



New South Wales Government
Independent Planning Commission

Chain Valley Colliery Mod 3 and Mannering Colliery Mod 5 Project

Statement of Reasons for Decision

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Geoff Sharrock

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Chain Valley Colliery Mod 3 and Mannering Colliery Mod 5 Final Report ©
State of New South Wales through the Independent Planning Commission 2020

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TABLE OF CONTENTS

1	INTRODUCTION	1
2	THE APPLICATION	1
2.1	Site and Locality	1
2.2	The Modifications	3
3	THE DEPARTMENT'S CONSIDERATION OF THE APPLICATION	5
4	THE COMMISSION'S CONSIDERATION.....	6
4.1	Site Inspection.....	6
4.2	Public Comments	6
4.3	Material considered by the Commission.....	6
4.4	Mandatory considerations	7
4.5	Additional Considerations.....	8
4.6	Operational Noise	8
4.7	Other Issues.....	11
4.8	Objects of the EP&A Act and Public Interest.....	13
5	CONCLUSION: THE COMMISSION'S FINDINGS AND DETERMINATION	14

1 INTRODUCTION

1. On 28 May 2020, the NSW Department of Planning, Industry and Environment (**Department**) referred the Chain Valley Colliery Modification 3 (SSD 5465 MOD 3) and the Mannering Colliery Modification 5 (MP 06_0311 MOD 5) (the **Applications**) to the NSW Independent Planning Commission (**Commission**) for determination. Great Southern Energy Pty Limited, currently trading under the name Delta Coal Pty Limited (**Applicant**) is seeking to modify the existing consents for the Chain Valley Colliery and the Mannering Colliery (the **Project**) located in the Lake Macquarie Local Government Area (**LGA**) under sections 4.55(1A) and 4.55(2) of the *Environmental Planning and Assessment Act 1979* (**EP&A Act**).
2. The Commission is the consent authority in respect of the Applications under section 4.5(a) of the EP&A Act and clause 8A of the *State Environmental Planning Policy (State and Regional Development) 2011* (**SEPP SRD**). This is because the Applicant has declared political donations under section 10.4 of the EP&A Act.
3. The Commission agrees with the Department's assessment (paragraph 15) and is satisfied that the Chain Valley Colliery (**CVC**) and Mannering Colliery (**MC**) modification Applications fall within the scope of sections 4.55(1A) and 4.55(2) of the EP&A Act, respectively, and that the modification Applications can be assessed and determined under those provisions of the EP&A Act.
4. Mr Peter Duncan AM, Acting Chair of the Commission, nominated Mr Peter Cochrane (Chair) and Mr Geoff Sharrock to constitute the Commission determining the Applications.

2 THE APPLICATION

2.1 Site and Locality

5. The Department's Assessment Report (**Department's AR**), dated 27 May 2020, states that CVC and MC are:

existing underground coal mines with established infrastructure and workforces. The pit tops are located approximately 1.1 km apart on the southern shore of Lake Macquarie, near Chain Valley Bay. The majority of land surrounding the sites consist of industrial facilities, such as Delta Electricity's VPPS, and the Lake Macquarie State Conservation Area (SCA) to the east.

