The Planning Assessment Commission (the Commission) finds the effective resolution of the water related concerns within the catchment over the life of the project remains one of the most significant determinants of the merit of the Wallarah 2 Coal Project.

The Commission supports the broad conclusion of the Commission’s 2014 Review on the significance of water resources to the Central Coast community and the integrity of the key recommendations, especially those related to water resources and subsidence. These recommendations must be maintained for the project to meet the public interest test of section 79C of the *Environmental Planning and Assessment Act 1979*, otherwise a precautionary approach should be adopted.

The application of stringent standards is necessary for the mine to effectively coexist in a catchment with acknowledged water supply constraints and the projected population growth of the region.

The Commission recommends the draft conditions be updated to accurately reflect the Commission’s 2014 Review recommendations of no net impact on catchment yield and the preferred compensatory mechanism is by the return of suitably treated water to the catchment side of the water supply system. The burden of proof of any impact less than predicted rests with the applicant.

There is ongoing contention about the estimated net economic benefits of the project and the large variances in the predicted costs and benefits noting the downward trend of projected benefits. The Commission recommends that the Department of Planning and Environment should provide greater clarity in its conclusion on the net economic benefits of the project for the consent authority’s consideration.

The Commission finds the review of air quality in the Lake Macquarie-Wyong area, commissioned by the EPA, concluded that the air quality was generally good to very good. The predicted emissions from the amended project will be within the relevant assessment including more recently introduced particulate matter criteria.

The Commission finds the applicant’s proposed six-metres wide all weather access road and easement is an acceptable solution to address the issue of access to adjacent private lands. The Commission recommends an access management plan be prepared in consultation with affected landowners to ensure access to private lands is maintained during the construction and operation of the mine.

The Commission finds the planning proposal to rezone adjacent lands for residential development is in its early stage and the timing and scope of the rezoning is uncertain. The consent authority can only consider the potential impacts on these adjacent lands as currently zoned.

The Commission has made additional recommendations on potential noise impacts, closure of Tooheys Road, community engagement, bushfire management, potential future mining area and the need for an integrated environmental monitoring and public reporting management plan that should be considered by the consent authority.