

Northern Coal Logistics Modification 5

State Significant Development Modification Assessment Report (SSD- 5145 -Mod-5)

May 2025





Acknowledgement of Country

The Department of Planning, Housing and Infrastructure acknowledges that it stands on Aboriginal land. We acknowledge the Traditional Custodians of the land and show our respect for Elders past, present and emerging through thoughtful and collaborative approaches to our work, seeking to demonstrate our ongoing commitment to providing places in which Aboriginal people are included socially, culturally and economically.

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Modification 5 of Northern Coal Logistics (SSD- 5145-Mod-5) Assessment Report

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Preface

This assessment report provides a record of the Department of Planning, Housing and Infrastructure's (the Department) assessment and evaluation of Modification 5 (MOD 5) of the State significant development (SSD) application for Northern Coal Logistics lodged by Centennial Northern Coal Services Pty Limited (Centennial). The report includes:

- an assessment of the modification against government policy and statutory requirements, including mandatory considerations;
- a demonstration of how matters raised by the community and other stakeholders have been considered;
- an explanation of any changes made to the modification during the assessment process;
- an assessment of the likely environmental, social and economic impacts of the modification;
- an evaluation which weighs up the likely impacts and benefits of the modification, having regard to the proposed mitigations, offsets, community views and expert advice;
- provides a view on whether the impacts are on balance, acceptable; and
- an opinion on whether the modification is approvable or not, along with the reasons, to assist the Independent Planning Commission (the Commission) in making an informed decision about whether the approval for the project can be modified and any conditions that should be imposed.

Executive Summary

Centennial Northern Coal Services Pty Limited (Centennial) owns and operates the Northern Coal Services Project (the Project) located on the western side of Lake Macquarie approximately 25 kilometres (kms) south-west of Newcastle, in the Lake Macquarie Local Government Area. The Project comprises the surface coal handling and preparation facilities at the Newstan Colliery Surface Site (NCSS) and Cooranbong Entry Site (CES), as well as private haul roads connecting Newstan Colliery, Awaba Colliery, CES and Eraring Power Station (EPS).

Centennial is proposing to modify the Project to allow:

- transport and beneficial use of Coal Washery Rejects (CWR) from the NCSS;
- flexibility in the transportation of coal products between its operations on the existing private haul road;
- use of a mobile crushing and screening plant at the NCSS on a campaign basis; and
- the timing of the Conservation Bond to align with the approved vegetation clearing.

The modification application was lodged under Section 4.55(2) of the *Environmental Assessment and Planning Act 1979* (EP&A Act). The Department is satisfied that the proposed modification is within the scope of section 4.55(2) of the EP&A Act and can be assessed and determined under this section.

In accordance with Section 4.5(a) of the EP&A Act and clause 2.7(1) of the *State Environmental Planning Policy (Planning Systems) 2021*, the Commission is the consent authority for the modification application as Centennial has reported political donations.

The Department exhibited the Modification Report from 23 October to 5 November 2024. During the exhibition period, the Department received five public and one special interest group submissions objecting to the proposed modification; five public submissions supporting the modification; comments from Lake Macquarie City Council; and advice from three government agencies.

The Department considers that the reuse of CWR materials has numerous benefits, particularly by reducing the volume of waste materials requiring disposal and the provision of an additional supply chain of recycled materials to meet the State's growing infrastructure demands.

The key concerns related to potential traffic and road safety issues associated with the transportation of CWR to external customers, and potential noise and air impacts from transportation and proposed mobile crushing and screening activities.

To minimise potential traffic impacts and road safety risks, Centennial has committed to limit the number of heavy vehicle movements along the designated transport route during peak periods and restrict the volume of CWR to be transported daily.

The Department accepts that this would ensure that existing public road performance and safety levels are maintained. All other proposed transportation activities would be undertaken on the existing private haul road within existing limits (predominantly via back haulage) and would therefore not result in any additional environmental impacts beyond those already approved.

Centennial has committed to installing an acoustic barrier around the mobile crushing plant and restricting its operation to standard hours to ensure that noise levels would be appropriately managed. Centennial has also committed to implement standard dust mitigation measures and continue to operate its real-time air quality monitoring system to ensure air quality emissions comply with existing criteria.

The Department accepts that linking the timing for lodgement of a Conservation Bond to prior to clearing of the native vegetation to which it applies is now standard practice and is considered appropriate.

Overall, the Department's assessment has concluded that the potential impacts of the modifications are similar in nature and scale to those of the existing operations and can be appropriately managed through existing and proposed conditions of consent.

As such, the Department considers the project is in the public interest and concludes that the project is approvable, subject to the recommended conditions.

Contents

Preface.....	i
Executive Summary	ii
1 Introduction.....	1
1.1 Background.....	1
1.2 Approvals History.....	1
2 Proposed modification	4
2.1 Beneficial use of CWR.....	4
2.2 Mobile crushing plant	7
2.3 Coal product transport.....	Error! Bookmark not defined.
2.4 Conservation Bond.....	9
3 Statutory context.....	10
3.1 Scope of modification	10
3.2 Consent authority	10
3.3 Mandatory matters for consideration	10
3.4 Biodiversity development assessment report	10
4 Engagement.....	11
4.1 Department's engagement	11
4.2 Response to submissions	13
5 Assessment.....	14
5.1 Traffic and Transport	14
5.2 Noise.....	23
5.3 Other impacts	28
6 Evaluation.....	31
Appendices.....	32
Appendix A – List of referenced documents	32
Appendix B – Statutory considerations.....	33

Appendix C – Instrument of Modification	33
Appendix D – Consolidated Development Consent	33

1 Introduction

1.1 Background

1. The Northern Coal Services Project (the Project) operations are located on the western side of Lake Macquarie approximately 25 kilometres (kms) south-west of Newcastle, in the Lake Macquarie Local Government Area (see **Figure 1**). The Project is owned and operated by Centennial Northern Coal Services Pty Limited (Centennial) and comprises the surface coal handling and preparation facilities at the Newstan Colliery Surface Site (NCSS) and Cooranbong Entry Site (CES), as well as private haul roads connecting Newstan Colliery, Awaba Colliery, CES and Eraring Power Station (EPS).
2. The Project manages the receipt, handling, processing and transport of run-of-mine (ROM) coal from Centennial's underground coal mining operations at Newstan Colliery, Awaba Colliery and Mandalong Mine, which are subject to separate consents.

1.2 Approvals History

3. Development consent (SSD-5145) for the Project was granted on 29 September 2015 by the then Minister for Planning. The development consent approves the following operations to be undertaken until 31 December 2045:
 - upgrades to coal handling and train loading infrastructure;
 - receiving, handling and processing of up to 8 million tonnes per annum (Mtpa) of ROM coal at NCSS, representing coal supplied from Newstan Colliery (up to 4.5 Mtpa), Mandalong Mine (up to 6 Mtpa), and Awaba Colliery (up to 0.88 Mtpa);
 - transporting up to 6 Mtpa of ROM coal from CES to NCSS via private haul roads;
 - transporting up to 6 Mtpa of ROM coal from CES to EPS via the overland conveyor;
 - receiving 4.5 Mtpa of ROM coal from Newstan Colliery at the NCSS;
 - transporting up to 0.88 Mtpa of ROM coal from Awaba Colliery at the NCSS;
 - transporting up to 4.5 Mtpa of product coal from NCSS to EPS via private haul roads;
 - transporting up to 0.5 Mtpa of product coal ('middlings' -a middle quality coal product) from NCSS to CES;
 - transporting up to 8 Mtpa of product coal from NCSS by rail to the Port of Newcastle, Port Kembla and/or Vales Point Power Station; and

- transporting coal rejects from NCSS via private haul roads to Newstan Northern Rejects Emplacement Area (NREA), Southern Rejects Emplacement Area (SREA) and/or the Hawkmount Quarry.