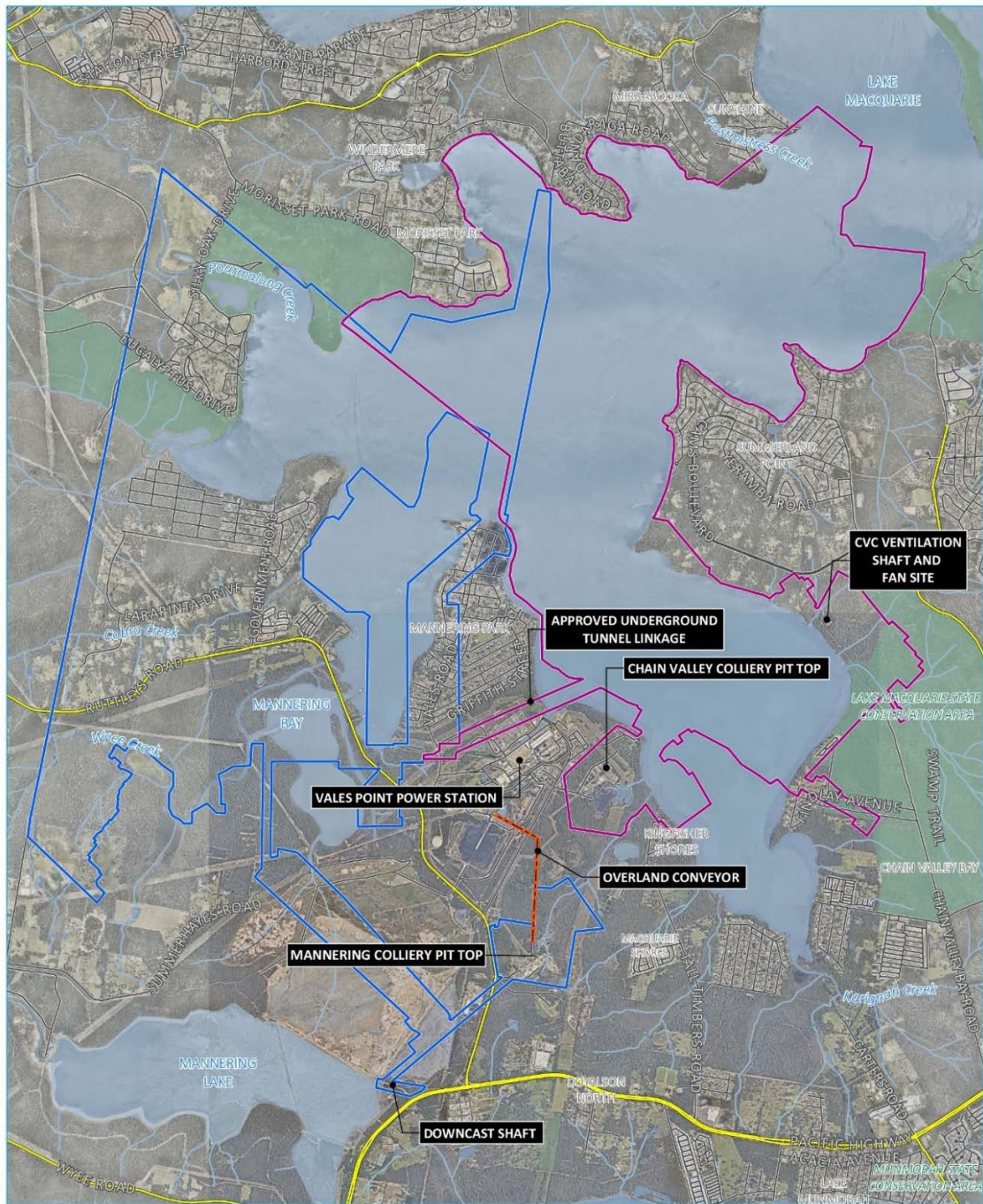
6. The Department's AR states:

The consent boundaries for both CVC and MC straddle the boundary of the Lake Macquarie and Central Coast Local Government Area's (LGAs). CVC's pit top area is located within the Central Coast LGA in an industrial area adjacent to VPPS (see Figure 2). Access is via the public Ruttleys Road, with coal trucks permitted to use private roads to deliver coal to VPPS. MC's pit top area is also located within the Central Coast LGA, approximately 3 km south of Mannering Park and west of Chain Valley Bay, with access via Ruttleys Road.

1.3.4 The closest residential areas are the Macquarie Shores home village 650 - 800 metres to the east of the MC pit top and Kingfisher Shores approximately 350 metres to the south-east of the CVC pit top. Coal is not currently being processed at CVC, with the coal from both collieries being brought to the surface at MC.

7. The 'Site' for the purposes of this Statement of Reasons is defined as the CVC and MC consent boundaries illustrated in Figure 1.

Figure 1 – CVC and MC Consent Boundaries (Source: Department's AR)



Source: EMM (2020); DFSI (2017); GA (2011); CVC (2019)



- KEY**
- Chain Valley Colliery development consent boundary
 - Mannering Colliery project approval boundary
 - Alignment of overland conveyor to VPPS
 - Main road
 - Local road
 - Watercourse/drainage line
 - Waterbody
 - NPWS reserve

2.2 The Modifications

8. The approval histories of the CVC and MC Projects are set out in section 1.2 of the Department's AR. Table 1 in the Department's AR provides a summary of previous modifications at CVC and MC.

9. The Department's AR states:

Delta Coal is seeking the modifications in order to increase operational efficiency and reduce operating costs associated with the integrated operation. The modifications would improve resource recovery through greater flexibility in mining methods at both collieries and would allow Delta Coal to supply VPPS with thermal coal at a higher rate and a lower cost, providing a reliable source of coal for domestic electricity generation.

