

The Department of Planning and Environment's Economic Assessment does not meet the assessment guidelines required. Nor do any of the previous assessments referred to in the Modification 4 assessment documents.

Ulan Coal currently has approval to mine 24 million tons annually until 2033. This Modification, to allow an additional 6.4 million tons of coal has been assessed as generating royalties of \$39.5 million, in undiscounted rather than present value terms. The export price for coal from Newcastle is now around \$82US a tonne, which is \$16 lower than it was in January this year. A rounding up of the expected royalties to \$40 million in the Department's Report, Page 32, is misleading. Therefore, the public benefit from this Modification has not been correctly established. There has been no systemic costs benefits analysis done. Costs such as the permanent loss of productive groundwater, and the loss of associated agricultural production have been dismissed in the assessment.

Worldwide opposition to fossil fuel development is growing daily. Glencore is faced with a billion-dollar divestment by the Norwegian Government Pension Fund. Regular protests by concerned people, particularly by school age children grow louder, being heard also here in Mudgee on May 24 this year. The cost to the environment by adding the 16 million tons of carbon produced by this Modification cannot be justified. It will not generate any new jobs or taxes or extend the life of the mine. There is no public benefit to be gained and the Modification must not be approved.

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