

GLENCORE

22 April 2022

Ms Dianne Leeson
Chair of the Glendell Continued Operations – SSD 9349 Panel
Independent Planning Commission
Office of the Independent Planning Commission NSW
Suite 15.02 Level 15
135 King Street
Sydney NSW 2001

Copy to: Casey Joshua, Principal Case Manager, Office of the Independent Planning Commission

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Dear Ms Leeson,

LENDELL CONTINUED OPERATIONS PROJECT – SSD 9349 & SSD 5850 MOD 4

1. PURPOSE OF THIS LETTER

- 1.1 We refer to the IPC's statement of 13 April 2022 inviting further submissions (*IPC Letter*).
- 1.2 The purpose of this letter is to assist the IPC in considering issues raised in the documents referenced in the IPC Letter by concisely addressing the following key matters that are critical to the IPC's assessment and determination of the Project:
- (a) the ongoing demand for the Project's high quality coal, and the NSW Government's policy concerning responsible SSD applications to expand existing coal operations that produce high quality coal for export;
 - (b) the assessed Aboriginal cultural heritage significance of the Ravensworth Estate and the assessed heritage significance of the Ravensworth Homestead Complex; and
 - (c) the Project's significant economic and social benefits at a local, State and National level.

2. DEMAND FOR THE PROJECT'S HIGH QUALITY COAL AND NSW GOVERNMENT POLICY

The Project's high quality coal

- 2.1 Calorific value (**CV**) is the main parameter which defines the quality of thermal coal.¹ CV refers to the energy density of coal and determines the volume of coal that is required to generate a certain amount of electricity.
- 2.2 The key reason why the CV of thermal coal is important is because:
- (a) the higher the CV of the coal, the less coal needs to be used to generate a unit of electricity; and
 - (b) the less coal burned, the less CO₂ is released into the atmosphere.

¹ IEA, Coal 2021, pp 76 and 120.

- 2.3 Therefore, the use of high-CV coal for electricity generation can generally provide the most efficient energy production per tonne of CO₂ and reduce the amount of CO₂ that is released into the atmosphere per unit of electricity produced, compared to coal of lower CV. As noted by the Federal Department of Industry, Science, Energy and Resources (**DISER**):
- ... One of the most important factors for emissions intensity is the energy content or calorific value, which represents the energy contained in the coal. High energy content coal can be combusted more efficiently resulting in less emissions per unit of electricity generated (i.e., improved thermal efficiency).²
- 2.4 According to the International Energy Agency (**IEA**), coal with a CV greater than 5,700 kcal/kg nar³ is categorised as high-CV coal and coal with a CV less than 4,500 kcal/kg nar is categorised as low-CV coal.⁴
- 2.5 With respect to GHG emissions, it is clearly preferable that high-CV coal is used.
- 2.6 The Project's product coal will be high quality coal because the average energy content of the Project's:
- (a) thermal coal will be greater than approximately 5,940 kcal/kg nar; and
 - (b) semi-soft coking coal will be greater than approximately 6,540 kcal/kg nar.⁵
- 2.7 In contrast to the average energy content of the Project's product coal, the average energy content of:
- (a) Indonesian export thermal coal is only 4,640 kcal/kg nar; and
 - (b) Russian export thermal coal is only 5,590 kcal/kg nar.⁶
- 2.8 As such, the Project's thermal coal will have a superior CV than typical Indonesian export thermal coal and Russian export thermal coal.
- 2.9 In this regard, we note that:
- (a) Indonesia, Australia and Russia are the three main exporters of thermal coal;⁷
 - (b) in 2020, Indonesia exported 400 million tonnes (Mt) of thermal coal and lignite (41% of global export supply), Australia exported 199 Mt (20% of global export supply) and Russia exported 173 Mt (18% of global export supply);⁸ and
 - (c) in 2020, Indonesia accounted for 96% of global low-CV thermal coal exports in 2020 (in contrast, ~86% of Australia's exported thermal coal was high-CV).⁹

Ongoing demand in the Asia-Pacific region

- 2.10 The IEA's *World Energy Outlook 2021 (WEO 2021)* predicts that, in all of its 3 scenarios including the Net Zero Emissions by 2050 Scenario, there will be continuing demand in the Asia-Pacific region for thermal coal and semi-soft coking coal in 2050.¹⁰
- 2.11 The NSW Government's 2020 *Strategic Statement on Coal Exploration and Mining in NSW (NSW Coal Policy)* identifies that global seaborne thermal coal demand remains relatively stable out to 2050.