2.2.1 Chain Valley Colliery

10. The Department's AR states the CVC modification application seeks approval to:

- increase the rate of ROM coal received, handled and dispatched at MC from 1.3 to 2.1 Mtpa;
- extend the approved period of mining operations from 30 June 2022 to 31 December 2027, to align with the approved period of mining under CVC's consent (SSD 5465);
- allow for the use of alternate bord and pillar mine designs; and
- minor changes to infrastructure at site, including the addition of a new underground coal crusher.

11. A comparison of the approved and proposed operations for the CVC is provided in Table 1.

Table 1 - Comparison of CVC approved and proposed operations (Source: Department's AR)

Aspect	Approved Operations	Proposed Modification
Area	Approximately 1,425 hectares (ha), as shown in Appendix 2 to SSD 5465.	No change.
Underground mining area and plans	Approximately 1,413 ha, as shown in Appendix 3 to SSD 5465.	No change in area. Configuration of workings proposed to be modified
Approved period of mining operations	31 December 2027.	No change.
Annual Extraction Rate (ROM coal)	Up to 2.1 Mtpa of ROM coal from the Fassifern Seam.	No change.
Mining methods	Underground mining using continuous miner and miniwall mining methods.	Underground mining using continuous miner (bord and pillar and pillar extraction) and miniwall mining methods.
Coal processing	Screening and crushing of ROM coal at CVC, or alternatively up to 1.3 Mtpa of ROM coal processing at MC	The option to use CVC pit top for product coal handling would remain as approved, however most coal processing is intended to be undertaken at MC.
Product coal transport	<ul style="list-style-type: none"> • a maximum of 660,000 tonnes of product coal per annum on public roads for export; • a maximum of 180,000 tonnes of product coal per annum on public roads to domestic customers (other than VPPS); • product coal to VPPS via truck on private roads only; and 	No change to the transport of coal by roads. No change to the restrictions on both the hours and frequency of dispatch of coal laden trucks. Transport of product coal to MC via the existing underground linkage increased to up to 2.1

	<ul style="list-style-type: none"> • 1.3 Mtpa to MC via the underground linkage for subsequent delivery to VPPS. 	Mtpa, for subsequent delivery to VPPS.
Existing surface infrastructure	Utilisation of existing surface infrastructure, including, but not limited to: <ul style="list-style-type: none"> • personnel-and-material drifts, ROM coal conveyor drift; • upcast and downcast ventilation shaft and fans; • coal handling facilities for breaking, crushing, sizing and storing product coal; and • administration and workshop facilities; water management infrastructure. 	No change.
Water management	160 megalitres (ML) per annum in water use, drawn from CC Council's potable water supply mains.	No change.
Hours of operation	Mining operations are approved 24 hours a day, 7 days a week.	No change.
Employment	Employment of approximately 220 full-time equivalent personnel in total (including approximately 40 full-time equivalent contractors).	No change.
Mine access	Existing road access from Construction Road, off Ruttleys Road.	No change.
Environmental Performance Measures	Less than 20 mm subsidence within the High-Water Mark Subsidence Barrier and within the Seagrass Protection Barrier. Less than 780 mm of subsidence under the lake bed.	No change to maximum subsidence limits, but now expressed as subsidence zones.
Rehabilitation	Decommissioning of surface facilities and final rehabilitation following mine closure.	No change.

2.2.2 Mannering Colliery

12. The Department's AR states the MC modification application seeks approval to:

- *increase the rate of ROM coal received, handled and dispatched at MC from 1.3 to 2.1 Mtpa;*
- *extend the approved period of mining operations from 30 June 2022 to 31 December 2027, to align with the approved period of mining under CVC's consent (SSD 5465);*
- *allow for the use of alternate bord and pillar mine designs; and*
- *minor changes to infrastructure at site, including the addition of a new underground coal crusher.*

13. A comparison of the approved and proposed operations for the MC is provided in Table 2.

*Table 2 - Comparison of Mannering approved and proposed operations
(Source: Department's AR)*

Aspect	Approved Operations	Proposed Modification
Area	Approximately 1,420 ha See Appendices 1 & 2 of MP 06_0311.	No change.
Underground mining area and plans	As shown in Appendix 2 of MP 06_0311.	No change.
Approved period of mining operations	Approved until 30 June 2022.	Extension to 31 December 2027.
Annual Extraction Rate (ROM coal)	Up to 1.1 Mtpa of ROM coal from the Fassifern Seam.	No change.