4. As detailed in **Table 1**, four applications have subsequently been lodged to modify the consent within the scope of section 4.55(1A) of the *Environmental Planning and Assessment Act 1979* (EP&A Act).

Table 1 | Summary of modifications

Modification	Description	Decision-maker	Approval Date
MOD 1	Increase full time employees and updates to noise criteria and air quality criteria notes	Department	January 2018
MOD 2	Transfer coal between Myuna's pit top and CES and blending this coal at CES	-	Withdrawn
MOD 3	Updates to rehabilitation conditions	Department	November 2022
MOD 4	Expand the stockpile at CES	IPC	Under assessment

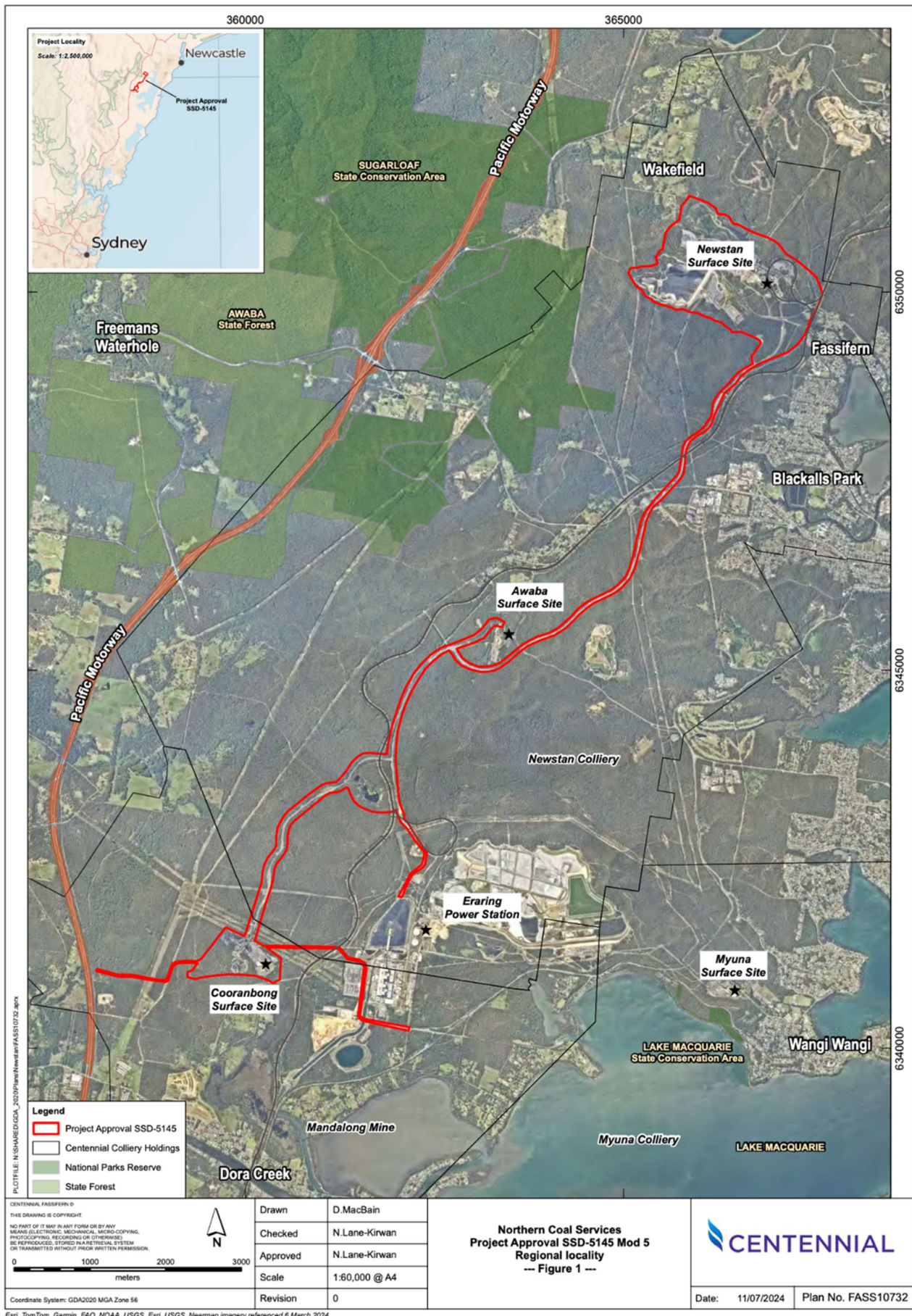


Figure 1 | Regional and Local context map

2 Proposed modification

5. Centennial submitted the modification application (MOD 5) and accompanying Modification Report to the Department on 29 September 2024 (see **Appendix A**). Centennial proposes to modify the consent to allow:
- **beneficial use of Coal Washery Rejects (CWR)** for engineering applications, including:
 - transport up to 500,000 tpa of CWR from the NCSS to the EPS predominantly via back haulage using existing approved truck movements on the existing private haul road;
 - transport up to 250,000 tpa of CWR from the NCSS to external users via truck movements on the public road network;
 - **use of a mobile crushing and screening plant** on a campaign basis (up to 20 weeks per year) to process oversized rejects and other materials at various locations at the NCSS site;
 - **flexibility in the transportation of coal products** on the existing private haul road including:
 - transport of coal product from the NCSS to the CES (as well as the EPS) within the existing approved transport limit of 4.5 Mtpa;
 - an increase in the tonnage transport limit of product coal (middling) from the NCSS to CES from 500,000 tpa to 1 million tpa; and
 - the **timing of the Conservation Bond** to align with the approved vegetation clearing and Biodiversity Offset Strategy.

2.1 Beneficial use of CWR

6. CWR are defined under the EPA's *Coal Washery Rejects Order & Exemption 2014* (CWR Order 2014) as the waste product resulting from the washing of coal and includes a variable mix of coal fines, sand and rock materials. The CWR currently produced from the Project is disposed of at approved reject emplacement areas, including the NREA, SREA and/or the Hawkmount Quarry (approved but yet to commence). Rather than dispose of all the CWR in emplacement areas, Centennial is proposing to supply up to 750,000 tpa of this product to external customers for beneficial reuse.

7. CWR is considered an economic by-product of coal mining that can have a beneficial use in various civil engineering applications in the form of earthworks and engineering works. Centennial has conducted sampling, testing and analysis of the CWR generated at its operations and determined that its physical and chemical properties are within the compliance criteria specified in the CWR Order 2014, making it suitable for supply to external parties for the full range of engineering applications.
8. Centennial has confirmed that there are secure markets and demand for its CWR material, and is therefore seeking approval to supply and transport up to:
- 500,000 tpa of CWR from the NCSS to the EPS predominantly via back haulage using existing approved truck movements on the existing private haul road for beneficial reuse as engineering fill material in site engineering works; and
 - 250,000 tpa of CWR from the NCSS to external users via truck movements on the public road network via a designated transport route along the private haul road, Rhondda Road, Wakefield Road, Palmers Road and onto the M1 Motorway (**Figure 2**) for beneficial use for civil engineering and road infrastructure projects. The export of CWR to external users is proposed to be limited to maximum of 2,000 tonnes per day (tpd) and a maximum of 13 truck loads per hour (or 26 two-way movements).
9. Centennial consider that the incorporation of CWR materials in the construction and maintenance of road infrastructure and civil engineering projects has numerous benefits, including:
- reducing the volume of waste materials requiring emplacement within the Project REAs and preserving their disposal capacity;
 - provision of an additional supply chain of recycled materials to meet the State's growing infrastructure demands;
 - reducing the greenhouse gas emissions generated by the production of new materials and the disposal of waste materials; and
 - potentially reducing customer short and long-term costs.

