reflect the lived experience of residents exposed to multiple bio-physical impacts.

1 Introduction

Elton Consulting was commissioned by the Department (DP&E) to provide an independent peer review of the *Wilpinjong Extension Project Social Impact Assessment (SIA)* (Elliott Whiteing, November 2015) and the *Response to Submissions (RTS)* (Peabody Energy, May 2016). The Peer Review was undertaken in two stages, with the first being a desktop review of the EIS / SIA and the second involving first hand discussions and meetings with Mid-Western Regional Council (MWRC) and residents of Wollar and surrounding areas who had contributed to the SIA or made submissions to the public exhibition, during a visit to the region in April 2016 and review of the RTS.

We have reviewed the SIA, relevant sections of the EIS, the RTS and supporting information provided by Mid-Western Regional Council (MWRC) and community members. This report sets out our findings and advice.

Scope of work

The Scope of Work comprises two Stages, with the first being a review of EIS documentation (relevant sections of the *Wilpinjong Extension Project Environmental Impact Statement (EIS)*, January 2016, prepared by Peabody Energy, and *Appendix N Social impact Assessment*, prepared by Elliott Whiteing in November, 2015).

Key considerations for the review include:

- » whether assumptions presented for the SIA are reasonable, appropriate and suitably justified
- » whether the social impact assessment aligns with industry leading practice
- » the adequacy of the methodology, analysis and assessment presented in evaluating the social impacts of the project
- » the extent and effectiveness of community and stakeholder engagement and consultation undertaken in preparing the SIA
- » the identification of any areas of deficiency and recommendations to improve or resolve these issues in the assessment.

Stage 2 of the Scope of Work seeks a review of the Applicant's responses to issues raised in submissions on social impacts, including relevant submissions as necessary. This included meetings and discussions with residents of Wollar and surrounding areas who had been consulted during the SIA process, as well as discussions with MWRC representatives. The purpose of Stage 2 was to consider the adequacy of the responses provided by the Applicant to public and agency comments on the EIS, including the SIA. Key considerations for the review include providing a deeper understanding, and an independent view of social impacts on the local community and Council, to inform any further recommendations or findings from the Stage 1 desktop review.

Discussions with Council and community members were predicated on the assumption that individuals consulted were familiar with the contents and issues in the EIS / SIA documents including the RTS, to enable informed feedback on how their inputs to the SIA had been dealt with.

Arrangements for these meetings were made by DP&E.

The Department seeks advice as to whether any additional information is required to complete the peer review and/or justify the methodology or conclusions made in these documents.

This peer review has been prepared in accordance with:

- » International SIA Guidelines, professional literature and SIA requirements typically used by NSW local government authorities
- » An understanding of best practice community engagement guidelines and processes
- » A review of background material
- » Understanding of the broad environmental planning context
- » A review of relevant literature and a variety of secondary sources
- » Knowledge and experience in preparing SIAs and undertaking community engagement
- » Face-to-face engagement with members of the Wollar community and MWRC.

2 Guideline documents

Secretary's Environmental Assessment Requirements

DP&E Secretary's Environmental Assessment Requirements (SEARs) for the Wilpinjong Extension Project, dated 9/12/2014, list the following key social and economic issues for inclusion in the Environmental Impact Statement (EIS):

- » "an assessment of the likely social impacts of the development; and
- » an assessment of the likely economic impacts of the development, paying particular attention to:
 - > the significance of the resource;
 - > economic costs and benefits of the project;
 - > the demand for the provision of local infrastructure and services, having regard to Mid-Western Region[al] Council's requirements."

The SEARs require that consultation be undertaken during preparation of the EIS, "with relevant local, State or Commonwealth Government authorities, infrastructure and service providers, community groups and affected landowners. The EIS must describe the consultation that was carried out, identify the issues raised during this consultation, and explain how these issues have been addressed in the EIS".

The SEARs for the SIA do not refer to any industry standards or guidelines, and provide no further guidance on specific issues or areas of focus.

Mid-Western Regional Council (in their letter to DP&E of 20 November 2014) does not specifically mention social factors, or local infrastructure and services, for inclusion in the EIS. Matters of specific interest to Council with the potential for social impacts include:

- » traffic and transport issues, including impacts of traffic movements during construction and operation on commuter traffic, assessment of road damage and effects on traffic on the Ulan Road
- » noise impacts on the village of Wollar and other sensitive receptors in the locality
- » air quality impacts, including the effects of spontaneous combustion, and revised mitigation measures for coal dust
- » cumulative impacts on all remaining sensitive receptors near the village of Wollar to protect the amenity of residents in the locality.

Best practice guidelines and principles

Social impact assessment guidelines

The NSW Government does not have specific guidelines for preparation of Social Impact Assessments and no SIA guidelines are listed in SEAR *Attachment 1 Environmental Planning Instruments, Policies, Guidelines & Plans*, as noted above.

Many best practice SIA (or socio-economic impact assessment – SEIA) guidelines and methodologies have been prepared over the past 25 years for authorities in Australia, such as the Commonwealth

Environment Protection Agency, NSW Government agencies and a number of NSW local government authorities¹. Most of these are now dated.

Leading practice guides used as a basis for this peer review include:

- » International Association for Impact Assessment (IAIA) April 2015. *Social Impact Assessment: Guidance for assessing and managing the social impacts of projects*, prepared by F Vanclay (principal author), AM Esteves, I Aucamp and DM Franks
http://www.iaia.org/uploads/pdf/SIA_Guidance_Document_IAIA.pdf
- » Vanclay, F. 2003 *International Principles for Social Impact Assessment. Impact Assessment & Project Appraisal*, 21 (1), 5-11. <http://dx.doi.org/10.3152/147154603781766491>
- » Franks, D. 2012. *Social impact assessment of resource projects*. International Mining for Development Centre, Mining for Development: Guide to Australian Practice
- » Queensland Government July 2012. *Social impact assessment guideline*.

Of these, the IAIA Principles (Vanclay, 2003) are generally accepted as providing international best practice standards. This is a discussion document which sets out "core values of the SIA community together with a set of principles to guide SIA practice and the consideration of 'the social' in environmental impact assessment generally" (p. 5). In this document, SIA is defined as "the processes of analysing, monitoring and managing the intended and unintended social consequences, both positive and negative, of planned interventions (policies, programs, plans, projects) and any social change processes invoked by those interventions". The Guidelines set out a list of tasks that should be included in an SIA, but detailed approaches and methodologies have instead been developed in academic and government agency publications and applied by SIA practitioners.

There is broad agreement around the definition and focus of SIA. IAIA Guidelines (2003) list relevant social impacts as being changes to one or more of the following:

- » "people's way of life – that is, how they live, work, play and interact with one another on a day-to-day basis;
- » their culture – that is, their shared beliefs, customs, values and language or dialect;
- » their community – its cohesion, stability, character, services and facilities;
- » their political systems – the extent to which people are able to participate in decisions that affect their lives, the level of democratisation that is taking place, and the resources provided for this purpose;
- » their environment – the quality of the air and water people use; the availability and quality of the food they eat; the level of hazard or risk, dust and noise they are exposed to; the adequacy of sanitation,
- » their physical safety, and their access to and control over resources;
- » their health and wellbeing – health is a state of complete physical, mental, social and spiritual wellbeing and not merely the absence of disease or infirmity;
- » their personal and property rights – particularly whether people are economically affected, or experience personal disadvantage which may include a violation of their civil liberties;

¹ See for example, NSW Office of Social Policy, March 1994 *Best Practice Paper 4 – Better communities through social impact assessment* and February 1995, *Best Practice Paper 8 – Techniques for Effective Social Impact Assessment – A Practical Guide*; Social Policy Development Unit of The NSW Cabinet Office, December 1997, *DRAFT Guidelines for Assessing Social Impacts* and Commonwealth Environment Protection Agency, May 1994, *Social impact assessment*.