Mining methods	Bord and pillar mining methods where coal recovery is limited to first workings only.	First workings mining methods, including use of a herringbone bord and pillar configuration.
Coal processing	Coal is crushed on-site using a rotary breaker and coal crushing facility (CCF).	Delta Coal has committed to decommissioning the existing rotary breaker, with the CCF to remain.
Product coal transport	Up to 1.3 Mtpa of ROM coal is transported to VPPS, via overland conveyor which is operated, maintained and located on land owned by Delta Electricity.	Continued transport of coal to VPPS via the existing overland conveyor at an increased rate of up to 2.1 Mtpa.
Existing surface infrastructure	Use of existing surface infrastructure, including but not limited to: <ul style="list-style-type: none"> • CCF and a rotary breaker; • coal stockpile and reclaim facilities, • overland conveyor between MC's pit top area and VPPS; • worker's amenities, workshops, offices, carparks, ventilation fans. 	The addition of a new underground coal crusher to process ROM coal at MC. The existing rotary coal breaker to be decommissioned.
Water management	Licensed daily discharge of up to 4 ML. Potable water for use in surface facilities and underground operations supplied by CC Council via a direct-metered pipeline.	No change.
Hours of operation	24 hours, 7 days a week.	No change.
Employment	Employment of 170 full-time personnel.	No change.
Mine access	Vehicle access to surface facilities from Ruttleys Road.	No change.
Rehabilitation	Decommissioning of surface facilities and final rehabilitation at completion of operations.	No change.

3 THE DEPARTMENT'S CONSIDERATION OF THE APPLICATION

14. The Department received the Application on 14 November 2017 and the final Statement of Environmental Effects (**SEE**) was received in May 2019.

15. The Department's AR states:

the Department is satisfied the proposed CVC and MC modifications fall within the scope of section 4.55(1A) and 4.55(2) of the EP&A Act, respectively, and that the modification applications can be assessed and determined under the EP&A Act.

16. The Department exhibited the modification applications concurrently from Friday 21 June 2019 to Thursday 4 July 2019. The Department's engagement and exhibition process is set out in section 4 of the Department's AR.

17. The Department's AR states:

The Department considers the key assessment issues relate to the proposed changes to mining methods and related subsidence (particularly in regard to Lake Macquarie), potential noise and air quality impacts of increased coal throughput at MC and groundwater management.

18. The Department's AR stated:

The proposed mine design changes would improve resource recovery and increase operational efficiencies for Delta Coal, ensuring continuity of operations and employment.

19. The Department's AR concluded:

The Department considers its revised recommended conditions of consent provide a comprehensive, rigorous and contemporary approach to ensuring that the operations of CVC and MC could continue to operate efficiently, whilst continuing to ensure that adequate environmental controls are in place to strictly manage subsidence risks, protect sensitive environmental areas, and minimise impacts on the surrounding community. Any residual impacts could continue to be managed and mitigated through the existing and recommended conditions of consent.

Based on its assessment, the Department considers that the proposed modifications are in the public interest and are approvable, subject to the recommended conditions...

4 THE COMMISSION'S CONSIDERATION

4.1 Site Inspection

20. On 11 June 2020 the Commission conducted a Site inspection. Site inspection notes were made available on the Commission's website on 19 June 2020.

4.2 Public Comments

21. All persons were offered the opportunity to provide written comments to the Commission until Wednesday 17 June 2020. The Commission received a total of 7 written public comments on the Applications.

4.3 Material considered by the Commission

22. In this determination, the Commission has carefully considered the following material (**material**):
- previous modifications as referenced in paragraph 8;
 - the Applicant's Statement of Environmental Effects (**SEE**) for CVC Mod 3, dated May 2019;
 - the Applicant's SEE for MC Mod 5, dated May 2019;
 - all submissions made to the Department in respect of the Application during public exhibition, from 21 June 2019 to 4 July 2019;
 - the Applicant's Response to Submissions (**RtS**) for CVC Mod 3 and MC Mod 5 dated August 2019;
 - all Government Agency advice on the RtS;
 - the Applicant's response to the Department's request for additional information (**Additional Information 1**), dated 17 September 2019;
 - the landowner consent provided by the Minister for Energy and Environment, dated 30 September 2019;
 - the Applicant's response to the Department's request for additional information (**Additional Information 2**), dated 11 October 2019;
 - the Department's AR, dated 27 May 2020;
 - the Applicant's comments to the Department, dated 2 June 2020;
 - all written comments received by the Commission up until 17 June 2020; and
 - the Department's response to the Commission, dated 24 June 2020.