² DISER, *Coal Mining Projects – Technical Analysis*, p 16 (www.awe.gov.au/sites/default/files/documents/24782.pdf).

³ Net as received (as an approximate conversion, net as received = gross as received minus 260 kcal/kg).

⁴ IEA, *Coal 2021*, p 76.

⁵ *Response to IPC Questions* (March 2022), p 28.

⁶ DISER, *Coal Mining Projects – Technical Analysis*, Table 9, p 16 (www.awe.gov.au/sites/default/files/documents/24782.pdf).

⁷ IEA, *Coal 2021*, p 108.

⁸ IEA, *Coal 2021*, p 108.

⁹ IEA, *Coal 2021*, p 76.

¹⁰ See section 5.4.2.

- 2.12 We note that the Project meets this forecast demand and is consistent with the NSW Coal Policy, in particular:
- (a) it is a brown-field extension to an existing operation in an established mining area that seeks approval until 2044;
 - (b) the relatively high CV of the Project's coal makes it a premium product which will be in demand by end-purchasers who in the ensuing decades to 2044 will be under pressure to reduce their Scope 3 emissions; and
 - (c) the fact that approximately 23% of the Project's coal can be sold as semi-soft coking coal¹¹ is also a positive.

Application of the NSW coal policy to the Project

- 2.13 An IPC Panel chaired by Mary O'Kane AC recently approved the Narrabri Underground Mine Stage 3 Extension Project.
- 2.14 In the statement of reasons for that decision, we consider that the IPC Panel relevantly accepted that:
- (a) the NSW Coal Policy supports responsible coal production;¹² and
 - (b) it is consistent with the NSW Coal Policy to approve appropriate brown-field extensions to existing operations that produce high quality coal which will meet the ongoing demand for this coal in the Asian export market.¹³
- 2.15 It is our position that the consistency of the Project with the NSW Coal Policy must be considered and given weight in the IPC's assessment and determination of the Project.

3. HERITAGE IMPACTS

- 3.1 We submit that the Project's heritage assessment is one of the most comprehensive and thorough heritage assessments carried out for a proposed SSD.
- 3.2 In particular, the Project's heritage assessment exhaustively documents and assesses the heritage values of the Ravensworth Homestead and broader Ravensworth Estate, properly addresses the values and recommendations of the 32 Registered Aboriginal Parties (**RAPs**) and carefully considers appropriate measures to mitigate and manage the Project's heritage impacts.
- 3.3 In their advice to DPIE (now DPE) in October 2020, Heritage NSW concluded:
- (a) it was satisfied that there was adequate assessment of the Aboriginal cultural heritage values and the archaeological or scientific values of the project area, as well as any potential impact on these values, and
 - (b) that the Aboriginal community consultation was undertaken in accordance with *Aboriginal cultural heritage consultation requirements for proponents 2010*.

Heritage NSW also noted that the Project provided multiple opportunities for RAP involvement on all aspects of the project and consultation regarding their Aboriginal cultural values for the Project area. Further discussion on these statements has been provided to the IPC in the 'Response to EDO submissions to the IPC' document dated April 2022.

¹¹ See page 1 of Attachment 3 to Glencore's "Response to Minecraft Report" (August 2021).

¹² Statement of Reasons for Decision (1 April 2022), p 8.

¹³ Statement of Reasons for Decision (1 April 2022), pp 18, 36 and 42.

- 3.4 When the Project's comprehensive heritage assessment and the proposed impact mitigation measures are properly taken into account in the context of the Project's significant social and economic benefits to the State, it is our position that the heritage impacts are acceptable and it is open for the IPC to approve the Project on this basis.

Aboriginal cultural heritage significance of the Ravensworth Estate

- 3.5 We commend to the IPC the concise summary and analysis contained in the letter of ACHM's Dr Canning dated 30 March 2022 (Canning Letter), which is Attachment 1 to Umwelt's Response to the EDO dated 4 April 2022.

- 3.6 In the Canning Letter, the author:

- (a) addresses the tension between the views expressed by the people of the Wonnarua Nation Aboriginal Corporation (**WNAC**) which are supported by the exhaustive historical research and extensive archaeological excavations carried out on behalf of Glencore, and the contrary views expressed by a small group known as the Plains Clans of the Wonnarua People (**PCWP**);
- (b) identifies the "shifting views" expressed by the PCWP which, in his view, are not supported by any credible historical or scientific evidence of any kind to support the PCWP's contention that there are Aboriginal massacre sites or associated unmarked graves at the Ravensworth Homestead and surrounding Estate;
- (c) refers to a letter dated 19 August 2020 written by Mr Laurie Perry, the CEO of the WNAC which cites more than 500 members. In that letter, Mr Perry describes the PCWP report as "*inaccurate, contains no real local Aboriginal oral history that we have from our ancestors and elders living today*". As to the claim made by the PCWP that there were massacres at the Ravensworth Estate, Mr Perry stated in the WNAC letter:

The Nation acknowledges that there were a number of skirmishes between our ancestors and white settlers throughout the Hunter Valley. We do not believe that there was anything more significant about the Project Area than other places. If there were massacres at Ravensworth, our genuine traditional ancestral structures would have known this, and we would object to any proposal to mine the area. But there were none.