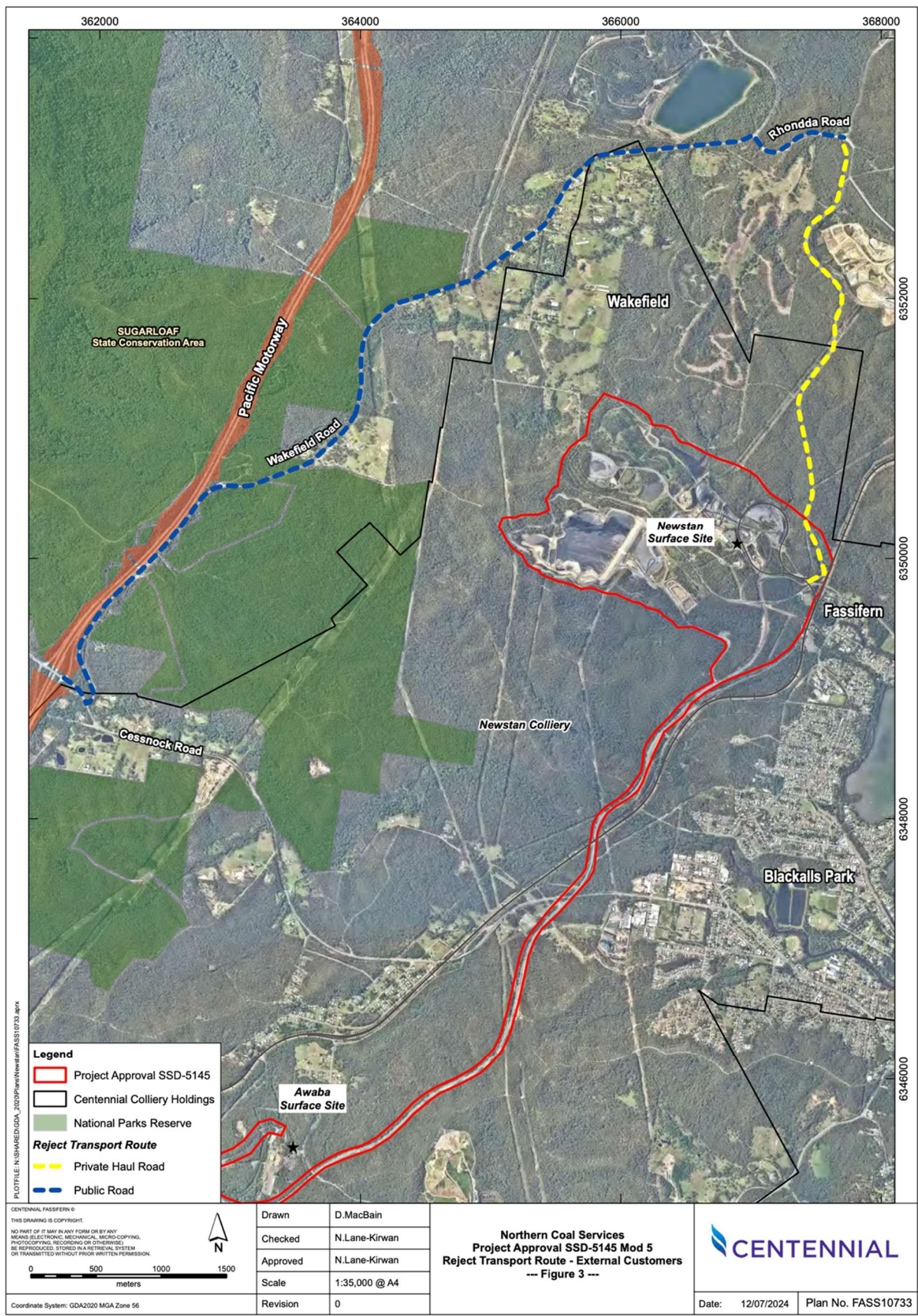


Figure 2 | Designated Transport Route for External Supply of CWR

2.2 Mobile crushing plant

10. Due to the configuration of the existing coal handling and preparation plant (CHPP) at the NCSS, oversized product coal are not able to be processed by the plant. Centennial is therefore seeking approval to operate a mobile crushing and screen plant at the NCSS to crush oversized product coal and rejects to nominal size grading (i.e. >50mm).
11. It is proposed to operate the mobile plant on a campaign basis for up to 20 weeks per year at various locations at NCSS, including the rail loop area, CHPP area and within the SREA operational stockpile area (**Figure 3**).

2.3 Coal product transport

12. Under its existing development consent, Centennial is permitted to transport:
 - 6 Mtpa of ROM coal from the CES to the NCSS (Condition 6(b), Schedule 2);
 - 6 Mtpa of ROM coal from the CES to the EPS (Condition 6(c), Schedule 2);
 - 4.5 Mtpa of product coal from the NCSS to the EPS (Condition 6(f), Schedule 2); and
 - 500,000 tpa of product coal (middling) from the NCSS to CES (Condition 6(g), Schedule 2).
13. Centennial has confirmed that trucks transporting materials between these operations are generally scheduled to be loaded both ways, thereby utilising back haulage to ensure that transport economics are optimised. Centennial has identified further opportunities to utilise back haulage between its operations to provide additional flexibility and efficiencies for the transportation of coal products. To facilitate this Centennial is seeking to modify existing conditions of approval including:
 - **Condition 6(f), Schedule 2** : to allow transportation of coal product from the NCSS to the CES (as well as the EPS) within the existing approved transport limit of 4.5 Mtpa; and
 - **Condition 6(g), Schedule 2** : to allow an increase in the tonnage transport limit of product coal (middling) from the NCSS to CES from the existing 500,000 tpa to 1 million tpa.
14. Centennial has confirmed that these transportation activities would be undertaken within existing approved truck movements on the existing private haul road, with the additional 500,000 tpa of product coal (middling) transported predominantly via back haulage. These changes would therefore result in no additional truck movements beyond those already approved.



Figure 3 | Proposed mobile crushing plant locations

2.4 Conservation Bond

15. Under its existing development consent, Centennial is required to lodge a Conservation Bond with the Department to ensure that the Biodiversity Offset Strategy (BOS) is implemented (refer to condition 20, Schedule 3). The BOS and Conservation Bond were required to compensate for clearing of native vegetation associated with the NCSS (northern expansion of the CHPP, stockpiling and infrastructure area) and the Hawkmount Quarry (REA). It is understood that clearing associated with these areas is yet to be undertaken.
16. On 11 August 2023, the Department granted Centennial approval for an extension of time for the company to lodge the Conservation Bond (to 31 July 2025). At the time of approval, the Department acknowledged that Centennial intended to submit a modification application seeking to amend condition 20, Schedule 3 to link it to the timing of the BOS (i.e. prior to the clearing of any native vegetation), rather than the current time-based requirement of this condition.
17. As such, Centennial is seeking approval to modify the consent to allow the Conservation Bond to be lodged prior to the clearing of any native vegetation associated with the areas described above. The Department notes that this is consistent with the timing of the BOS.

3 Statutory context

3.1 Scope of modification

18. The Department is satisfied the proposed modification is within the scope of section 4.55(2) of the EP&A Act and does not constitute a new development application.
19. Accordingly, the Department considers that the application should be assessed and determined under section 4.55(2) of the EP&A Act rather than requiring a new development application to be lodged.

3.2 Consent authority

20. In accordance with Section 4.5(a) of the EP&A Act and clause 2.7(1) of the *State Environmental Planning Policy (Planning Systems) 2021*, the Commission is the consent authority for the modification application as Centennial has reported political donations.