4.4 Mandatory considerations

23. In determining this application, the Commission has taken into consideration the following relevant mandatory considerations, as provided in s 4.15(1) of the EP&A Act (**mandatory considerations**):

- the provisions of all:
 - environmental planning instruments; and
 - proposed instruments that are or have been the subject of public consultation under the EP&A Act and that have been notified to the Commission (unless the Secretary has notified the Commission that the making of the proposed instrument has been deferred indefinitely or has not been approved); and
 - development control plans; and
 - planning agreements that have been entered into under s 7.4 of the EP&A Act, and draft planning agreements that a developer has offered to enter into under s 7.4;
 - the *Environmental Planning and Assessment Regulations 2000* (**Regulations**) to the extent that they prescribe matters for the purposes of s 4.15(1) of the EP&A Act;that apply to the land to which the Application relates;
- the likely impacts of the development, including environmental impacts on both the natural and built environments, and social and economic impacts in the locality;
- the suitability of the site for development;
- submissions made in accordance with the EP&A Act and Regulations; and
- the public interest.

4.4.1 Relevant Environmental Planning Instruments

24. The Commission has taken into consideration the following EPIs which apply to the Site:

- *State Environmental Planning Policy (SEPP) (State and Regional Development) 2011*
- *SEPP (Mining, Petroleum Production and Extractive Industries) 2007* (**Mining SEPP**);
- *SEPP (Infrastructure) 2007*;
- *SEPP (Coastal Management) 2018*;
- *SEPP No.33 – Hazardous and Offensive Development*;
- *SEPP No. 44 – Koala Habitat Protection*;
- *SEPP No. 55 – Remediation of Land*;
- *Lake Macquarie Local Environmental Plan 2004 and 2014* (**LMLEP**); and
- *Wyong Local Environmental Plan 2013* (**WLEP**).

25. The Commission agrees with the Department's assessment as set out in paragraph 3.3.2 of the Department's AR that the "*proposed modifications can be carried out in a manner that is generally consistent with the aims, objectives and provisions of these instruments*".

4.4.2 The Suitability of the Site for Development

26. The Commission is of the view that the land use is acceptable, and the Site is suitable for mining because the works proposed in the Application occur wholly within an approved and already disturbed mining area.

4.4.3 The Likely Impacts of the Development

27. The Department has assessed the likely impacts of the Applications in section 5 of the Department's Assessment Report. The Commission has considered the key issues relating to the Application as set out in sections 4.6 and 4.7 below.

4.5 Additional Considerations

28. In determining the Applications, the Commission has also considered the:
- *NSW Industrial Noise Policy 2000 (INP)*; and
 - *Noise Policy for Industry 2017 (NPfI)*.

4.6 Operational Noise

Public Comments

29. The Department's AR states:

Seven submissions were in the form of an objection, including one from a SIG, on behalf of the residents of the Macquarie Shores Home Village. The individual objections raised concerns over the:

- *ability of existing CHPP equipment at MC to handle the increased volume of coal without exceeding existing noise limits;*
 - *potential for increased noise and vibration impacts on residents of Macquarie Shores Home Village due to the operation of CHPP and machinery at the MC's pit top. (paragraph 4.5.3)*
30. The Commission received comments raising concerns in relation to the potential increase in noise as a result of the modifications, with a focus on night time noise and the current noise monitoring procedures at the Macquarie Shores Home Village.
31. Concerns were also raised regarding sleep disturbance and mental health issues associated with noise from the mining-related activities at CVC and MC.

Applicant's Consideration

32. The Applicant's Mannering SEE states:

An acoustic specialist was employed at MC to undertake detailed investigations regarding noise mitigation options at the site. Initial monitoring identified the rotary breaker, coal preparation plant (CPP) and coal stockpile dozer as the primary sources of noise generation from the site.

Significant noise mitigation works have recently been undertaken at MC to reduce noise emissions from the site.

The Applicant has set out the noise mitigation measures employed to date at MC in section 5.3.3 of the Mannering SEE.

33. In relation to noise and vibration impacts associated with MC, the Applicant's RtS dated August 2019 states:

The proposed modification would not require a change to existing infrastructure, currently approved hours of operation, transport methods or employee numbers. Therefore, operational noise emissions will be unchanged under the proposed modification and, therefore, no detailed noise assessment has been undertaken.