- (d) concludes that:

Since 2012, thousands of pages have been written on the Ravensworth Estate ... No avenue has remained unexplored in the pursuit of an objective assessment of the scientific, historic and cultural values of the project area. An ACHA process that has had few, if any, parallels in NSW, combined with exhaustive historical research and extensive archaeological excavations has literally left no stone unturned. The wide range of investigations undertaken has been best practice at every turn.

While all concerned with this project have no doubt that frontier violence claimed the lives of countless Aboriginal people in the early days of colonial expansion, we have categorically demonstrated that there is no scientific or historical basis for claims of the existence of burial sites or massacre sites at Ravensworth Estate, nor that Ravensworth Estate was the epicentre of frontier violence at any point in time.

- 3.7 We also note that there are Aboriginal Place declarations for a number of Aboriginal sites in the Hunter Valley, which hold significance across the Aboriginal community. Mr Perry further states in the WNAC letter:

The St Clair Mission carries stronger associations with the impacts on Aboriginal people caused by the government and settler attacks on our ancestors and the impacts on our culture.

The other key cultural places include Biaime Cave Aboriginal Protected by WNAC, Lizard Rock and Redbournberry Hill a former Aboriginal reserve where our ancestors were forced to live with clear evidence of occupation from noted Wonnarua Historian James Wilson Miller Book "Koori A will to Win". This land is now Aboriginal Protected as well by WNAC.

Significance of the Plains Clans of the Wonnarua People

- 3.8 As the Commission is aware, Mr Scott Franks – as a representative of the PCWP – has made submissions both orally during the course of the public hearing and in writing to the effect that the PCWP is a "registered" native title claimant (presumably under the Native Title Act 1993 (Cth) (**NTA**)). This is incorrect.
- 3.9 The PCWP native title claimant application (NC2022/001; NSD58/2022) was filed in the Federal Court of Australia on 1 February 2022. On 11 April 2022, a delegate of the Native Title Registrar decided that the PCWP application does not satisfy all of the conditions in ss190B-190C of the NTA, and therefore the claim must not be accepted for registration and will not be entered on the Register of Native Title Claims.
- 3.10 In short, this current claim has never been registered contrary to the position expressed by Mr Scott Franks to the IPC. Rather the PCWP is one of the 32 Registered Aboriginal Parties who have participated in cultural heritage consultation in respect of the Project.
- 3.11 It would be an error of the IPC to provide any greater weight to the submissions of Mr Scott Franks or Mr Robert Lester (being the other claim applicant) than any other Aboriginal party that made submissions on, or provided input into, the Project application, particularly the 31 other RAPs who have also participated in cultural heritage consultation in respect of the Project.

Heritage significance of the Ravensworth Homestead Estate

- 3.12 It has always been accepted by Glencore that the Ravensworth Homestead Complex is of heritage significance. It was for this reason that options to avoid the Homestead were actively considered in the Project design phase.
- 3.13 It should also be acknowledged by the IPC that the Ravensworth Homestead Complex can be successfully relocated intact to the Ravensworth Farm which is within the original Ravensworth Estate or, alternatively, can be dismantled and rebuilt at Broke.

Proposed mitigation measures

- 3.14 While the Project will result in impacts to the Ravensworth Homestead Estate, significant heritage and social benefits are retained and/or realised through the relocation of the Ravensworth Homestead Complex and proposed archaeological survey and salvage program.
- 3.15 Additionally, if SSD Consent for the Project is granted by the IPC, the following benefits will also be realised:
- (a) the significant management measures and commitments contained in Section 8.2.4 of the Aboriginal Cultural Heritage Assessment Report, which were developed through the project consultation with RAPs and cover areas of Education, Employment, Land Management, Bringing People Together and Cultural Awareness and Education;
 - (b) funding will be provided for the relocation and restoration of the Homestead Complex;
 - (c) funding will be provided for the maintenance of the Homestead Complex;

- (d) educational features will be provided, namely:
 - (i) storage and display of information detailing the history of the Ravensworth Estate (Aboriginal and historical) and artefacts salvaged from the Ravensworth Estate; and
 - (ii) 3D digital recording of the existing Ravensworth Homestead.