- » their fears and aspirations – their perceptions about their safety, their fears about the future of their community, and their aspirations for their future and the future of their children” (IAIA 2003, p.8).

This definition continues to be referenced in many SIA guidelines and handbooks.

The more recent Guidance issued by IAIA (Vanclay et al, 2015) builds on shortcomings and experience across the SIA field, placing particular emphasis on the role and particular skillset of SIA practitioners within a project team, the integral nature of stakeholder engagement to SIAs and greater recognition of the iterative nature of projects and the interconnectedness of environmental, social and health issues.

Another key aspect of best practice SIA is that it “is a process of management not a product” (Vanclay et al, 2015, p. iv). Contemporary SIA needs to focus on project benefits to communities if a project is “to earn its ‘social licence to operate’, and also because attempting to minimise harm ... does not ensure that the project will be considered acceptable by local stakeholders” (Vanclay et al, 2015, p. iv). Using community engagement and the SIA process to identify opportunities for community development, encouraging partnerships and focusing on a post-mining legacy, are also emphasised (see Franks 2012).

Community engagement guidelines

The International Association for Public Participation (IAP2) is the professional organisation guiding the practice of community engagement globally. Its Australasian Affiliate has led the advancement of best practice consultation and engagement practices in Australia and New Zealand, most recently adding a Quality Assurance Standard (endorsed May 2015) to its widely recognised suite of resources, which include the Public Participation Spectrum and Core Values statement (IAP2 2015) (attached in Appendix A).

IAP2’s Quality Assurance Standards provide a tool against which an engagement process can be measured “to ensure it meets best practice principles leading to confidence in the outcome for all involved” (p. 3). It sets out principles to encourage consistent quality in engagement practice and to enable evaluation and quality reviews against defined standards.

Appointment “of an engagement professional, particularly a member of IAP2...places greater responsibility and expectation on the IAP2 member to not only follow good process but to provide evidence of having followed good process... The roles and responsibilities of engagement practitioners are ...informed by IAP2’s Code of Ethics which has been designed to enhance the integrity of the engagement process” (IAP2 2015, pp. 8-9).

3 SIA methodology and best practice

This Section aims to address two key questions of the Peer Review:

- » Does the SIA align with industry leading practice?
- » Are its methodology, analysis and assessment adequate?

Does the SIA align with leading practice?

A review of the *Wilpinjong Extension Project SIA* indicates that it is generally of a high standard and aligns with leading practice as outlined in guidelines listed on page 4 above. The SIA is clearly written, succinct, focused and well-researched. Key aspects of leading practice noted in the report are summarised below:

- » The assessment incorporates a good mix and range of qualitative and quantitative data, including local social histories (eg Sections 2.2, 2.3, 3.2.1, 4.1.1) and information gained through community and stakeholder engagement processes (Section 3.2), as well as more standard Australian Bureau of Statistics (ABS) census, labour force and housing data. Information is presented in terms of historic change, existing baseline and an expected future with and without a mine extension as proposed. This allows the reader a good understanding of the area's rich history and strong community values and connections, and an appreciation of changes over time. The SIA report refers to a gradual decline in the population and property acquisitions prior to establishment of the mine (p.9). There is also a good description of the roles of other towns in the wider region, such as Mudgee, Gulgong, and Muswellbrook and Singleton LGAs, which supports later analyses and conclusions that are disaggregated into local and regional impacts.
- » Baseline community health and wellbeing indicators are presented in Section 4.4. Key issues include the area's relative socio-economic disadvantage and the population's relatively poor health status compared with NSW averages. This data picks up on health issues raised in stakeholder discussions (as summarised in Tables 3-1 and 3-2). Crime data presented in Section 4.4 indicates crime rates are generally stable. A useful summary of baseline findings is provided in Table 4-2.
- » The report considers an alternative to the proposal – the option of 'no mine extension' (Section 5.8.4).
- » As noted on p. 2 above, MWRC requested in the SEARs that "the cumulative impact on all remaining sensitive receptors is adequately addressed to protect the amenity of residents in the locality". Section 5.9 of the SIA provides a straightforward and defensible analysis of potential cumulative impacts, referring to experience in the MWRC LGA during the previous 2012-2013 mining construction boom (p. 80) and drawing on information obtained from consultations with local residents. (The question of whether this cumulative assessment is adequate to "protect the amenity of residents in the locality is considered separately in Section 6 of this report.)
- » A key component of SIA is the need to examine and attribute the potential incidence of social impacts to different stakeholders, geographical areas and timeframes. This is specifically addressed in Section 5.10.3 and Table 5-4 provides a useful and clearly legible summary.

Opportunities to further support the analysis and add to an understanding of relative impacts and benefits include:

- » Citing experience of from other mining or academic research studies as evidence or case study experience, eg in discussion of managing cumulative impacts or proposed mitigation measures
- » Discussion and analysis of potential health impacts of the proposal for employees and local residents
- » Inclusion in the SIA of map(s) from elsewhere in the EIS showing locations of key social impacts experienced, eg properties owned by PEA and those remaining in private ownership; noise and vibration affected areas etc.

Are its methodology, analysis and assessment adequate?

As noted above, the approach and activities undertaken appear to align with good practice SIA. For example, of the activities comprising SIA listed in the IAIA 2003 Guidelines, most have been undertaken:

- » There is a clear summary of Government planning objectives and relevance to SIA (Table 3-10).
- » The SIA shows a good appreciation of how bio-physical impacts (eg noise, dust, visual, water, traffic) can adversely impact on community cohesion, amenity, quality of life and well-being (eg. pp. 36-37 and p. 72). For example, anxiety and stress, sleep disturbance and other health issues, and potential damage to health through exposure to coal dust in the air and through their water supplies are identified as potential impacts to community and individual wellbeing (p. 72). Feelings of growing isolation, loss of control and uncertainty about the future, mental and physical health issues can arise from impacts on a resident's sense of place (p. 73).
- » The statement that the proposal has "the potential for increased noise and dust (within approved limits) to affect how people experience the village environment", is a clear recognition that a project can create social impacts, despite meeting legislative standards. This picks up on MWRC's submission to the SEARs that the SIA examine "cumulative impacts on all remaining sensitive receptors near the village of Wollar to protect the amenity of residents in the locality" and acknowledges the effects of factors such as dust, air, noise, water, vibration and traffic on individuals and their communities beyond agreed technical measurements.
- » The report recognises that Wollar village and surrounding rural communities have experienced several periods of growth, decline and change since early settlement. This shows an understanding of background processes of social change and its influence on baseline conditions in Wollar and other rural areas more generally.
- » The analysis considers the social impacts of the alternative to the proposed mine extension (ie closure in 2026).
- » The potential social and economic benefits of the project are discussed as well as the potentially adverse social impacts. Benefits will flow to the mining company, employees and the wider region more generally through employment, income, expenditure, and support for community infrastructure and social networks. Other benefits include regional opportunities identified in Section 5.8.2 and ongoing leasing arrangements for pastoral lands (p. 73)
- » The report does not shy away from describing the impacts on community life and wellbeing attributable to existing mine operations and their significance for residents and other stakeholders. It reports (in discussion of the SEARs) that MWRC raised concerns "that modifications to the WCM over time have had 'a significant impact on the village of Wollar and a significant reduction in the number of residents'...". It describes these impacts and changes clearly and dispassionately, and acknowledges the significance of the individual and cumulative impacts for residents of the Wollar area (eg p. 9, pp. 33, 35-37, pp. 70-73 and Table 5-4).

