



Mr Stephen Barry
Planning Director - Independent Planning Commission
Via email: Stephen.Barry@ipcn.nsw.gov.au

8 March 2022

Dear Mr Barry

Glendell Continued Operations Project (SSD 9349) and Mount Owen Continued Operations (SSD 5850) Modification

I refer to your recent letter (dated 28 February 2022) requesting an addendum to the Department's Assessment Report which relates specifically to Mount Owen Modification 4.

The Department has reviewed your request and prepared a detailed table (see Enclosure 1) outlining the following information:

- consideration of section 4.55(3) of the *Environmental Planning and Assessment Act 1979* (the Act) as are of relevance to SSD 5850-MOD-4, including consideration of the matters referred to in section 4.15(1) of the Act, and consideration of the reasons given by the consent authority for the grant of the original consent; and
- justification for the conditions proposed to be modified in SSD 5850-MOD-4.

Further to the above, as outlined in Section 2 of the Department's Assessment Report, the Glendell Continued Operations Project relies on the coal handling and processing and rail facilities at the Mount Owen Mine (operated under SSD 5850) to process and transport its coal, without modification to SSD 5850 to extend the life of this infrastructure, the Glendell Continued Operations Project would not be able to operate as described in the Environmental Impact Statement.

As outlined in Section 7 of the Department's Assessment Report, the Department considers that the benefits of the Glendell Continued Operations Project outweigh its costs, and that it is approvable, subject to stringent conditions. Given this recommendation, the Department also recommends that the proposed modifications to SSD 5850 be approved to allow the Glendell Continued Operations Project to proceed.

If you have any questions or wish to discuss further, please contact me on [REDACTED] or by email at stephen.odonoghue@planning.nsw.gov.au.

Yours sincerely

A handwritten signature in black ink, appearing to be 'S O'Donoghue'.

Steve O'Donoghue

**Director
Resource Assessments**

Enclosure 1: Further Information Regarding Mount Owen Modification 4 (SSD 5850-MOD-4).

Enclosure 1
Further Information Regarding Mount Owen Modification 4 (SSD 5850-MOD-4)

Consideration of Section 4.55(3) of the Act	
Consideration of the reasons for granting consent to the original application	<p>The Mount Owen Continued Operations Project (SSD 5850) was granted approval on 3 November 2016 by the Planning Assessment Commission (PAC), as delegate for the then Minister for Planning.</p> <p>In recommending approval of SSD 5850, the Department stated, <i>“it was satisfied that the benefits of the project outweigh its residual costs and considers that the project is in the public interest and should be approved”</i>. In determining the Application, the PAC stated that it supported the Department’s conclusion and it agreed that <i>“the Project will provide material benefits to the local area and NSW”</i>.</p> <p>In accordance with section 4.55(3) of the Act, in recommending approval of SSD 5850-MOD-4, the Department has taken into consideration the above justification for the granting of the original application. Consistent with the above stated justification, the Department considers that the benefits of SSD 5850-MOD-4, in assisting the operation of the Glendell Continued Operations Project, outweigh the impacts, subject to the adherence to strict conditions.</p>
Consideration of the Matters Referred to in Section 4.15(1) of the Act	
Environmental Planning Instruments	<p><i>Singleton Local Environmental Plan 2013</i></p> <p>The modification is located in the Singleton local government area. All subject land within the modification area is zoned RU1 (Primary Production) under the <i>Singleton Local Environmental Plan 2013</i> (Singleton LEP).</p> <p>Open cut mining and processing of ROM coal is permissible with consent in this zone.</p> <p><i>SEPP No. 33 – Hazardous and Offensive Development</i></p> <p>The Department acknowledges that processing operations at Mount Owen may entail storage and use of hazardous substances. However, having consideration to the dangerous goods licences and management measures currently in place at the mine, the Department is satisfied the modification does not meet the definition of a potentially hazardous industry under SEPP 33.</p>