Comments on DPE's new draft "Broke" relocation conditions

- 3.16 In respect of the draft condition of consent for the Project prepared by DPE to regulate the relocation of the Ravensworth Homestead to Broke, we note that this option has significant community support. While Glencore supports this option, there are minor changes to the DPE proposed condition required in order to ensure that the Project can proceed should the required approvals (covering all aspects of the relocation including but not limited to native title, land tenure, rezoning and development approval) not be obtained within a practicable timeframe.
- 3.17 If the SSD Consent for the Project is granted without these changes, Glencore will be unable to commence the Project as it will have no certainty that the Project can proceed if the required Broke approvals are not obtained. In order for the Project to be able to proceed with certainty, there needs to be a fallback option for the Ravensworth Farm relocation in the event that the relevant approvals (as discussed in Section 5.2.1.2 of the EIS) for the Broke option cannot be obtained within a two year period.
- 3.18 These requested changes are marked-up below:

Ravensworth Homestead Relocation

B1. Prior to undertaking any mining operations within 2 kilometres of the Ravensworth Homestead, or other such timing as may be agreed by the Planning Secretary, the Applicant must use its reasonable endeavours to obtain ~~a valid planning~~ the approval/s **required** for relocation of the Ravensworth Homestead to Broke Village.

B2. The Applicant must relocate the Ravensworth Homestead prior to undertaking any mining operations within 1.2 kilometres of the existing homestead structures, in accordance with the Historic Heritage Management Plan required under condition B77 below, and to the satisfaction of the Planning Secretary.

B3. The Applicant must relocate the Ravensworth Homestead to the Broke Village (as described in the document/s listed in condition A2(c)), or to an alternative site at Ravensworth Farm if the Applicant is unable to obtain ~~valid planning~~ the approval/s **required** for the Broke Village relocation site **within 2 years of the commencement of this development consent, or other such timing as may be agreed by the Planning Secretary.**

Note: This does not include full reestablishment to be completed prior to the commencement of mining. Works associated with ancillary civil and infrastructure works and landscaping may be carried out following relocation and the timing of these works is to be detailed in the Ravensworth Homestead Relocation Plan.

4. THE SIGNIFICANT ECONOMIC AND SOCIAL BENEFITS AT A LOCAL, STATE AND NATIONAL LEVEL

- 4.1 The IPC should find that the Project will have significant economic and social benefits at a local, State and National level, and that these significant benefits clearly outweigh the disbenefits of the Project including heritage impacts associated with relocating the Ravensworth Homestead.
- 4.2 In particular, we reiterate that:
 - (a) the Glendell Mine currently employs 300 personnel and, in 2020, spent \$120 million on goods and services with 380 suppliers, \$39 million on workforce wages and \$17 million on royalties to the state;

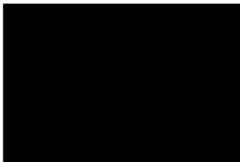
- (b) the Project is estimated to provide a net benefit to NSW of \$1,121.3 million (NPV), comprising \$369.4 million in direct benefits and \$754.3 million in indirect benefits (noting that the predicted NPV of the Project remains significant even under the most conservative assumptions regarding indirect benefits and GHG costs);
- (c) the Project is expected to result in the employment of between 400 and 687 full time equivalent personnel for the bulk of the operations phase, and the net present value of total wages is expected to be around \$756 million for the life of the Project; and
- (d) as accepted by DPE, the Project will deliver: direct capital investment of \$515 million (NPV), \$2.5 billion (NPV) in Gross Regional Product for the Lower Hunter and contributions to Singleton Council.

4.3 If SSD Consent for the Project is not granted, none of these abovementioned benefits will be realised.

In assessing and determining the Project the IPC is required to consider, weigh and balance the Project's environmental, social and economic impacts against its benefits and impact mitigations. Having regard to all of the Project documentation (including the key matters set out in this submission) and public submissions, the Project is consistent with relevant NSW Government Policy and has significant social and economic benefits for the State and Hunter Region.

We believe that these benefits, together with the comprehensive impact avoidance, management and mitigation measures proposed (including those contained in the draft DPE conditions), result in a Project which achieves a rational and responsible balance between environmental, social, economic and cultural considerations and should be approved.

Yours sincerely,



Shane Scott
Coal Assets Australia, GLENCORE