34. In relation to noise and vibration impacts associated with the CVC, the Applicant's RtS states:

There are no changes to surface infrastructure, operating hours, or intensification of CVC operations proposed by the modification. Noise emissions from the proposed modification would be within the predictions made in the Mining Extension 1 Project EIS (EMM 2013) and reflected in SSD-5465. No additional measures are therefore warranted and noise emissions will continue to be managed in accordance with CVC's approved Noise Management Plan (EMPD-16370).

35. The Applicant's RTS also states:

As part of the noise mitigation study, potential noise emission levels from MC have been predicted and compared to the site's long-term noise goals outlined in MP06_0311. Operational noise levels were assessed for the daytime, evening and night-time periods during worst case meteorological conditions. Noise mitigation works implemented by the previous operators in 2018 have decreased site noise emission levels at all neighbouring noise-sensitive receivers. Further, current and proposed MC noise emissions are predicted to comply with the relevant long-term noise criteria outlined in MP06_0311 at all assessment locations under worst case meteorological conditions. LAmx noise level events at the site are also predicted to remain below the relevant sleep disturbance criteria.

The proposed modification will not result in any changes to the approved operating hours at MC; however, there will be a considered focus from Delta Coal to ensure that noise impacts associated with the continued operation of MC will not increase.

Department's Assessment

36. In relation to operational noise at CVC, the Department's AR states:

The proposal to increase the volume of coal permitted to be transported via the underground linkage to the MC pit top would not generate additional noise impacts at CVC, particularly as Delta Coal is not seeking any changes to CVC's annual extraction limit or any other surface operations at the CVC pit top. (paragraph 5.3.1)

37. The Department's AR concluded:

The current noise limits within CVC's consent would continue to apply to future mining operations. These are predicted to be met, as the proposed modification would not increase noise emissions at this site. Nevertheless, the Department has recommended updating CVC's Noise Management Plan and retaining current transport conditions which allow Delta Coal to transport coal via road if necessary. (paragraph 5.3.4)

38. In relation to operational noise at MC, the Department's AR states:

In accordance with both the INP and the NPfI, the Department's focus for existing operations is to ensure that Delta Coal implements all reasonable and feasible noise mitigation measures for the colliery. This approach acknowledges the high historical ambient noise environment associated with the VPPS, CVC and MC, all of which were approved and operating well before the construction of residential areas such as Kingfisher Shores and Macquarie Shores Home Village. Nevertheless, over the past decade the Department has built on noise mitigation campaigns at MC to progressively reduce its noise impacts at surrounding residences. (paragraph 5.3.6)

39. The Department's AR states:

Following consideration of the public submissions and results of recent noise monitoring, on 17 September 2019, Delta Coal advised the Department that it had committed to decommission the rotary coal breaker at MC pit top. Delta Coal advised that this could be achieved by installing underground coal crushing equipment and that the rotary coal breaker could be removed by 30 June 2020. (paragraph 5.3.9)

The Department estimates that this action could reduce noise emissions from MC by an additional 2 dB(A). To ensure this amenity improvement occurs, the Department has recommended a condition that would require Delta Coal to remove the rotary breaker within 3 months of the date of any approval for Modification 5. (paragraph 5.3.10)

40. The Department's AR concluded:

The Department notes that all evidence provided to date indicates that MC is complying with its current noise limits at Macquarie Shores Home Village. It is the Department's view that once Delta Coal has decommissioned the rotary coal breaker at MC, it will have undertaken all reasonable and feasible noise mitigation measures that are available, other than to continue to maintain the efficacy of implemented noise mitigation measures and to implement the robust noise monitoring program required by its approved Noise Management Plan. (paragraph 5.3.24)

41. In relation to sleep disturbance as a result of operation noise, the Department's AR states:

The Department has recommended contemporary sleep disturbance criteria in accordance with the NPfI, which would result in equal or lower limits for sleep disturbance for the majority of nearby receivers (see Table 5). The exception to this is the Macquarie Shores Home Village which should be afforded a maximum Night LA1(1 min) limit of 52 dB under the NPfI. However, in recognition of the concerns raised in submissions and the outcomes of the noise mitigation study conducted in 2019, the Department has recommended that the existing maximum Night LA1(1 min) limit of 47 dB is retained at this receiver and notes that this limit has been demonstrated as being achievable for the current operations. Delta Coal has not objected to the continued application of this limit. (paragraph 5.3.26)