<p>Environmental Planning Instruments (Cont.)</p>	<p>SEPP No. 55 – Remediation of Land</p> <p>The modification is located on land that is encompassed within the current Mount Owen Mine.</p> <p>As with all mining projects, some minor areas of the existing Mount Owen Mine would require management for the presence of hydrocarbons prior to mine closure (i.e. areas surrounding fuel storages). Nevertheless, the Department is satisfied that these matters would not constitute a significant or persistent contamination of the site and could be easily managed and/or remediated under the existing or updated conditions of consent and/or the EPL for the site. Accordingly, the Department is satisfied that the modification could continue to be appropriately managed and remediated (if necessary) to ensure it is suitable for its existing or future use.</p> <p>Overall, the Department is satisfied that the modification is generally consistent with the aims, objectives, and provisions of SEPP 55.</p> <p>SEPP (State and Regional Development) 2011</p> <p>The modification is directly linked to the Glendell Continued Operations Project which is declared to be State significant development under Division 4.7 of the EP&A Act as it is 'development for the purposes of coal mining and mining related works', as specified in clause 5 of Schedule 1 to <i>State Environmental Planning Policy (State and Regional Development) 2011</i>.</p> <p>SEPP (Infrastructure) 2007</p> <p>The Infrastructure SEPP requires the consent authority to notify relevant public authorities about developments that may affect public infrastructure or public land. The Department notified Singleton Council, Transport for NSW, the ARTC, Ausgrid, Dams Safety Committee and Crown Lands about the proposed modification.</p> <p>The Department has consulted with public authorities and considered the matters raised in its assessment of the modification (see Section 6 of the Department's Assessment Report). As such, the Department considers that the requirements of the Infrastructure SEPP have been satisfied.</p> <p>SEPP (Mining, Petroleum Production and Extractive Industries) 2007</p> <p>Clause 7(1)(b) of the Mining SEPP identifies that mining is permissible with consent on any land where development for the purposes of agriculture or industry may be carried out (with or without development consent). Consequently, the proposed modification is permissible with consent under the Mining SEPP, and the Commission may determine the application.</p>
<p>Terms of Applicant's offer to enter into Planning Agreements</p>	<p>Glencore has offered to enter into a Planning Agreement with Singleton Council should the Glendell Continued Operations Project be approved. The terms of the VPA and status of negotiations is detailed in Section 6.11 of the Department's Assessment Report.</p>
<p>Likely impacts of the modification</p>	<p>The Department has considered the potential impacts of the modification as detailed in Section 6 of the Department's Assessment Report. The key impacts associated with the modification would be potential air quality and noise impacts associated with extending the life of the Mount Owen CHPP and rail infrastructure. The Department and the EPA are satisfied that the air quality and noise impacts of the modification are acceptable, and that Glencore has proposed all reasonable and feasible measures to reduce these impacts as far as practicable. These matters are considered in detail in Sections 6.4 and 6.6 of the Department's Assessment Report.</p>
<p>Suitability of the site</p>	<p>The site is considered to be suitable for the modification as it would only involve the extended use of the existing Mount Owen CHPP and associated transport infrastructure, the potential use of the existing Mount Owen MIA, along with the use of the existing North Pit and Bayswater North Pit for water and/or tailings storage as part of the water management system at the Complex. No further disturbance would be required.</p>

<p>Objects of the Act, principles of ESD and community interest</p>	<p>The Department's assessment of the modification has given detailed consideration to the objects found in section 1.3 of the Act. Consideration of the key objects, as they relate to SSD 5850-MOD-4, is provided below.</p>
<p>(a) <i>to promote the social and economic welfare of the community and a better environment by the proper management, development and conservation of the State's natural and other resources,</i></p> <p>(c) <i>to promote the orderly and economic use and development of land,</i></p>	<ul style="list-style-type: none"> • The modification involves a permissible land use on the subject land. • The coal resource to be processed and transported from Mount Owen Mine has been determined to be significant from a State and regional perspective. • The coal resource to be processed and transported from Mount Owen Mine is located within existing coal exploration and mining lease areas, in a region that is dominated by coal mining operations. • The modification can be largely carried out using existing infrastructure. • The modification would allow for the development of the Glendell Continued Operations Project and therefore provide considerable socio-economic benefits.
<p>(b) <i>to facilitate ecologically sustainable development by integrating relevant economic, environmental and social considerations in decision-making about environmental planning and assessment</i></p>	<p>The modification proposal can be carried out in a manner that is consistent with the principles of ESD, which have been considered through the EIS and the Department's assessment (see Section 4 and Appendix G.2 of the Department's Assessment Report) which has sought to integrate all significant environmental, social and economic considerations.</p> <p>Precautionary Principle</p> <p>The modification has been designed to minimise potential environmental impacts where practicable, through the use of existing infrastructure to minimise the clearance required. In addition, the EIS and Department's assessment have identified management and mitigation measures to address potential air quality and noise impacts, and include commitments and requirements to implement monitoring, auditing and reporting mechanisms.</p> <p>Overall, the Department has assessed these matters in detail (see Section 6 of the Department's Assessment Report) and considers that the recommended conditions, as modified, would provide appropriate protection for the environment and minimise the potential for any serious or irreversible environmental damage.</p> <p>Intergenerational Equity</p> <p>Intergenerational equity has been addressed through maximising efficiency and coal resource recovery and developing environmental management measures which are aimed at ensuring the health, diversity and productivity of the environment are maintained or enhanced for the benefit of future generations.</p> <p>The Department acknowledges that coal and other fossil fuel combustion is a contributor to climate change, which has the potential to impact future generations. However, the Department also recognises that there remains a clear need to develop coal deposits, and process coal, to meet society's basic energy requirements for the foreseeable future.</p>