- » Its analysis and interpretation of housing and employment data to draw conclusions about the type and significance of potential impacts appears sound. Assumptions about the ability of LGA-wide housing and labour resources to absorb the increase in workers appear reasonable.
- » Summary analysis, including integration of issues and disaggregation by local and regional levels (eg. Table 5-4), demonstrates the benefits of fine grain analysis in identifying the relative incidence or distribution of project impacts across stakeholder groups and populations.

It is noted there is no discussion in the report of social aspects of post mining site rehabilitation or the potential for community regeneration in future. Nor does the SIA comment on community views about the sustainability of coal as a future source of fuel or its contributions to global warming.

However, the key concern for the SIA is in the implications it raises for the future of Wollar village and surrounding rural areas. The report notes that the Wollar is in decline and is likely to “cease to function”, but no further comment is offered on whether this is a significant impact, whether it is desirable or (if not) what could be done to prevent such an outcome. Such information would at the very least assist an understanding of whether there is a future for residents who wish to stay on the land in the vicinity of Wollar and Wilpinjong mine. It would also provide a level of assurance or certainty for those who have lived in this area for many years.

These fundamental issues were at the heart of many of the community concerns raised in the Peer Review consultations held in Wollar and Bylong Village in April 2016. Cumulative impacts attributable in a large part to existing (and past) mining operations at Wilpinjong include loss of residents from agricultural properties, loss of children from the local school, reduced opening hours of the General Store, loss of Rural Fire Service (RFS) members and a resulting loss of community relationships, groups and activities (Country Women’s Association – CWA; tennis and sporting teams). There was a view that the SIA’s cumulative impact assessment was ‘not well done’ and is missing important themes or information. This includes a need for consideration of:

- » Cumulative impacts of mine traffic on the local road network and through Wollar village
- » Safety impacts associated with:
 - > additional mine traffic movements
 - > loss of Emergency Services / RFS volunteers to attend road accidents
 - > poor (non-existent) mobile phone reception.
- » Additional rail movements (if Bylong Coal Project approved), rail noise as trains pass Wollar village and diesel emissions as trains stand idling at sidings
- » Stress, anxiety and other health issues for residents of Wollar and nearby rural areas, attributable to existing Wilpinjong mine project operations (eg. rail and mine noise, dust) and uncertainties about future operations
- » Cumulative effects of multiple bio-physical and social impacts for some residents, which individually may meet technical guidelines but together are not subject to guidelines and are not measured or controlled. For example some properties experience noise from mining and rail sources, as well as poor air quality / dust, water contamination or water loss, visual impacts, traffic impacts and loss of community connections. There is no guideline that applies where these multiple impacts are experienced
- » Implications of the progressive decline and cumulative loss of services include:
 - > the Wollar community health clinic (which is under review) “was my lifeline”
 - > there are concerns about the future of the local mail service
 - > the General Store is reported to be unviable, is subsidised by PEA and has relinquished its liquor license

- > Some Council functions, such as the scraping of Barigan Road, have been reduced or are under review due to the low population in the area.

The SIA does acknowledge that the Wollar community has a deep understanding and extensive first-hand experience of open cut mining already due to many years of impacts experienced from the Wilpinjong Mine. However, it says little about the strong community connections with residents and organisations in neighbouring villages (such as with Bylong and the Bylong Valley Protection Alliance (BVPA) and Bylong Hall Committee). These villages share close relationships, community values, a similar agricultural base and are closely integrated.

Only some of these complex cumulative issues are specifically discussed in Section 5.9 of the SIA, although others are implied and acknowledged in the broader discussion.

In addition to these cumulative social impacts, discussions and a community workshop held in April 2016 as part of Stage 2 of this Peer Review revealed a number of additional social impacts and concerns that were not picked up in the SIA. These include:

- » Concerns about adequacy of the community engagement process, such as the numbers and cross-section of people interviewed
- » A view that the community is unable to adequately respond to questions about their future because they are not in possession of all information, and therefore the SIA consultants cannot obtain a true understanding of what is going on. For example, confidentiality agreements relating to property sales and property leaseback arrangements were said to limit the ability of some residents or former residents to participate or make critical comments about their current situation or views. It is acknowledged that there is no reference in the SIA to resident confidentiality agreements and the potential for this tactic to influence responses to surveys and discussions
- » Concerns that distinctions between different stakeholder groups are not adequate or not made at all (eg "differentiation between local people and newcomers employed at the mine has not been made", between "full-time new residents and drive in drive out workers")
- » Concerns that mine-owned property is not available for rent by the local community "wanting to send their children to Wollar School" and instead is reserved for mine workers
- » Concerns that the SIA wrongly interprets population change between 2001 and 2006 as occurring independently of mining activities. The Wollar Progress Association notes that Cumbo Station was acquired "by agents for Excell" as early as 1998 to enable mine exploration activities and continued through to 2006 when the entire mine area had been acquired. "This included a substantial number of families, including children attending Wollar Public School and active members of community organisations including Church congregations. The downturn in business at Wollar General Store commenced during this time". It argues that the SIA's attribution of population changes over this period to factors other than mining misrepresents the role of mining in the village's decline
- » Concerns that the issue of safety and amenity of Wollar village has not been adequately addressed due largely to the increase in oversized, over-massed and heavy vehicles expected to use local roads
- » Concerns that the approved levels of noise emissions do not adequately reflect lived experience, that there are significant shortcomings with existing noise monitoring and modelling guidelines and practices, that noise levels at residences are regularly exceeded and that complaints made to the mine are not acted on in a timely manner.

4 Are the SIA assumptions reasonable, appropriate and suitably justified?

Overall, the assumptions used in the SIA appear to be reasonable, appropriate and suitably justified. For example:

- » Assumptions about future employment and population growth are based on existing information and survey findings
- » Assumptions about the source of construction and operational workforce (pp. 59-60) appear reasonable
- » Assumptions about the potential effects of the proposal on other industries (eg local supply and retail) and on demand for housing are based on an analysis of a wide range of data on employment, local housing supply, vacancy rates and prices.
- » Assumptions about expected future demands for services are based on reasonable population forecasts and discussions with existing providers and Council
- » Assumptions about the size and residential choices of future construction and operational workforces are clearly set out in Section 5.1. The analysis recognises past difficulties for businesses in accessing skilled labour, but notes the current downturn has increased the availability of skilled labour and the project's relatively small demands for additional workers (p. 61). These assumptions and assertions appear to be reasonable.
- » Other projects near the Wilpinjong Mine Project and their potential impact on the demand for labour is discussed. However, it is recognised that firm assumptions about the cumulative impacts is dependent on the timing of their approvals and hence remain uncertain.

It is noted that a community submission and comments during discussions raised questions about the validity of community survey results used to inform part of the study's baseline analysis. Of particular concern to community members are comments in Section 3.2.2:

- » "results of the survey need to be interpreted with caution, given the low participation rate and the likely presence of 'self-selection' bias. The implication is that the results of the community survey are unlikely to be statistically representative of the views of the broader population.

"The approach that has been adopted is to accept that there is a degree of sampling bias in the community survey whose direction and extent is unknown. The community survey responses have therefore been incorporated in this SIA and are addressed in subsequent sections..." (p. 18)

While it is recognised that these comments appear contradictory, it is standard practice to incorporate community feedback as qualitative information that highlights specific issues of concern, rather than attempting to reflect a statistically valid summary of all social issues raised.

