



Ms Lynelle Briggs
Chair, Planning Assessment Commission
GPO Box 3415
Sydney NSW 2001

Dear Ms Briggs

Drayton South Coal Project (SSD 6875)

I refer to the Planning Assessment Commission's Review Report on the merits of the Drayton South Coal Project, dated November 2015. The Department has now completed its final assessment of the merits of the Drayton South Coal Project and a copy of this Final Assessment Report is enclosed. This report builds upon and should be read in conjunction with the Department's Preliminary Assessment Report, dated August 2015.

To help inform its consideration of the key recommendations in the Commission's Review Report, the Department sought and received additional information from both the proponent and the thoroughbred industry, and also commissioned an independent peer reviewer to provide an impartial assessment of the most likely implications of the project for the Upper Hunter Equine CIC. The Department also considered all public and agency submissions received since the Commission's Review Report.

The Department has carefully and thoroughly considered each of the Commission's recommendations, the additional information provided and the independent peer review. In particular, the Department has given careful consideration to the Commission's recommendation that the project should not proceed. Having considered all these matters, the Department maintains its position that the project can be developed and operated in accordance with all applicable NSW Government policies and assessment criteria and without significant impacts to the neighbouring thoroughbred studs. The Department therefore recommends that the project is approved.

In accordance with the Minister's delegation of 14 September 2011, the project is now referred to the Commission for determination. Should you have any enquiries, please contact Mr Howard Reed, A/Executive Director – Resource Assessments & Compliance on 9228 6308.

Yours sincerely

15/9/16

Oliver Holm
**A/Deputy Secretary
Planning Services**