	<p>The Department's assessment of direct energy use and associated GHGE's (i.e. Scope 1, Scope 2 and Scope 3 emissions) has found that these emissions would be low and comprise a very small contribution towards climate change at both the national and global scale (see Section 6.5 of the Department's Assessment Report).</p> <p>The Department considers that the socio-economic benefits and downstream energy generated by the Glendell Continued Operations Project, through coal processed as part of the modification, would benefit future generations, particularly through the provision of national and international energy needs in the short to medium term.</p> <p>Conservation of Biological Diversity and Ecological Integrity</p> <p>The modification has been designed to minimise potential environmental impacts where practicable, through the use of existing infrastructure to minimise the clearance required. As such, there would be no additional impacts to biodiversity directly associated with the modification.</p> <p>Improved Valuation, Pricing and Incentive Mechanisms</p> <p>Valuation and pricing of resource has been considered through economic, social and cost-benefit analyses which have been completed as part of the EIS. The cost benefit analyses sought to weigh up the modification's costs and benefits based on its full range of environmental, social and economic impacts. The Department has carefully considered the costs and economic benefits of the modification and support the conclusion that it would allow operation of the Glendell Continued Operations Project which would deliver a significant net benefit to the local region and the State of NSW.</p>
<p>(e) <i>to protect the environment, including the conservation of threatened and other species of native animals and plants, ecological communities and their habitats,</i></p>	<ul style="list-style-type: none"> • The modification has been designed to minimise potential environmental impacts where practicable, through the use of existing infrastructure to minimise the clearance required. • The modification is able to be undertaken in a manner that would maintain biodiversity values of the region in the medium to long-term. • Both the <i>precautionary principle</i> and the <i>conservation of biological diversity and ecological integrity</i> has been applied in the assessment to avoid serious or irreversible damage to the environment wherever possible.
<p>(f) <i>to promote the sustainable management of built and cultural heritage (including Aboriginal cultural heritage),</i></p>	<ul style="list-style-type: none"> • The modification has been designed to minimise potential impacts and promote sustainable management of built and cultural heritage where practicable, through the use of existing infrastructure to minimise the clearance required. • The proposed management measures have been developed in consultation with a wide range of community stakeholders, including Council and Registered Aboriginal Parties. • Glencore's proposed mitigation and management measures would ensure that the modification would continue to have acceptable impacts on Aboriginal cultural heritage and historic heritage.
<p>(i) <i>to promote the sharing of the responsibility for environmental planning and assessment between the different levels of government in the State,</i></p>	<ul style="list-style-type: none"> • The Department has notified and consulted with the affected Council and other NSW government authorities over the modification and carefully considered all responses in its assessment.
<p>(j) <i>to provide increased opportunity for community participation in environmental planning and assessment.</i></p>	<ul style="list-style-type: none"> • The Department publicly exhibited the modification application and requested community submissions which were all reviewed, considered and responded to by Glencore.

Conditions Recommended to be Modified in SSD 5850-MOD-4	
Update of definitions	The Department recommends updating the definitions section of SSD 5850 to reflect the updated terminology used in the modified consent.
Modification to condition 2(a) of Schedule 2	The Department recommends updating this condition to include reference to the EIS prepared for the Glendell Continued Operations Project, to ensure the Applicant carries out the development as detailed in the application documentation.
Modification to condition 5 of Schedule 2	The Department recommends updating this condition to extend the life of the consent through until 2045 to allow for use of the existing Mount Owen CHPP and associated transport infrastructure, use of the Mount Owen MIA, along with the use of the North Pit and Bayswater North Pit for water and/or tailings storage for the duration of the Glendell Continued Operations Project, noting that processing of coal will be required for extend for 12 months past cessation of mining activities at Glendell..
Additional footnote in Table 4	The Department recommends adding a new footnote to this table to identify that the Former Hebden Public School has been impacted by arson since the original assessment and that the existing ground vibration criteria may be updated to reflect the current condition of the heritage feature.
Additional footnote under Table 10	The Department recommends adding a new footnote to this table to clarify any overlap in areas of land regulated by the new SSD 9349, should it be approved. This is consistent with the footnote recommended to be included under Table 8 of SSD 9349.
Modification to condition 45 of Schedule 3	The Department recommends updating this condition to reflect the recent changes in the rehabilitation reforms which no longer require the Resources Regulator to approve Rehabilitation Management Plans. This recommended change is consistent with contemporary development consents.
Modification to condition 46 of Schedule 3	The Department recommends updating this condition to extend the life of the consent through until 2045, consistent with the recommendation to modify condition 5 of Schedule 2.
Modification to condition 9 and 9A of Schedule 5	The Department recommends updating this condition to reflect the recent changes in the process for lodging notifications with the Department. This recommended change is consistent with contemporary development consents.
Update of figures	The Department recommends updating Figures 2A, 2E, 7A and 7B to reflect the revised project layout and final landform for consistency with SSD 9349 (should it be approved) given the level of integration between Mount Owen and Glendell mines.