Consultations as part of this Peer Review also raised concerns about the statement that population in rural areas near Wollar had been in decline prior to the commencement of mining exploration activities. Comments in Sections 2.2.1 and 4.1.2.2 that population began to wane during the 1990s due to several extraneous factors (p. 9) were disputed by longer term residents, and instead attributed to the mine purchasing properties between 1996 and 2006, and subsequent loss of families

with children from the area. "The acquisition of property for the Wilpinjong Mine commenced in 1998 with the purchase of Cumbo station by agents for Excell prior to the exploration licence being granted in 2003" (Wollar Progress Association, 26 April 2016). This misconception is carried through the report's analysis and evaluation sections and there is concern by residents that it is then used to justify assumptions that little can be done to prevent the continued decline of Wollar village and its surrounding rural community.

As noted in the Section 3 above, there was also an assumption made during the Peer Review process that residents and stakeholder had read and understood the contents of the *Wilpinjong Extension SIA* prior to meetings and workshops to discuss its adequacy. It was clear that only a few had gone through the documents in any detail, so discussions focused instead on major concerns and key impacts and benefits expected from the proposal. These comments were then compared with information in the documents. Other comments raised by community members related to the engagement process rather than content so did not require familiarity with the SIA report itself. Nevertheless, it is recognised that greater clarity around the topics for discussions (including assumptions about prior knowledge) would improve the experience for everyone engaged in discussions in future.

Finally, in several places the SIA refers to social impacts that can be caused by mining projects (such as the potential for anti-social behaviour associated with a worker accommodation facility (WAF), or demands for particular housing types), but argues these potential impacts will be avoided on this project as they are not part of this proposal (eg. p. 52).

5 Extent and effectiveness of the community and stakeholder engagement process

The stakeholder engagement process for the SIA (detailed in Section 3.2) included mine employees and an on-line community wide survey, as well as one-on-one discussions with current and former residents of the local area, Council and government agencies. Outcomes of the engagement are summarised succinctly but with a good level of detail in Tables 3-1 to 3-4. Table 3-1 (Wollar Stakeholders) shows a degree of overlap between issues, highlighting the range of perspectives and ways in which social impacts are experienced. For example, in documenting existing community concerns, loss of community networks appears as both a social character and social infrastructure issues; health issues appear as amenity, social character and community wellbeing issues. Many of these also appear in Table 3-2 which summarises stakeholder expectations for future social impacts.

Tables 3-3 and 3-4 are useful in understanding the range of opinions and experience of residents of the wider region (to distinguish local vs regional views) and employees. The Tables also succinctly summarise the range of issues to be analysed throughout the document.

Through analysis and interpretation of this information, the SIA shows an appreciation of the variety of ways in which social impacts are experienced by people in their daily lives, environments and community settings. Stakeholder views articulated during the EIS and SIA process are documented, and the often complex inter-relationships are acknowledged, including their significance and how the activities of daily life in the locality of Wilpinjong and Wollar will be, or are expected to be, affected by the proposed coal mine extension. Much of this analysis is possible because residents and employees currently experience or are aware of existing mine impacts and therefore have a reasonable basis from which to predict or extrapolate social impacts from the proposed mine extension. The difference in impacts between local stakeholders and regional stakeholders is clearly recognised in Table 5-4 and the report's Conclusion (Section 7).

Nevertheless, consultations for this Peer Review identified some important concerns with the community engagement process, both for the SIA and the Peer Review process itself. Section 3 of this report noted:

- » Concerns about adequacy of the SIA community engagement process, such as the numbers and cross-section of people interviewed
- » A view that the community is unable to adequately respond to questions about their future because they are not in possession of all information, and therefore the SIA consultants cannot obtain a true understanding of what is going on. For example, confidentiality agreements relating to property sales and property leaseback arrangements were said to limit the ability of some residents or former residents to participate or make critical comments about their current situation or views. It is acknowledged that there is no reference in the SIA to resident confidentiality agreements and the potential for this tactic to influence responses to surveys and discussions.

Other comments received in relation to the SIA engagement process included:

- » Concerns that the survey data is not statistically representative, yet is used to underpin the social assessment and the baseline description (this has been discussed in Section 4 above)

- » Some community members have difficulties with "large and technically dense EIS documents". This includes understanding and interpretation of information exhibited as well as difficulties in responding with informed comments within a six week period
- » Additional cumulative impacts have been created by collation and exhibition of EISs for two major mining projects within a short time-frame (ie WCPL and Bylong Coal Project).

Section 3 also noted concerns raised during and after Peer Review discussions that residents and stakeholders were assumed to have read and been familiar with the contents of the SIA (rather than simply being asked about life in the village and expectations for change). To the extent that stakeholders were dissatisfied with the process of EIS, SIA and community engagement for the Wilpinjong Extension Project, this misunderstanding or poor communication of purpose would further reinforce these views.

It is important to note that many of the SIA's proposed mitigation measures suggest a need for ongoing community and stakeholder engagement:

- » "Stakeholder engagement and relationship building provides the critical foundation for the Project's mitigation of social impacts and enhancement of social benefits for local and regional communities" (p. 87).

However, the SIA also notes that some Wollar "residents remain distrustful and are dissatisfied with the existing operation's management of operational noise, air quality and road traffic" (p. 88). Effective community engagement requires a foundation of trust and openness. There is a real possibility that these relationships and trust may not be able to be restored, leaving little scope for exchange of information about future project impacts.

Relationships characterised by feelings of distrust and dissatisfaction (such as those between Wollar residents and the mine operator (p. 88)), do not offer a solid basis on which to establish the recommended mitigation measures relating to future community engagement.

6 Outcomes of discussions with community stakeholders

Discussions with community members for this Peer Review were held over two days in April 2016. Wollar residents (representatives of the Wollar Progress Association - WPA) attended a discussion in Bylong to highlight the close inter-relationships and cumulative effects of mining proposals on Bylong and Wollar villages. In addition, a two hour community meeting was also held for all residents with an interest in the social impacts of the Wilpinjong Extension proposal. The community meeting attracted a variety of stakeholders including long-term residents and members of the WPA and BVPA, newer residents and mine employees and visitors from Sydney with an interest in the future of Wollar and wider environmental sustainability.

Many comments received from community members at these sessions and in subsequent submissions have been outlined in earlier sections. It is important to note that the mining employees in attendance expressed an interest in living harmoniously with longer term village residents and participating in the social and volunteer activities such as Friday night drinks and RFS. There was support for the proposal's expected employment and income benefits and the land management activities (to control weeds and feral pests) undertaken by the mine operator. The SIA acknowledges that potential future employment and income benefits (p. 69) would not be realised if the proposal does not proceed. According to the SIA this would represent a loss of 100 construction jobs in 2017, 40 further construction jobs and 52 operational jobs in 2018 and a peak of 75 additional operational jobs in 2024. Under this proposal, mining operations would be extended by seven years, from 2026 (when current operations are expected to cease) to 2033.

By contrast, visitors to the area stressed instead their views on the contribution of coal mining to climate change and their concerns for friends living in Wollar who are currently experiencing poor amenity, limited quality of life and a range of health issues.

A large part of the Wollar community workshop held for the peer review was devoted to discussions about the experience of noise levels. These discussions were informed by the DP&E's independently appointed acoustic consultant in attendance. Residents of Wollar and surrounding areas stated they have previously expressed frustrations and major concerns about the difficulties of living with both mine and train noise emissions. It was pointed out that the SIA / EIS does not comment on noise from the additional trains that would be generated by an approval of the Bylong Coal Project. As a result, real concerns were expressed that additional noise arising from the proposal would be intolerable.

There was a call for changes to be made to the process and criteria for noise monitoring due to concerns that it does not adequately measure the experience of noise, especially at night. There was also concern that the onus is on individual residents to report noise exceedances. These issues were to be considered as part of the Acoustic Assessment Independent Peer Review.