3.3 Mandatory matters for consideration

21. In determining the modification, the consent authority must take into consideration the relevant matters referred to in section 4.15(1) and 4.55(3) of the EP&A Act, including the objects of the Act, applicable environmental planning instruments, the likely impacts of the modification application, site suitability and the public interest.
22. The Department has considered these matters carefully and has summarised its findings in **Section 5** and **Appendix B** of this report.

3.4 Biodiversity development assessment report

23. Under Section 7.17(2) of the *Biodiversity Conservation Act 2016* (BC Act), the Department is satisfied that a Biodiversity Development Assessment Report (BDAR) is not required to be submitted for the proposed modification as the application would not increase impacts on biodiversity values.

4 Engagement

4.1 Department's engagement

24. After accepting the modification request and report, the Department publicly exhibited the modification for a period of 14 days from 23 October to 5 November 2024 on the NSW planning portal and notified and invited comment from relevant government agencies and Lake Macquarie City Council (Council).

4.1.1 Summary of advice received from government agencies and Council

25. The Department received advice from three Government agencies and Council. A summary of the advice and the Department's consideration of this advice is provided in **Table 2**. A link to the full copy of the advice is provided in **Appendix A**.

Table 2 | Summary of agency and Council advice and consideration

Agency / Council	Advice summary	Department's Consideration
NSW Resources	<ul style="list-style-type: none">• Raised no specific comments in relation to the <i>Mining Act 1992</i> considerations and raised no issues regarding the modification.	Comments noted.
Environment Protection Authority (EPA)	<ul style="list-style-type: none">• Noted that Centennial would be required to ensure consistency with the principles in the <i>Draft NSW EPA Guide for Large Emitters</i> in relation to greenhouse gas (GHG) emissions.• Acknowledged that the proposed activities are not predicted to result in any significant increase to environmental quality impacts (i.e. air, noise and water).• Recommended conditions of consent in relation to the mobile crushing and screening plant, including limiting operating hours.• Indicated that Centennial would need to apply and be granted a variation to its existing Environment Protection Licence 395 (EPL) prior to operating the mobile crushing and screening plant.	The Department has recommended conditions requiring the operation of the mobile crushing and screening plant be limited to 7am-5pm on Monday to Saturday, and 8am-5pm on Sunday and public holidays, for a maximum total of 20 weeks per annum.
Transport for NSW (TfNSW)	<ul style="list-style-type: none">• Noted that the proposed modification does not seek to amend the previously determined access arrangements.	Comment noted.

Agency / Council	Advice summary	Department's Consideration
Council	<ul style="list-style-type: none"> Requested that, as truck movements along Wakefield Road would substantially increase, residents along the route be consulted regarding the modification. Requested a condition of consent requiring the proposed heavy vehicle haulage on local roads to be subject to a haulage levy in accordance with Council's <i>Development Contributions Plan Toronto Contributions Catchment Report</i>. 	<p>The Department notes that Centennial notified residents along the route regarding the modification via a newsletter drop.</p> <p>The Department has recommended conditions requiring Centennial to make annual financial contributions to Council towards the maintenance of roads used for haulage of mine products in accordance with the relevant council local infrastructure contribution plan.</p>

4.1.2 Summary of public submissions

26. During the exhibition period, the Department received a total of 11 public submissions, including 10 from individuals and 1 from a special interest group (i.e. Five Bays Sustainable Neighbourhood Group). Five (5) of the individual submissions and the special interest group submission objected to the modification, while the remaining five individual submissions supported the proposal. A link to all the submissions in full is provided in **Appendix A**.
27. Key issues raised in the objecting submissions included:
- that the preferred transport route is not the most efficient option to transport CWR from the site to external customers;
 - potential road safety issues along Rhondda Road and the intersection of Wakefield, Palmers and Cessnock Roads;
 - the mix of heavy and light vehicles and high density of traffic currently utilising Rhondda Road;
 - cumulative and future traffic impacts;
 - air and noise impacts to Teralba residents;
 - further investigation and research of threatened species across the Project area; and
 - inadequate community consultation on the proposed modification and the integrity and validity of the Community Consultative Committee.

28. Supporting submissions raised a range of benefits associated with the modification, including:
- reuse of waste material and alignment with the Circular Economy;
 - economic benefits associated with waste reuse and resource conservation;
 - avoidance of landfill of waste materials; and
 - proposed back haulage which minimises environmental emissions and traffic impacts.

4.2 Response to submissions

29. Following the public exhibition period, the Department asked Centennial to respond to the issues raised in submissions and the advice received from Government agencies. Centennial provided a submissions report to the Department on 28 January 2025 (see **Appendix A**).

5 Assessment

5.1 Traffic and Transport

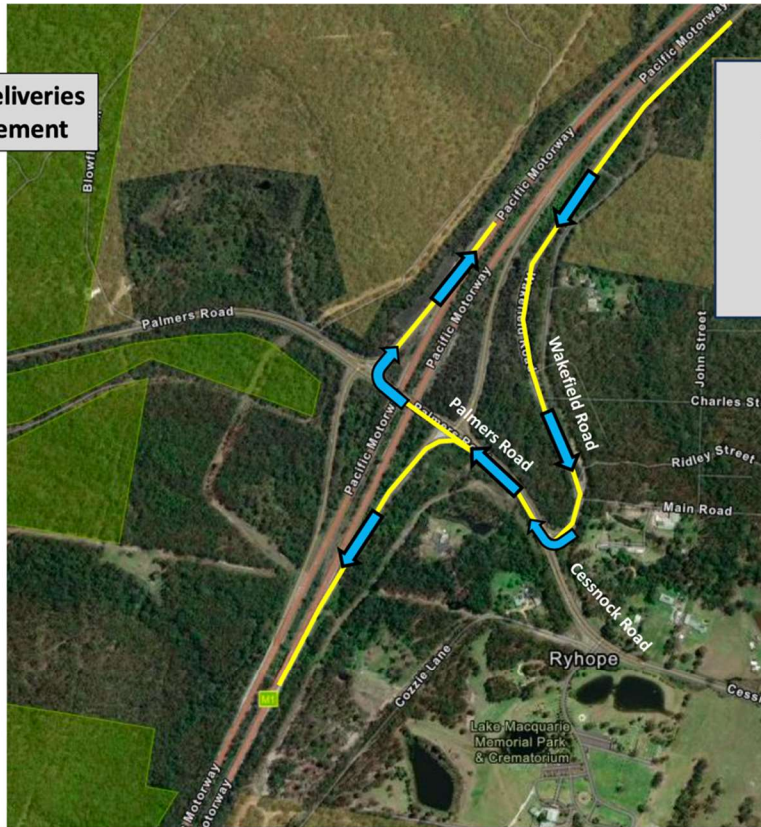
30. Traffic and transport related concerns were raised in half of the objecting submissions (three in total), with key concerns relating to safety issues along the preferred heavy vehicle transport route. Several submissions also questioned the preferred route option, suggesting that shorter and safer alternate routes are available.
31. The Modification Report includes a Traffic Impact Assessment (TIA) prepared by PDC Consultants (Aust) Pty Ltd (PDC) (Appendix A of Modification Report) in accordance with the *Guide to Traffic Generating Developments* (NSW Roads and Traffic Authority, 2002) (RTA Guide). The TIA focused on the impacts to public road and intersection performance along the proposed haulage route from the transport of CWR from the NCCS to external parties.
32. The Department considers that traffic and transport are key issues associated with the proposal, specifically the safety and efficiency of the local public road network. Consequently, during the assessment process the Department requested that Centennial provide additional traffic and transport information and assessment, including further justification for the final route selection; measures to minimise predicted impacts at key intersections; and a road safety assessment. A copy of Centennial's response, including a supplementary TIA is included at **Appendix A**.
33. The Department is satisfied that the TIA and additional information provided is adequate for assessing the traffic and transport impacts associated with the modification.
34. Neither Council or TfNSW raised any issues or objections in relation to the TIA or traffic and transport aspects of the modification. Council requested that Centennial be required to pay a haulage levy to assist with the maintenance of public roads used for haulage of mine products. As discussed below, the Department has recommended a condition accordingly.