42. The Department's AR concluded:

The Department is confident that the removal of the MC rotary coal breaker would reduce the potential for sleep disturbance incidents. The current Noise Monitoring Program would provide evidence of whether this measure achieves further reductions in noise impacts following the breaker's removal and would continue to provide an effective means of monitoring and enforcing the recommended revisions to the sleep disturbance criteria. (paragraph 5.3.28)

Commission's Findings

43. The Commission acknowledges the concerns raised by members of the public in relation to the noise impacts associated with the operation of MC as referenced in paragraphs 29 - 31.
44. The Commission notes that the Applicant has implemented a number of noise mitigation measures to date at MC in order to reduce noise emissions from the Site as referenced in paragraph 32. The Commission agrees with the Department's statement in paragraph 41 that all evidence provided to date indicates that MC is complying with its current noise limits at Macquarie Shores Home Village.
45. The Commission notes that the Applicant has committed to the removal of the rotary coal breaker at MC as stated by the Department in paragraph 39. The Commission agrees with the Department in paragraphs 39 and 42 that the removal of the MC rotary coal breaker would reduce noise emissions and the potential for sleep disturbance incidents. The Commission therefore imposes the Department's recommended condition that would require the Applicant to remove the rotary breaker within 3 months of the date of any approval for Modification 5 as this will ensure the amenity improvement associated with the removal of the rotary coal breaker occurs.
46. The Commission notes that the Department is of the view that once the existing rotary coal breaker is decommissioned at the MC, the Applicant will have undertaken all reasonable and feasible noise mitigation measures that are available. The Commission is of the view that the Applicant can further mitigate noise impacts by ensuring that the structure housing the coal crusher is further enclosed, with a primary focus on the structure's current unshielded open access to the north-east.

The Commission therefore imposes the following condition:

Noise Operating Conditions

3A The Applicant must:

- (g) *implement reasonable and feasible measures to further enclose the structure housing the coal crusher in order to further mitigate noise from operational activities.*

4.7 Other Issues

Mine Design and Mining Methods

47. The Department's AR states:

The Department considers that the careful assessment given to each Extraction Plan application, the improving knowledge of geological and mining behaviour of the mine and the adaptability of pillar extraction techniques should deliver subsidence impacts of less than 780 mm in Subsidence Management Zone B for the life of the mine. (paragraph 5.2.19)

On balance, the Department supports the introduction of the herringbone mine layout of first workings to CVC, and subsequent removal of a portion of coal pillars in accordance with approved Extraction Plans. (paragraph 5.2.20)

48. The Department's AR also states:

The Department considers that amending the definition of first workings in the consent to clarify that a herringbone pattern of mining fits within the definition of first workings would not compromise or increase any risks associated with MC's mining operations. The existing environmental performance measure of less than 20 mm of vertical subsidence would be retained, but Delta Coal would have greater flexibility and operational efficiency by being able to choose either a checkerboard or herringbone layout for its first workings. (paragraph 5.2.29)

49. The Commission agrees with the Department's conclusion in relation to mine design and mining methods for both CVC and MC as set out in paragraphs 47 and 48. The Commission imposes the Department's recommended conditions of consent including the condition requiring the production of a Multi Seam Mining Feasibility Investigation to the satisfaction of the Secretary as set out in paragraph 5.2.23 of the Department's AR.

Air Quality

50. The Department's AR concludes:

The modifications would not increase production output from the collieries and would not generate additional greenhouse gases emissions relative to what is already approved. The MC consent also requires the preparation of a stand-alone Greenhouse Gas and Energy Efficiency Plan, however as part of the contemporary changes to the air quality conditions for MC, the Department is proposing to incorporate these reporting and management requirements through conditions that require the development of a contemporary Air Quality Management Plan which is consistent with the approach taken by the Department for other coal mines in NSW. (paragraph 5.4.9)

51. The Commission agrees with the conclusion of the Department's AR as set out in paragraph 50. The Commission imposes the Department's recommended conditions of consent including the application of the EPA's contemporary air quality standards to the MC and CVC consents.

Groundwater

52. The Department's AR concludes:

Overall, a decrease in the groundwater inflow to mine workings is likely in areas where first workings are to occur. This is a positive benefit of the adaptive management of mine design. Water management measures would continue to be undertaken in accordance with CVC's approved Water Management Plan, which the Department has also recommended be updated, should the modification be approved. (paragraph 5.5.3)

53. The Commission agrees with the conclusion of the Department's AR in that there would be a reduced impact on groundwater due to the adaptive management of mine design as set out in paragraph 52. The Commission imposes the Department's recommended conditions of consent.