At a more general level, community member comments expressed a lack of faith in the engagement and wider social / environmental assessment (and government decision-making) processes and their ability to fairly balance and weigh up the significance of changes to the social fabric with the wider economic and social benefits that are projected to flow from jobs and mining revenues. Decisions on mine applications in other areas (eg Bulga) have not given Wollar residents confidence that a community's needs and concerns will be respected.

The following comments reflect these concerns:

- » "I can't see anything to suggest there will be improvements to things here, given the loss of people from the village if the extension is improved"
- » "There is a lack of faith in anything promised"
- » "What is the social and economic value of the loss of social fabric to this area?"

It should be noted that there were also concerns raised in relation to the Peer Review consultations themselves. In particular, there was a view that the purpose of discussions was not made clear to residents and stakeholders. As a result, it was considered unfair for the Peer Reviewers and DP&E to assume that the EIS / SIA had been read and understood. Residents would have preferred that this expectation had been made clear prior to the meetings and workshops. This offers a lesson for future engagement activities and peer reviews on EISs.

Finally, recent questions about PEA's US based parent company's financial viability were said to add another level of uncertainty for long term Wollar residents. In particular there are concerns about the adequacy of the bond lodged with the NSW Government to cover mine closure and rehabilitation, or alternatively, the environmental implications if the mine were instead to be put into care and maintenance for an indefinite period.

A number of additional submissions were received following our visit and discussions. Amongst the comments was a view that:

- » "The key problem with the SIA ... is that [it does] not clearly establish the current base-line conditions being experienced and then consider the additional impacts of the proposed project...". "Interviews and surveys were conducted prior to the results of the impact assessment being released to the community" (Wollar Progress Association, 22 April 2016).

It is considered that this criticism is not valid in the case of the Wilpinjong SIA, which clearly describes baseline conditions and the impacts of the project by stakeholder group (eg. pp. 33-37, Table 4-2, 70-73, Table 5-4). Moreover, it is normal practice to use interviews and surveys in developing an understanding of baseline conditions and potential impacts of a proposal. The implication of this comment is that additional opportunities for engagement and feedback on the SIA would be welcomed, especially in such a tightly-knit community or in highly contested environment.

While there are a few areas in which the SIA could be improved, the main issues for Wollar raised in Peer Review discussions relate to more fundamental concerns:

- » Conveying an appreciation of difficulties experienced by Wollar area residents in living with the many social and other impacts of the Wilpinjong mine at present,
- » This direct, first-hand experience is that basis of stated expectations that social impacts will only worsen with an approval of the proposed extension
- » Residents have little confidence in the EIS, SIA and broader NSW planning processes, which have to a large extent allowed these adverse conditions to develop and impact on their lives over the past 10 years
- » There is little trust in the ability of legislative requirements (eg for community engagement, for noise and air monitoring and modelling, of SIA mitigation measures, for example) to deliver improvements in environmental quality and social networks to the village and surrounding areas
- » Changes in the quality of their lives, largely (or directly) attributable to mining impacts have advanced to a point where the viability of Wollar is already questionable – irrespective of future approvals for ongoing mining operations
- » There is a tension between two options for mitigation of social impacts and the future in Wollar:
 - > recognising the situation is untenable and therefore supporting long term residents to relocate on their terms, or

- > attempting to develop more effective mitigation measures, such as improved and independent noise measurement and monitoring procedures, improvements to complaints handling, mediated engagement processes and relationship building (eg. between the mining operator, long term residents and mine employees moving to the area).

In response to MWRC's request that the SIA examine "cumulative impact on all remaining sensitive receptors ... to protect the amenity of residents in the locality" (p. 13), it is considered that the amenity of residents is already severely compromised under existing mine approvals and operations. This impression is supported by statements in the SIA relating to past and current issues, and summary statements imply the village's disappearance is imminent and inevitable:

- » "... it is recommended that WCPL also provide the CCC with advance notification of the Wollar general store's closure (should this occur)..." (p. 88)
- » "...continued support for aspects of the current social fabric infrastructure (eg. so the Community Hall remains accessible and maintained for the period that residents remain in the Wollar village)" (p. 90).

In other words, irrespective of the contents of the SIA or the outcomes of this Peer Review, residents of Wollar already believe that the social impacts of the Wilpinjong mine exceed acceptable levels. This marginal and very difficult situation for residents is largely attributable to Peabody Energy's 'proactive property strategy', which involves purchasing farms and properties affected by noise and giving residents the opportunity to leave.

Under currently approved operations, the few remaining residents of the village are unlikely to be able to remain living with these effects for much longer:

- » "Residents have described the Wollar community as being in a state of crisis, with further population losses likely to tip the balance towards unviability" (p. 70)
- » "Amenity in and around the village is likely to be affected and exceed levels that some residents already find intrusive.

"Given that Wollar's population is very small and that the viability of local services is already marginal, the village may lose access to key services regardless of whether the Project proceeds, However, the additional decreased amenity and uncertainty about the future is likely to accelerate the decline of Wollar village" (p. ii).

The mitigation strategies proposed in the SIA cannot address these deep-seated impacts and ongoing concerns because it is considered the social sustainability of this village is already in doubt.

7 Comments on adequacy of the RTS

The RTS (Peabody Energy, May 2016) addresses issues raised by government agencies, businesses, NGOs and members of the public in response to the proposal. Submissions were received as follows:

- » Government agencies
- » Non-government agencies
- » Pro-forma public submissions
- » Other public submissions.

Approximately 14% of total submissions are said to have supported the proposals.

The document addresses submissions by respondent type (ie the above four sub-groups) and issue.

Government agency responses

Responses Government agencies provide some additional technical detail as required for approvals. In relation to social (or socio-economic) issues raised, WCPL concurred with two issues:

- » there was acknowledgement from NSW Department of Industry of project economic and employment benefits.
- » Transport for NSW requested that mine related traffic does not use the public road network when the school bus is operating without prior approval from DP&E.

The response to MWRC concerns that declining population in the area is making it "increasingly difficult to attract volunteers to assist in maintaining community facilities and support services" provides some new information but provides little detail in relation to timing and numbers. For example:

"WCPL actively encourages staff to volunteer" with the RFS and "has worked with the NSW Rural Fire Service to address concerns about volunteer numbers"

This response provides no indication of numbers of volunteers involved, the timeframes of participation, success in 'addressing concerns' or what these concerns specifically might be.

"WCPL would also provide some additional access to the ablution facilities at the Wollar General Store for public use" ... "would assist the MWRC with provision of cleaning services to either the Wollar General Store or Community Hall ablution facilities and continued grounds keeping of the vacant and public land ...".

This response provides no details of the value or frequency of these contributions.

It would be expected that these details would be outlined in further detail within the report's mitigation measures or conditioned in an approval. However, there is no mention of this commitment.

Non-government agency submissions

Responses to other categories of submissions are generally very succinct and high level, and provide little new information. Only very abbreviated summaries of issues are provided, and as a result it can be difficult to understand their specific meaning or implications.

A large number of submissions from non-government organisations that raised social impacts relate to perceived inaccuracies or disagreements with the measurement, forecasts or monitoring of emissions such as air/dust and noise (pp. 63-72). In most cases, the responses simply state that the mine currently complies, and in future would continue to comply, with government policies and legislation. For example, Peabody Energy's response to the Hunter Communities Network comment that government policies favour proponents over landholders and small communities best summarises the position of the proponent in relation to these community submissions:

"WCPL has assessed the Project in the context of NSW Government policies and guidelines that apply to the assessment and development of coal mine projects and in particular, those referenced in the SEARs issued for the Project" (p. 104).

In addition to technical studies and peer reviews cited, the RTS notes that DP&E has indicated that real-time noise management is consistent with best practice (p. 64) and NSW Health has acknowledged that the SEARs for air quality and dust have been met (p. 69).