5.1.1 Existing Road Network and Preferred Haulage Route

35. The existing local and regional road network proposed to be used as the designated haulage route for external supply of CWR is illustrated on **Figures 2 and 4** involves trucks:
 - arriving and departing from/to NCCS via Centennial's private haul road;
 - travelling north via the private haul road and exiting to Rhondda Road at Teralba;
 - turning left at the private haul road/Rhondda Road intersection, on to Rhondda Road to its intersection with Wakefield Road;

- continuing to travel southbound along Wakefield Road to the Wakefield Road / Palmers Road /Cessnock Road intersection; and
 - accessing the M1 Pacific Motorway via the Palmers Road interchange to travel to the customer destination sites either north or south (**Figure 4**).
36. Rhondda and Wakefield Roads are local public roads under the care and maintenance of Council. The roads consist of single lanes in each direction. Rhondda Road has a sign posted speed limit of 80 kilometres per hour (kph), while the limit along Wakefield Road is 90 kph reducing to 80 kph near its intersection with Miller Road.
37. Palmers and Cessnock Roads are State Roads under the care and maintenance of TfNSW, typically consisting of single lanes in each direction with additional through and turning lanes at the main intersection with Wakefield Road. Both roads have speed limits of 80 kph.
38. Access to the Pacific Highway is via the Palmers Road interchange which includes ramps off Palmers Road to facilitate traffic movements to the north and south along the highway (**Figure 4**). The Pacific Highway is the major State Road which consists of two-lanes in each direction providing the north south connection to regional markets. The speed limit along the Pacific Highway near the intersection is 110 kph.

**Outbound Traffic - Deliveries
Intersection Arrangement**



**Inbound Traffic - Return
Intersection Arrangement**

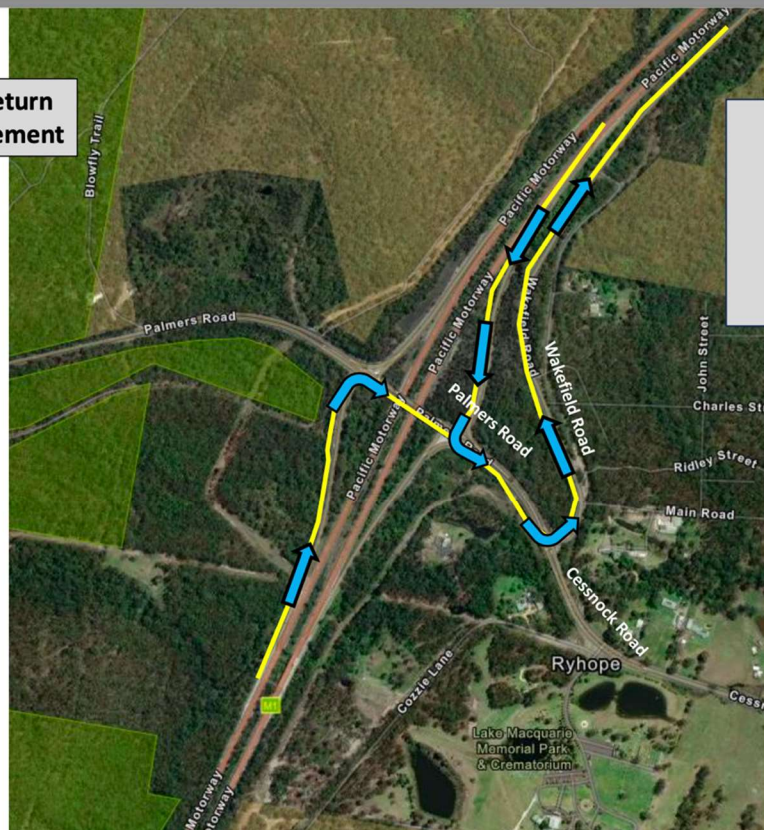


Figure 4 | In and Out Bound Transport Arrangements at the Palmers Road Interchange

5.1.2 Haulage Route Selection Analysis

39. Numerous objecting submissions questioned the preferred transport route, indicating that shorter and safer options to transport CWR exist. Several submissions also suggested an alternative route from the private haul road, exiting onto Awaba Road, turning left and continuing to Cessnock Road and Palmers Road to the M1 interchange.
40. The Modification Report included a route selection option analysis undertaken by Centennial which investigated five different heavy vehicle transport options. As noted above, additional justification in relation to the appropriateness of the preferred haulage route selection, in particular in relation to impacts on private residences, was provided by Centennial during the assessment process (**Appendix A**).
41. Centennial indicated that the preferred option was primarily chosen due to the road network configuration and the number of sensitive receivers along the route. When compared to alternate options, Centennial confirmed that the preferred haulage route (Option 1):
- passes fewer rural residential properties (19 in total), many of which are set back from the road easement;
 - avoids more developed and established residential areas, including Fassifern (including schools) and Awaba;
 - avoids road constraints along Millers Road which are unfavourable for heavy vehicles; and
 - is a designated heavy vehicle route for other approved operations, such as the Metromix Quarry and Downer Asphalt Plant which are located off Rhondda Road.
42. The shorter route suggested in several submissions would require vehicles to travel past the Awada Residential areas and additional rural residences along Cessnock Road.
43. The Department notes that neither TfNSW nor Council raised any objections in relation to the preferred transport route. The Department accepts the above justification and the outcome of the route selection option analysis.

5.1.3 Traffic Predictions and Impact – External Transport of CWR

44. The TIA indicated that the export of CWR to external customers would result in an additional 26 two-way trucks movements (13 inbound/13 outbound) per hour during peak periods on the public road network, as a result of the maximum 2,000 tpd production of CWR.
45. Centennial confirmed that these truck movements would occur on a campaign basis, depending on external customer supply requirements, such that there would be periods when no additional truck movements would occur.

Intersection Performance

46. The TIA assessed the potential impacts of the increased truck movements on the performance of the key intersections along the preferred route using SIDRA modelling. PDC confirmed that the analysis incorporated cumulative impacts of surrounding developments, including additional traffic associated with the potential future Newstan Mine Extension Project (SSD 10333) which is currently under assessment.
47. **Table 3** presents the current and predicted level of service (LOS) at each intersection along the route based on recent traffic counts, cumulative traffic growth, and the additional traffic generated by the modification. In summary, the results indicate that the modification:
- would not impact the performance or LOS at the Wakefield Road / Rhondda Road, Wakefield Road / Miller Road or Palmers Road / Pacific Highway (south and north bound) intersections beyond acceptable operating capacities (i.e. predicted LOS is at D or in most cases better);
 - would result in a deterioration of the performance of the Wakefield Road / Palmers Road / Cessnock Road intersection during both peak AM and PM periods, with reductions in the LOS from D and C to F and E, respectively.
48. The RTA Guide notes that an intersection performance criteria of E indicates that the intersection is “at capacity” with average vehicle delay (AVD) of 57-70 seconds and a criteria of F indicates that the intersection is “unsatisfactory and requires additional capacity” with AVD of >70 seconds.