Traffic and Transport

54. The Department's AR states:

As the modifications would allow all coal produced at CVC to be preferentially transported via the underground linkage to MC, the Department considers that there would be a reduced likelihood that Delta Coal would need to exercise its approved ability to access other domestic and export markets by trucking on local roads. (Table 6)

55. The Commission agrees with the conclusions of the Department's AR as set out in paragraph 54. The Commission imposes the Department's recommended conditions of consent including the requirement for CVC and MC to update existing traffic management plans.

Request to Amend Applicant Name

56. The Commission received correspondence from the Applicant dated 2 June 2020 via the Department. That correspondence requested that the recommended instruments for the Applications be amended to reflect the Applicant's name as 'Great Southern Energy Pty Limited' rather than their current trading name 'Delta Coal Pty Limited'.
57. The Commission has therefore amended the instruments to reflect the Applicant's name as 'Great Southern Energy Pty Limited'.

4.8 Objects of the EP&A Act and Public Interest

Applicant's Consideration

58. The Applicant's SEE for CVC states:

The proposed modification is a minor alteration to the approved development and is considered to be in the public interest as it:

- *provides operational flexibility and increased resource recovery potential;*
- *will lower capital and operating costs across Delta Coal's operations, as the existing infrastructure at MC has the proven ability to supply coal to VPPS at a higher and more efficient rate than directly from CVC due to more advanced coal clearance infrastructure;*
- *improves the overall financial viability of CVC, promoting the continuation of CVC's social and economic benefits;*
- *supports the continued supply of coal to VPPS for local power generation;*
- *the benefits can be achieved with no increase in adverse environmental impacts over and above those already approved at CVC via development consent SSD-5465;*
- *is aligned with the principles of ESD; and*
- *meets all relevant government policies.*

59. The Applicant's SEE for MC states:

The proposed modification is a minor alteration to the approved development and is considered to be in the public interest as it:

- *will enable the provision of coal in excess of the currently approved handling volume at MC of 1.3 Mtpa, whilst reducing truck movements to VPPS by private roads;*
- *will enable the provision of additional coal to VPPS via an existing approved conveyor network and will enhance the security of coal supply to the local domestic power generator (Delta Electricity);*
- *will lower capital and operating costs for Delta Coal's combined operations as the existing infrastructure at MC has the proven ability to supply coal to VPPS at a higher and more efficient rate than directly from CVC due to more advanced coal clearance infrastructure;*
- *will increase flexibility in bord and pillar layout which would result in maximised resource recovery from within the approved mining area;*

- will provide greater financial certainty for the mine, which in turn, will provide increased job security for Delta Coal's employees and associated ongoing social and economic benefits;
- can achieve benefits with minimal adverse environmental impact;
- is aligned with the principles of ESD; and
- meets all relevant government policies.

Department's Assessment

60. The Department's AR has undertaken an assessment of the Application against the objects of the EP&A Act. These are set out in paragraph 3.3.3 and Table 4 of the Department's AR.
61. The Department's AR concludes:

Based on its assessment, the Department considers that the proposed modifications are in the public interest and are approvable, subject to the recommended conditions outlined in Appendices D and E. (paragraph 7.1.8)

Commission's Findings

62. The Commission agrees with the Department's Assessment in paragraphs 60 and 61 and is of the view that the Application is in accordance with the EP&A Act and is in the public interest.

5 CONCLUSION: THE COMMISSION'S FINDINGS AND DETERMINATION

63. The views of the community were expressed through public submissions and comments received (as part of exhibition and as part of the Commission's determination process). The Commission carefully considered all of these views in making its decision. The way in which these concerns were taken into account by the Commission is set out in **section 4** above.
64. The Commission has carefully considered the Material before it as set out in section 4.3.
65. For the reasons set out in this Statement of Reasons dated 26 June 2020, the Commission has determined that modifications should be approved subject to conditions. These conditions are designed to:
- prevent, minimise and/or offset adverse environmental impacts;
 - set standards and performance measures for acceptable environmental performance
 - require regular monitoring and reporting; and
 - provide for the on-going environmental management of the development.



Peter Cochrane (Chair)
Member of the Commission



Geoff Sharrock
Member of the Commission