While true, the brevity and tone of responses indicates there is little additional information that can be provided to address community concerns and gives the impression that the issues are unimportant or overstated. Based on feedback from local residents' perspectives, the guidelines appear to be set too high for resident comfort in this rural setting. This important question is beyond the scope of this peer review.

Responses to many other social impact issues are likewise very brief, difficult to interpret or understand without referring to the original submissions and do not accurately reflect the strength of individual concerns for the perceived impacts. For example, in relation to the SIA interviews and survey issue (p. 85), it is not possible to understand the nature of the concern and the response simply reiterates information from the SIA. In relation to the comment about the RFS (p. 86), it is not clear what concerns were raised and not possible to assess whether they have been adequately addressed. As noted earlier, the statement that "WCPL actively encourages staff to volunteer with the RFS" provides no detail and the assertion that WCPL has addressed "concerns about volunteer numbers in the local area" has little meaning to a reader.

Peabody Energy gives assurances about its ongoing discussions and negotiations in relation to the General Store and Wollar Public School (p. 86), but again provides little information or a plan for mitigation measures or alternatives if these key community facilities close as a result of the company's mining past and future operations on the community structure and liveability of the village. It is considered that further details and implications should be set out as agreed mitigation measures.

The RTS response to the concerns about land purchases also notes that some mine employees have moved into remaining habitable dwellings which "has to some extent reduced potential population decline". In addition, the response states that some employees have joined the Wollar Progress Association, attended community events, volunteered with the RFS and have children who attend the primary school locally. However, this summary does not acknowledge the strength of individual concerns for these changes or the role of the company policy and mining operations in 'encouraging' residents to leave their homes and properties. Its reference to population numbers to demonstrate ongoing community life ignores the fact that a community is built on relationships and shared history and cannot be measured purely by the number of residents.

Few changes or modifications are made to the proposal as a result of these comments from the public.

Pro-forma Submissions

A cursory approach is taken to dealing with pro-forma submissions, repeating previously brief assertions that mine employees have "to some extent" reduced potential population decline and have participated in some longstanding community events and activities. As noted above, responses are

dismissive of the depth of community feeling and again conflate total numbers of residents with a 'community'.

No additional information is provided in response to issues raised in these pro-forma submissions.

Other public submissions

The Table of issues and responses in Part D – Responses to Other Public Submissions mostly reiterates previous answers. Where new impacts are actually acknowledged (eg. Issue A3 in relation to the General Store and loss of mechanical services, p. 117) responses are again cursory and Peabody Energy makes no attempt to propose measures to mitigate the flow on effects for community services arising from the loss of residents. Specific measures to retain mail deliveries or organise replacement services, and proposals to maintain a shop for residents affected by its potential closure would demonstrate the company's commitment to the village infrastructure and genuine interest in minimising adverse impacts of its mining proposal.

Response to issue A5 regarding financial compensation for landholders wishing to sell their properties to Peabody Energy notes the company's approach to valuations and its agreement to an SIA recommendation to allow residents to seek a second valuation. This goes some way to acknowledging community concerns, but it is not clear what is meant by "the addition of a premium" and whether this is related to the Wollar Progress Association's request for inclusion of:

- » relocation and disturbance costs
- » a premium for replacement costs.

Greater clarity should be provided here to give residents further guidance on what financial compensation they may receive. In recognition of Peabody Energy's 'proactive property strategy' aimed at overcoming potential noise impacts, it is considered to be the company's responsibility to now offer acquisition rights to residents remaining in the village, should they wish to relocate – even if outside a designated affectation zone. Terms of the offer should be adequate to cover costs for property purchase, relocation, replacement costs and disturbance. Given the very small numbers of impacted properties, this approach would represent a show of goodwill and assist in gaining its social licence to operate.

Statistics cited in Issue A6 may or may not support the argument about interaction between mine workers and existing village residents. Other interpretations are equally feasible. In any case, the response appears to miss the point about the quality and depth of relationships and again appears dismissive of its importance to longer term residents.

The response to issue A8 states the facts but does not address issues discussed elsewhere in this Peer Review about challenges for the SIA community engagement and document review processes. Some of these are wider or systemic issues that are outside the scope of this report.

In summary, the RTS presents very little by way of new information to clarify community concerns. It focuses on addressing Government agency questions arising from the EIS and mostly reiterates this information in its very brief responses to non-government agencies and individuals. Most social issues raised relate to impacts from air and noise impacts, which are forecast to meet government legislation and policies. Further details regarding future provision of postal services, daily convenience shopping, RFS, village community infrastructure maintenance and financial compensation for landholders should be specified as detailed mitigation strategies or conditions of consent, should be project be approved.

8 Identification of any areas of deficiency in the SIA and recommendations to improve or resolve these issues

The Department seeks advice as to whether any additional information is required to complete the peer review and/or justify the methodology or conclusions made in these documents.

While the SIA is considered to be of a high standard, this peer review has identified several areas where greater focus or additional information could be included, such as the potential for further cumulative impacts, recognition of social changes from mine activity occurring earlier than stated and further acknowledgement of the extent to which the mine has already worked to reduce the quality of life for residents. A key concern relates to the ability of mitigation measures to address poor levels of existing amenity and redress the imminent loss of residents and social capital. There may be minor local community benefits arising from proposed community investments (such as ongoing support for mowing around the village and support for the Hall), but these proposed actions will not restore the village's former amenity and community values.

At this late stage of the process, it is recommended that the best way to amend the SIA report to better align with best practice would include:

- » Re-examination of the SIA's mitigation and monitoring measures to include specific, locally based, practical and acceptable strategies to support the Wollar community. These could include:
 - > Commitment to ongoing support for the General Store or daily convenience shopping and postal needs
 - > Funds or works in kind to restore and maintain community buildings, properties and lands
 - > Details and specific commitments (such as a Memorandum of Understanding) be negotiated with the RFS to ensure local volunteer fire fighting needs can be met. This may include funding and in-kind support for a specified number of local RFS volunteers from its local mine workforce. A pool of volunteers should be supported to attend training, meetings and incidents alongside current RFS members
 - > Peabody Energy taking responsibility for the cumulative social impacts of its 'proactive property strategy' and the poor amenity reported by residents of Wollar and offering acquisition rights to residents remaining in the village, should they wish to relocate – even if outside a designated affectation zone. Terms of the offer should be adequate to cover costs for property purchase, relocation, replacement costs and disturbance. Negotiations may need to be facilitated by an independent mediator.

The uncertain future of Wollar as a viable village that includes any of its long-standing residents raises significant policy questions that are outside the scope of this Peer Review of the SIA.