Table 3 | Intersection performance assessment

Intersection	Period	Level of Service (LOS)	
		Existing	Predicted
Wakefield Road / Rhondda Road	AM	A	A
	PM	A	A
Wakefield Road / Miller Road	AM	A	B
	PM	B	B
Wakefield Road / Palmers Road / Cessnock Road	AM	D	F
	PM	C	E
Palmers Road / Pacific Motorway (southbound)	AM	C	C
	PM	C	D
Palmers Road / Pacific Motorway (northbound)	AM	C	C
	PM	C	C

49. The Department considered that the predicted reduction in performance of the Wakefield Road / Palmers Road / Cessnock Road intersection was unacceptable and may result in heavy congestion, unstable traffic flow and long delays. Consequently, the Department requested that Centennial investigate additional measures to minimise impacts, particularly during the AM peak period.
50. In response, Centennial proposed to limit truck movements during peak periods in order to retain the existing LOS at the intersection (i.e. D and C in the AM and PM peak, respectively). The SIDRA modelling in the supplementary TIA indicated that this could be achieved by limiting hourly truck movements during the:
- AM peak period (8:15am – 9:15am) to 16 two-way trucks movements (8 inbound/8 outbound); and
 - PM peak period (3:45pm – 4:45pm) to 6 two-way laden trucks movements (3 inbound/3 outbound).
51. Outside of the peak hours, Centennial proposed that truck movements would continue to be limited to 26 two-way trips, with an overall daily maximum 2,000 tpd and an annual limit of 250,000 tpa of CWR transported.
52. The Department acknowledges that the proposed limits would ensure the existing LOS at all intersections is retained and therefore considers them acceptable. As discussed below, the Department has recommended conditions limiting the transport movements and CWR volumes for external transport of CWR, accordingly.

Road Safety

53. Numerous public submissions raised road safety risks associated with additional heavy vehicles as a concern. As noted above, during the assessment process the Department requested that Centennial provide a road safety assessment for the proposed additional heavy vehicle movement along the preferred route.
54. The supplementary TIA provided an analysis of road safety along the proposed preferred transport route which was based on crash history rates at key intersections and road sections (calculated as per the *Austroads Technical Report – Road Safety Engineering Risk Assessment Part 7: Crash Rates Database*). The analysis found that there was a total of 31 crashes recorded in the study area for the most recent five-year period (2019-2023), the majority of which were along Wakefield Road and at the Wakefield Road/Palmers Road/Cessnock Road intersection. PDC reported that all crash locations were below the typical crash rate for the corresponding

road conditions under Austroads Technical Report, with exception of the Wakefield Road/Palmers Road/Cessnock Road intersection.

55. PDC provided an analysis of the potential impact of the increased truck movements associated with the modification on crash rates along the route. PCD indicated that the transport of a maximum of 2,000 tpd equates to approximately 53 laden trucks per day. Adopting a conservative estimate of 106 daily two-way vehicle trips, the increased traffic at Wakefield Road/Palmers Road/Cessnock Road intersection would be in the order of 38,690 vehicles per year. The existing crash rate of 4.38 crashes per 10 million vehicles entering (MVE) equates to approximately one crash per 2.3 MVE the intersection. PDC calculated that the yearly contribution of 38,690 vehicles associated with modification, means that a single crash would take over 50 years to occur, which is well beyond the approved life of the mine.
56. Further, PCD indicated that an increase of 106 daily vehicles is approximately 0.083% of the daily volume through the Wakefield Road/Palmers Road/Cessnock Road intersection, whilst the proposed 26 two-way increase in vehicles is approximately 2% of the peak hour volumes through the intersection.
57. On this basis, PDC concluded that although the crash rate for the key intersection is already above the benchmark rate outlined in the Austroads Technical Report, the traffic generation associated with the modification is relatively low and would not adversely contribute to the crash rates associated with this intersection.
58. The Department accepts that the additional heavy vehicle movements associated with the modification represent a very small portion of the existing traffic along preferred transport route and are unlikely to adversely impact crash rates or pose unacceptable road safety risks. As discussed below, the Department has recommended that a Drivers' Code of Conduct be prepared as part of the Traffic Management Plan (TMP), which would be required to include driver behaviour expectations and safety requirements.

5.1.4 Traffic Predictions and Impact – Transport of Coal Products on the Private Haulage Road

59. As discussed above, Centennial is seeking approval to modify the truck movement limits on the existing private haul road to allow:
 - transportation of coal product from the NCSS to the CES (as well as the EPS) within the existing approved transport limit of 4.5 Mtpa; and
 - an increase in the tonnage transport limit of product coal (middling) from NCSS to CES from 500,000 tpa to 1 million tpa;

60. Centennial has indicated that this would allow greater efficiencies and flexibility in the transport of coal product between the operations. Centennial confirmed that these movements would be undertaken within existing approved transport limits along the private haulage road, with the increase in product coal middling transport undertaken predominantly via back haulage.
61. As the changes would not result in any additional truck movements, the Department accepts that they would not cause additional environmental impacts (e.g. noise, air quality or GHG emissions) beyond those already approved and are therefore acceptable.

5.1.5 Contributions to Council

62. In its submission on the modification, Council requested the Department include a condition of consent requiring the proposed heavy vehicle haulage on local roads to be subject to a haulage levy in accordance with its *Development Contributions Plan Toronto Contributions Catchment Report*. The Department agrees that Centennial should make annual financial contributions to Council towards the maintenance of roads used for haulage of mine products in accordance with the relevant council local infrastructure contribution plan for the life of the mine and has recommended a condition accordingly.

5.1.6 Traffic Mitigation and Management

63. Centennial's proposed measures to mitigate and manage traffic and transport impacts associated with the modification include:
- ensuring all transport of CWR from the NCSS to external users on the public road network is undertaken along the designated transport route (**Figure 2**);
 - limiting the transport of CWR along the designated transport route to 16 two-way trucks movements (8 inbound / 8 outbound) during the AM peak period; 6 two-way truck movements (3 inbound / 3 outbound) during the PM peak hour; and 26 two-way truck movements (13 inbound / 13 outbound) outside of these times;
 - limiting the transport of CWR from the NCSS to external users to a maximum of 250,000 tpa and 2,000 tpd;
 - ensuring the transport of coal product along the existing private haul road is undertaken within existing approved haulage limits, and that the transport of the additional 500,000 tpa of product coal (middling) from NCSS to CES is undertaken predominantly via back haulage; and

- the preparation and implementation of a TMP prior to the commencement of CWR haulage operations, including a Drivers Code of Conduct which stipulates the haulage route, speed limits, quiet driving practices (including compression braking restrictions), driver behaviour expectations and safety requirements.

64. The Department supports these measures and has recommended conditions of approval to give them effect. In addition, the Department has recommended that:

- the TMP be prepared in consultation with Council and TfNSW; and
- Centennial be required to pay financial contributions to Council towards the maintenance of roads used for haulage of CWR for the life of the mine in accordance with the Council contributions plan.

5.1.7 Summary

65. The Department acknowledges that traffic and transport impacts from road haulage of CWR on the public road network is a key community concern.

66. The TIA indicates that the majority of the transport route has spare capacity to cater for the relatively minor increase in heavy vehicle movements associated with external transport of CWR products, and that the safety risks associated with this transport are low.

67. In order to avoid a further reduction in the performance of the intersection Wakefield Road / Palmers Road / Cessnock Road intersection, Centennial has committed to ensuring transportation of CWR on the public road network is restricted during peak periods. The Department accepts that this would ensure that the existing LOS at this intersection would be retained.

68. The Department notes that the proposed transport of CWR to the EPS and changes in the transportation limits between the NCSS and CES would be undertaken along the existing private haulage road and within existing limits (predominantly via back haulage) and would therefore not result in any additional environmental impacts beyond those already approved.

69. The Department has recommended conditions stipulating haulage limits and requiring Centennial to prepare and implement a TMP, including a Drivers Code of Conduct prior to any external haulage of CWR product. Subject to these conditions, the Department considers that the traffic and transport impacts of the Project are acceptable.

5.2 Noise

70. Noise concerns were raised in two objecting submissions, specifically relating to cumulative noise and traffic noise from the proposed additional heavy vehicles movements.
71. The Modification Report included a Noise Impact Assessment (NIA) prepared by SLR Consulting Australia (SRL) which assessed the operational and traffic noise impacts associated with the modification, with reference to the *Noise Policy for Industry* (NPfI) (EPA, 2017), *Voluntary Land Acquisition and Mitigation Policy* (VLAMP) (NSW Government, 2018) and *NSW Road Noise Policy* (RNP) (EPA, 2011).
72. Neither Council or the EPA raised any objections or concerns in relation to the NIA or noise aspects associated with the modification. However, the EPA indicated that Centennial's existing EPL would need to be varied to allow the operation of the crushing and screening plant. The EPA also recommended conditions restricting the operational hours of the plant.
73. The Department is satisfied that the NIA is adequate for assessing the noise impacts associated with the modification.

5.2.1 Existing Noise Environment

74. The existing noise environment in the vicinity of the site is dominated by the coal processing, handling and transport (road, rail and conveyors) operations associated with the Project, as well as operations at the surrounding industrial and mining premises (including the EPS, Newstan and Awaba Collieries). As shown in **Figure 5**, the land immediately surrounding the NCSS is predominately undeveloped bushland containing numerous rural residences located in relatively close vicinity to the surface operations. The rural residential areas of Wakefield and Fassifern are located further to the west and east of the surface operations, respectively.
75. SLR confirmed that noise compliance monitoring of operations indicates that there have been no exceedances of noise criteria at any rural residences for the last 3 years, and that Centennial has only received one noise-related complaint during this period.

5.2.2 Noise Predictions and Impacts

76. SLR confirmed that the key additional noise sources associated with the modification are the operation of the mobile crushing and screening plant at four possible locations at the NCSS (refer to **Figure 3**) and the additional CWR heavy vehicle transport along the proposed designated haulage route.

Operational noise

77. SLR utilised previous background and contemporary noise monitoring to quantify the existing ambient noise levels in the vicinity of the NCSS. SLR then modelled four scenarios which reflected the different locations the crushing plant and supporting equipment would operate at.
78. SLR's preliminary modelling indicated that operational noise levels would potentially exceed both the Project Noise Trigger Levels (PNTLs) (as derived in accordance with the NPfI) and the approved criteria set in the existing development consent (conditions 2 & 3, Schedule 3). Consequently, SLR proposed that a 2.1m high temporary acoustic barrier be installed around three sides of the mobile crushing plant, with the opening oriented away from the nearest noise sensitive receivers at each proposed crushing location.
79. The noise modelling results (which incorporated the noise mitigation associated with the acoustic barrier) predicted that:
- under standard weather conditions, noise from both the existing and proposed operations is predicted to be compliant with the approved noise criteria and the PNTLs;
 - under noise-enhancing weather conditions, noise from the existing operations is predicted to be compliant with the approved noise criteria at all receivers with the exception of NC5 where an exceedance of 1 dB(A) is predicted;
 - under noise-enhancing weather conditions, noise from the proposed operations is predicted to be compliant with the approved noise criteria at all receivers with the exception of NC3, NC4 and NC5 where exceedances of up to 2 dB(A), 1 dB(A) and 3 dB(A), respectively are predicted; and
 - under noise-enhancing weather conditions, noise from the proposed operations is predicted to be compliant with the PNTLs at all receivers.
80. SLR point out that the noise criteria contained in the development consent was based on the NIA undertaken in 2014¹, which was conducted in accordance with the now superseded *Industrial Noise Policy* (INP) (EPA, 2000) methodology. SLR confirmed that at the time of this assessment, historical meteorological data showed that winds were not a significant feature of the area. As such, the daytime noise predictions and associated criteria were set based on calm weather conditions.

¹ Northern Coal Services – Northern Coal Logistics Project – Noise and vibration Impact Assessment dated April 2014, prepared by SLR.

81. Therefore, SLR concludes that as the predicted noise levels from both the existing and proposed operations are predicted to be compliant with the approved noise criteria and the PNTLs under standard weather conditions, they are acceptable.
82. The Department accepts this reasoning and notes that the existing development consent has subsequently been updated to require noise generated by the development to be measured in accordance with the relevant requirements and exemptions (including certain meteorological conditions) of the NPfI.
83. However, as discussed below, the Department has recommended that Centennial continue to be required to operate its real-time noise monitoring system to guide day-to-day operations at the NCSS site to minimise noise impacts associated with the mobile crushing and screening plant.