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Appendices

A IAP2 Core Values and Spectrum


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Core Value

Core Value	Indicators	Level of Quality			Evidence
		Elementary	Emerging	Exemplary	
1 Public participation is based on the belief that those who are affected by a decision have a right to be involved in the decision-making process.	Clear problem statement	No problem statement/purpose of engagement statement developed.	A problem statement/purpose of engagement has been developed and provided to stakeholders	A problem statement/purpose of engagement has been developed in collaboration with stakeholders.	Decision making framework developed. Challenges and decisions to be made are published
	Decision making process clearly communicated	No decision making process communicated	Decision making process communicated to stakeholders.	Decision making process communicated to stakeholders via with stakeholders preferred communications channel	Governance structures within the decision making body are communicated to stakeholders
	Affected stakeholders have been identified	Affected stakeholders have not been identified	Affected stakeholders have been identified.	Affected stakeholders have been identified and means of expanding the stakeholder base throughout the process have been considered.	Communications with stakeholders are recorded Minutes of meetings are recorded Etc.
2 Public participation includes the promise that the public's contribution will influence the decision.	Appropriate level of engagement has been endorsed by decision maker	No specific level of engagement identified by decision maker	A level of engagement has been identified by the decision maker.	Stakeholders are involved in establishing the level of engagement	Communications to stakeholders outline level of influence
	Level of stakeholder influence clearly communicated to stakeholders.	Level of stakeholder influence established but not communicated to stakeholders	Stakeholders are informed that their input will influence the decision making process	Stakeholders are informed of what aspects of the decision making process can be influenced and which cannot be influenced.	
3 Public participation promotes sustainable decisions by recognising and communicating the needs and interests of all participants, including decision makers.	Understanding of participants values and interests	No understanding of current concerns of participants	No demonstrated understanding of stakeholder interests and needs	Barriers to participation have been identified & efforts made to overcome them	Techniques aligned to stakeholder interest and level of engagement. Stakeholders engaged to identify values and interests
	Engagement techniques identified to support interests and needs.	No demonstrated understanding of stakeholder interests and needs	Demonstrated understanding of stakeholder interests and needs	Knowledge of stakeholder interests and needs are based on stakeholder input.	
4 Public participation seeks out and facilitates the participation of those potentially affected by or interested in a decision.	Participation opportunities enable contribution	Unrealistic expectation from the sponsor	Existing resources and networks have been effectively utilized.	Stakeholder input sought for engagement methods. Project sponsor facilitated additional support resources	Stakeholder participation requirements have been identified Blocks to participation have been identified and overcome. Stakeholder requirements are revisited throughout the project.
	Thorough stakeholder analysis completed	No or little stakeholder analysis conducted	Initial stakeholder analysis conducted	Iterative stakeholder analysis conducted.	
5 Public participation seeks input from participants in designing how they participate.	Dialogue between representatives on the most suitable way of engaging participants.	Assumptions on engagement techniques made without stakeholder dialogue.	Reasonable efforts have been made to seek feedback on the potential engagement processes with all stakeholder groups.	Project sponsor has enabled the participants to have a key role in determining the engagement processes and techniques.	Demonstrate how the stakeholders influenced the process for the project
6 Public participation provides participants with the information they need to participate in a meaningful way.	A balanced set of information has been provided.	Limited information provided to participants prior to the engagement process.	Balanced information provided reflecting all sides of the argument relating to the decision to be made.	Expert, objective and independent content has been openly made available to all participants.	The range, quality, format and timing of materials that are made available to inform participants in advance of the engagement process
	Communication tailored for audiences and channels appropriately identified.	Standard language and collateral offered across all communications	A range of communications channels are offered based on good practice and previous experience.	Stakeholders have been actively engaged to identify appropriate communications channels.	Stakeholders are engaged in shaping the form and content of materials. Records of meetings and correspondence.
7 Public participation communicates to participants how their input affected the decision.	Clearly demonstrate how participant input has influenced the process.	Little or no feedback is offered or promised to participants.	All feedback is collated and made freely available to the participants	Opportunities are provided to explore the feedback in depth, discuss its implications and determine the future steps.	Statement of feedback promised to all participants. Processes identified for feeding back the results to the stakeholders.

IAP2'S PUBLIC PARTICIPATION SPECTRUM

The IAP2 Federation has developed the Spectrum to help groups define the public's role in any public participation process.

INCREASING IMPACT ON THE DECISION 

	INFORM	CONSULT	INVOLVE	COLLABORATE	EMPOWER
PUBLIC PARTICIPATION GOAL	To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.	To provide the public feedback on analysis, alternatives and/or decisions.	To work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered.	To partner with the public in each aspect of the decision including the development of alternatives and the identification of the preferred solution.	To place final decision making in the hands of the public.
PROMISES TO THE PUBLIC	We will keep you informed.	We will keep you informed, listen to and acknowledge concerns and aspirations, and provide feedback on how public input influenced the decision. We will seek your feedback on drafts and proposals.	We will work with you to ensure that your concerns and aspirations are directly reflected in the alternatives developed and provide feedback on how public input influenced the decision.	We will work together with you to formulate solutions and incorporate your advice and recommendations into the decisions to the maximum extent possible.	We will implement what you decide.

Source: IAP2 2015



www.elton.com.au



WILPINJONG COAL PTY LTD

ABN: 87 104 594 694

100 Melbourne Street
South Brisbane Qld 4101

Locked Bag 2005
Mudgee NSW 2850
Australia
Tel + 61 (0) 2 6370 2500
Fax + 61 (0) 2 6373 4524

18 August 2016

NSW Department of Planning and Environment
22 – 33 Bridge Street
Sydney NSW 2001

Attention: Mike Young
Director, Resource Assessments

Dear Mike,

RE: WILPINJONG EXTENSION PROJECT (SSD 6764) – SIA PEER REVIEW

As requested, Wilpinjong Coal Pty Ltd (WCPL) has reviewed the *Wilpinjong Extension Project Peer Review of Social Impact Assessment* prepared by Elton Consulting (2016) (the SIA Peer Review) and provides a response to the report recommendations in Section 8 of the report.

WCPL and its Social Impact Assessment Consultant (Elliot Whiteing) have explicitly acknowledged the social issues associated with the observed decline of the population of the Wollar community over time, and also acknowledged that additional social impacts may arise from the development of the Project.

WCPL notes that the SIA Peer Review acknowledges the high standard of the Wilpinjong Extension Project Social Impact Assessment (Elliott Whiteing, 2015) as follows:

A review of the Social Impact Assessment (SIA) determined that the report appears to be of a high standard and aligns with leading practice guidelines. The SIA is clearly written, succinct, focused and well-researched. It incorporates a good mix of qualitative and quantitative data which gives the reader a good understanding of baseline conditions, including the area's rich history and strong community values and connections, and an appreciation of changes over time. The stakeholder engagement process appears to have been wide-ranging, including one-on-one discussions with current and former residents of the local area, Council and government agencies, an on-line community wide survey and a survey of mine employees. The report considers the potential social benefits and impacts of the proposed mine extension, as well the alternative proposal of 'no mine extension'. It shows a good appreciation of how bio-physical impacts (eg noise, dust, visual, water, traffic) can adversely impact on community cohesion, amenity, quality of life and well-being, even though a project is meeting legislative standards. Key strengths of the SIA are the distinctions made in the differential effects (or incidence) of potential social impacts and benefits between different stakeholders and geographical areas, and the integration of community feedback through the assessment, evaluations and conclusions.

The SIA Peer Review recommendations suggest that additional *specific, locally based, practical and acceptable strategies to support the Wollar community* should be provided, and articulates a number of examples.

WCPL does not agree that the examples provided are necessarily reasonable and feasible solutions in the context of the small remaining number of private residents in the Village of Wollar.

Each of the examples provided is addressed in turn below.

> Commitment to ongoing support for the General Store or daily convenience shopping and postal needs.

Consistent with the recommendation in the Wilpinjong Extension Project Social Impact Assessment (Elliott Whiteing, 2015), WCPL will engage with Australia Post to investigate potential alternatives to the current mail service system if the current lessee discontinues operation of the Wollar General Store.

It is anticipated that this would involve a bank of post boxes being installed in a suitable publicly accessible location and mail being delivered to the post boxes by a mail contractor.

As stated in the Wilpinjong Extension Project Social Impact Assessment (Elliott Whiteing, 2015) the Wollar General Store is no longer economically viable and is currently being subsidised by Peabody Energy. The store operator periodically reviews the viability of remaining open in the context of declining local population and her associated client base.

If the current lessee discontinues operation of the Wollar General Store, WCPL does not support the concept that WCPL should be required to keep the store open, particularly given it is not economically viable.

WCPL is of the opinion that such a requirement, if imposed by the Determining Authority, would set an inappropriate precedent given a wide range of small commercial shops in the State regularly open and close in response to changes in demographic trends, increased competition, disruptive new technologies or other local factors.

> Funds or works in kind to restore and maintain community buildings, properties and lands.

As stated in WCPL's Response to Submissions (RTS) WCPL has agreed to provide additional access to the ablution facilities at the Wollar General Store for public use and would assist the MWRC with provision of cleaning services to the Wollar General Store ablution facilities and continued grounds keeping of the vacant and public land within the Village of Wollar, including church grounds, park and town entrances.

It is noted that since the publication of the RTS, Council has exhibited an update to the Voluntary Planning Agreement (VPA) between WCPL and Council outlining the additional contributions and the amended VPA was subsequently endorsed by Council on 17 August 2016.

A copy of the exhibited VPA materials has been provided to the Department.

WCPL is of the opinion that these existing financial and in-kind commitments are appropriate for the Project.

> Details and specific commitments (such as a Memorandum of Understanding) be negotiated with the RFS to ensure local volunteer fire fighting needs can be met. This may include funding and in-kind support for a specified number of local RFS volunteers from its local mine workforce. A pool of volunteers should be supported to attend training, meetings and incidents alongside current RFS members.

WCPL supports the NSW Rural Fire Service through financial contributions for the purchase of fire fighting equipment and actively encourages staff to volunteer with the Service.

As stated in the RTS, WCPL has worked with the NSW Rural Fire Service to address concerns about volunteer numbers in the local area, particularly those living in Company owned houses in the Wollar area.

This includes staff being able to undertake Rural Fire Service volunteer training during work hours and also fund raising by WCPL on-site with the Rural Fire Service via regular barbecues to encourage monetary donations from the mine workforce.

It is noted that while WCPL can encourage staff to volunteer with the Rural Fire Service, it is up to the individual to decide on the level of participation that is appropriate for them. The release of on-shift mine staff to address Rural Fire Service call outs is also addressed on a case by case basis by management.

WCPL does not concur that any further commitment by WCPL is required, given that the NSW Rural Fire Service/Cooks Gap Brigade maintains equipped fire sheds within Wollar Village (Shed 3) and two other nearby locations; Ulan Road - Cooks Gap (Shed 1) and Cypress Drive – Cooks Gap (Shed 2).

It is also noted that the Rural Fire Service in its submission on the Project EIS (refer Enclosure 1) does not refer to any shortages with respect to volunteer staffing.

> Peabody Energy taking responsibility for the cumulative social impacts of its 'proactive property strategy' and the poor amenity reported by residents of Wollar and offering acquisition rights to residents remaining in the village, should they wish to relocate – even if outside a designated affectation zone. Terms of the offer should be adequate to cover costs for property purchase, relocation, replacement costs and disturbance. Negotiations may need to be facilitated by an independent mediator.

WCPL does not concur with the reasoning that is given by Elton Consulting in the SIA Peer Review for making this recommendation.

It is also noted that the approach proposed by Elton Consulting to address historical and potential social impacts by providing landholders acquisition rights under the Development Consent, where noise and air quality affectation levels are not predicted to occur is inconsistent with current NSW Government policies. For example the *Voluntary Land Acquisition and Mitigation Policy* (NSW Government, 2014).

However, as the Department is aware, in the Village of Wollar WCPL has been negotiating with landholders to purchase the small number of remaining private residential properties at a mutually acceptable price.


Therefore WCPL has no objection to the Determining Authority imposing a condition to provide remaining Village of Wollar private residences acquisition upon request rights under the Project Development Consent, consistent with the Department's standard conditions (e.g. as would usually be applied to noise affected properties). WCPL has no objection to the application of such a Condition on the basis that it is limited to private residences within the RU5 "Village" zoning as shown on Figure 6-1 of the Environmental Impact Statement (refer Enclosure 2).

It is noted that the SIA Peer Review also articulates a number of concerns/issues that were raised during community consultation and appear to have been subsequently taken as fact by Elton Consulting. It is recommended that the Department carefully consider the veracity of these statements. For example:

- Additional Bylong coal trains was raised as a potential cumulative rail noise issue in Wollar, with a concern that this was not addressed in the Environmental Impact Statement. However, trains from the Bylong Coal Project would join a significant distance down the line, and then travel away from the Wollar area and therefore cumulative Bylong Coal Project rail movements is not a relevant consideration (i.e. Wollar is located up-rail of Bylong).
- WCPL does not concur with the statement that the onus is on residents to identify noise non-compliances. The Company maintains best practice real-time noise monitoring and commissions monthly independent attended noise monitoring. In addition, the noise monitoring processes at site are conducted with oversight by the Environment Protection Authority and the Department in accordance with an approved Noise Management Plan.

Please do not hesitate to contact me on (02) 6370 2528 if you would like to discuss.

Yours sincerely,



Ian Flood
Manager Project Development & Approvals
Wilpinjong Coal Mine
Peabody Energy Australia Pty Ltd

Enclosure 1 – Rural Fire Service Submission
Enclosure 2 – Figure

ENCLOSURE 1
RURAL FIRE SERVICE SUBMISSION



NSW RURAL FIRE SERVICE



Director General
Department of Planning & Environment
GPO Box 39
SYDNEY NSW 2001

Your reference: SSD 6764
Our reference: S14/0030
1 March 2016

Attention: Matthew Riley

Dear Sir/Madam

State Significant Development Application for Wilpinjong Extension Project

Reference is made to your correspondence dated 16 February 2016 seeking comments regarding bush fire protection for the above application.

The NSW Rural Fire Service (NSW RFS) notes that the proposal seeks to extend Wilpinjong Coal Mine including both physical extensions to the mine footprint and an extension to the approved life of the mine.

The following comments regarding bush fire protection are provided:

- ▶ Any future construction or relocation of infrastructure and supporting facilities located within 100 metres from bush fire prone vegetation retained on site or off site needs to consider the bush fire risk posed by the unmanaged vegetation and address the provision of adequate bush fire protection measures including Asset Protection Zones (APZs) to minimise the risk in accordance with *Planning for Bush Fire Protection 2006*.
- ▶ The preparation or updating of a Bush Fire Risk Management and Emergency/Evacuation Plan is recommended for the subject site. The emergency/evacuation plan shall include the proposed extension to the existing mine and relocation/rehabilitation of vegetation and shall be consistent with the NSW Rural Fire Service document *Guidelines for the Preparation of Emergency/Evacuation plan*.

For any queries regarding this correspondence please contact Matthew Apps on 1300 NSW RFS.

Yours sincerely

Jason Maslen
Team Leader, Development Assessment and Planning
Customer Service Centre East

Postal address

NSW Rural Fire Service
Locked Bag 17
GRANVILLE NSW 2142

Street address

NSW Rural Fire Service
15 Carter Street
LIDCOMBE NSW 2141

T (02) 8741 5555
F (02) 8741 5550
www.rfs.nsw.gov.au



ENCLOSURE 2

FIGURE

- LEGEND**
- Development Application Area
 - Mining Lease Boundary
 - Mining Lease Application Boundary
 - Approved/Existing Open Cut and Contained Infrastructure Area
 - Relocated Block Bank and Cumbo Creek
 - Disturbance Area
 - Proposed Open Cut Extension Area
 - Land Zoning
 - National Parks and Nature Reserve
 - Environmental Management
 - Large Lot Residential
 - Primary Production
 - Village
 - Infrastructure

Source: WCPZ (2015); NSW Dept of Industry (2015);
NSW Land & Property Information (2015)

peabody
ENERGY

WILPINJONG EXTENSION PROJECT
Relevant Mid-Western
Regional LEP Zoning

Figure 6-1