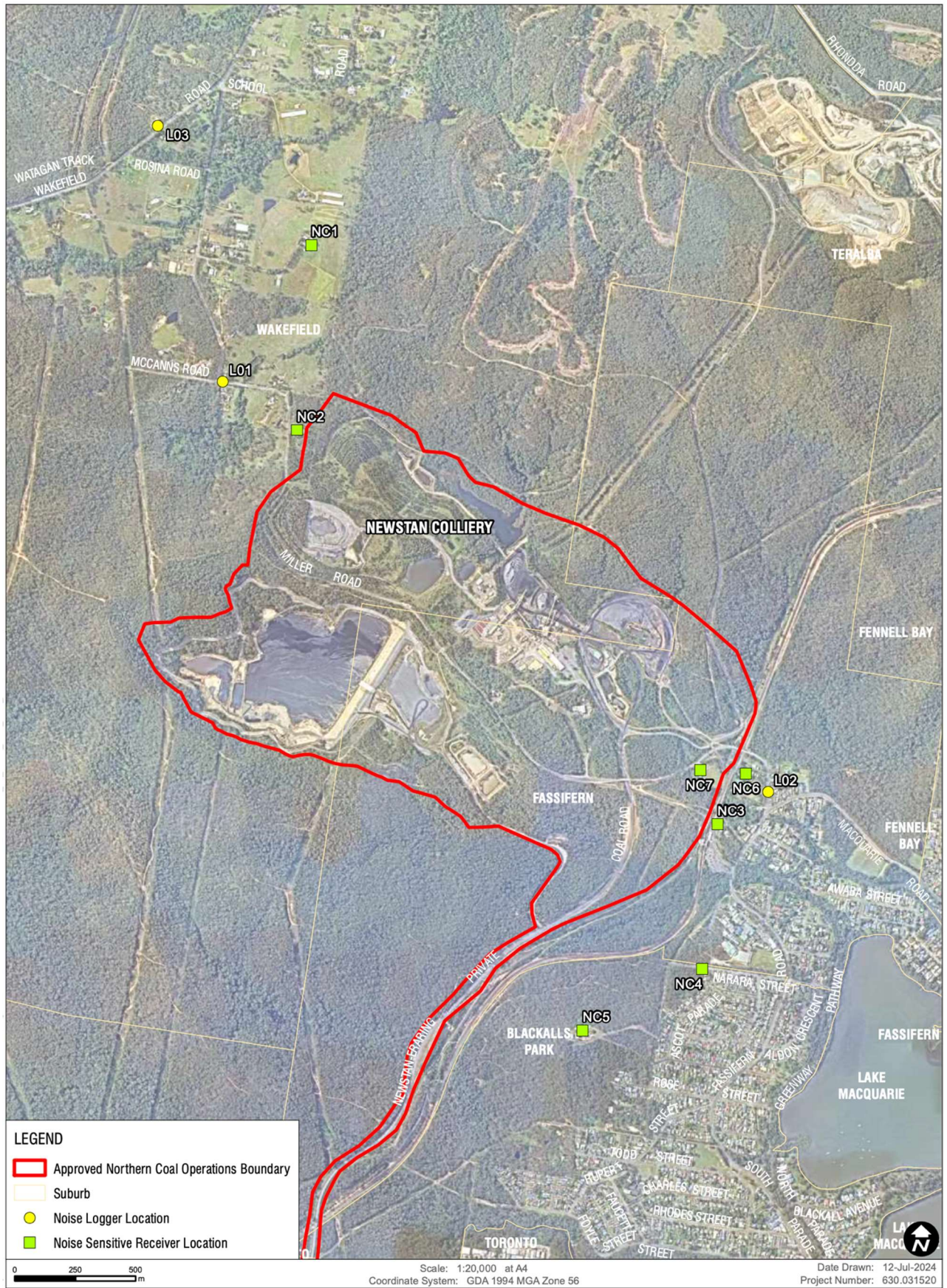


Figure 5 | Location of Sensitive Receivers

Traffic noise

84. The NIA also assessed the predicted increase in road traffic noise along Wakefield Road (east of Rhondda Road) from the proposed additional heavy vehicle movements required to transport of CWR to external customers. The traffic noise assessment predicted that noise along Wakefield Road would increase by approximately 0.9 dB(A), which is below the RNP recommended criterion of 2 dB(A) and unlikely to be discernible from existing noise levels.
85. The Department accepts that the predicted road traffic noise associated with the modification is below the RNP criterion and is therefore acceptable. However, as discussed above, the Department has recommended conditions restricting the number of vehicle movements and timing for haulage, which would ensure road related traffic noise is minimised during peak periods.

5.2.3 Noise Mitigation and Management

86. As noted above, Centennial has committed to install an acoustic barrier around three sides of the mobile crushing plant to manage noise impacts associated with the modification. In addition, the Department has recommended conditions:
- restricting the operating hours for the mobile crushing and screening plant to 7.00 am - 5.00 pm on Monday to Saturday, and 8.00 am - 5.00 pm on Sunday and public holidays;
 - restricting the operating time for the mobile crushing and screening plant to a maximum total of 20 weeks per annum; and
 - requiring Centennial to update the existing approved Noise Management Plan (NMP) to include specific noise monitoring, mitigation and management measures to be implemented for the mobile crushing and screening plant, including continuing to operate the real-time noise management system.

5.2.4 Summary

87. The Department considers that the NIA has been prepared in accordance with the relevant government guidelines and policy, including the NPfI, VLAMP and RNP.
88. The Department accepts that the modification is unlikely to adversely impact surrounding sensitive receivers beyond approved noise limits during operation of the mobile crushing and screening plant or during the off-site transport of CWR product.

89. The Department supports the design mitigation measure (i.e. acoustic barrier) proposed by Centennial to reduce operational noise levels and has recommended that the company update its existing approved NMP to include specific noise monitoring, mitigation and management measures associated with the modification.
90. On this basis, the Department considers that the potential impact of the modification on noise levels would be appropriately managed.

5.3 Other impacts

91. The Department considers that the proposed modification has the potential to result in minor environmental impacts including noise, air quality and GHG impacts. The Department's assessment of these impacts is summarised in **Table 4** below.

Table 4 | Assessment of issues associated with additional employees

Issue	Findings and conclusions
Air Quality	<ul style="list-style-type: none"> The Modification Report included an Air Quality Impact Assessment (AQIA) prepared by SLR which assessed the air quality impacts associated with the proposed operation of the mobile crushing plant and transportation of CWR. The AQIA was undertaken in accordance EPA's <i>Approved Methods for the Modelling and Assessment of Air Pollutants in New South Wales</i> (2016). One submission objecting to the modification raised concern regarding potential air quality impacts to Teralba residents. Neither Council or the EPA raised any objections or concerns in relation to air quality aspects of the modification. The EPA acknowledged that the proposed activities are not predicted to result in any significant increase to air quality impacts. The Department considers that the AQIA has been prepared in accordance with the relevant guidelines and is adequate to assess the air quality impacts of the Project. SRL indicated that the key emission sources from the modification would include: <ul style="list-style-type: none"> operation of the mobile crusher and loading the CWR stockpile; unloading CWR from stockpile areas to trucks; and transport of CWR from NCSS to the EPS and external users. The AQIA assessed potential air quality impacts to sensitive receivers located in the vicinity of the NCSS (i.e. NC1-NC6) and along the private haul road (i.e. NC7-NC11). To assess the worst-case impacts, the AQIA modelled two scenarios including (1) the Project baseline and (2) crushing and transport of 0.5 Mtpa of CWR to external users and 0.5 Mtpa to the EPS. Modelling was presented for both incremental (modification sources only) and cumulative (Project, incremental and EPS sources) scenarios. The AQIA dispersion modelling and predictions indicated that incremental and cumulative emissions would comply with applicable NSW EPA particulate matter impact assessment criteria for Total Suspended Particulates (TSP), Particulate Matter <10 µm (PM₁₀), Particulate Matter <2.5 µm (PM_{2.5}) and deposited dust at all assessment locations with the exception of Receptor NC2. Receptor NC2 is located adjacent to the north-western boundary of the NCSS and was predicted to experience minor exceedances of the cumulative 24-hour average PM₁₀ criterion on two days during the modelling period. SLR indicated that the emission estimation assumed that all fugitive dust activities occur at the maximum daily rates,

Issue	Findings and conclusions
	<p>making the results conservative. Further, SLR pointed out that the main contributor to PM₁₀ concentrations at this receptor is the existing operation of the NREA, not sources associated with the current proposed modification. Given the NREA is now largely rehabilitated, the predicted concentrations are considered to be conservative and would reduce as the rehabilitation of the NREA progresses and the disturbed area is minimised. On this basis, SRL concluded that the likelihood of actual exceedance of the 24-hour PM₁₀ criterion at this receptor is negligible.</p> <ul style="list-style-type: none"> • SLR recommended that to further minimise the likelihood of impacts at Receptor NC2, Centennial should restrict operations at the NREA during times when winds are blowing from the southeast. • The Department notes that, in accordance an existing condition of consent, Centennial currently operates a real-time air quality monitoring system to guide day-to-day operations at the NCSS site to minimise dust impacts. This system would be required to continue operating during activities associated with the modification. • Further, Centennial is required to operate under its existing Air Quality & GHG Management Plan (AQGHGMP) which was approved by the Department in August 2022. The AQGHGMP would be required to be updated to include specific dust mitigation and management measures during activities associated with the modification. • On this basis, the Department considers that the potential impact of the modification on air quality would be appropriately managed, and it is unlikely that dust levels would be noticeably or significantly higher at surrounding residences.
Greenhouse Gases (GHGs)	<ul style="list-style-type: none"> • The AQIA included a Greenhouse Gas Assessment (GHGA) prepared by SLR. The GHGA considered the EPA's <i>Draft NSW EPA Guide for Large Emitters</i> (May 2024) (EPA Large Emitters Guide), which was published as a final version in January 2025. • SRL indicated that the annual Scope 1 and Scope 3 emissions associated with the proposed modification would increase marginally (i.e. by 823 tonne CO₂-e) when compared to the approved operations annual GHG emissions (i.e. 74,199 tonne CO₂-e) due to the additional diesel fuel used for the transport of CWR. This increase represents approximately 1% of approved emissions. Scope 2 emissions would remain the same as the approved operations. • SRL estimated that the total annual Scope 1 GHG emissions from the approved and proposed operations represent approximately 0.02% of Australia's 2022 emissions and 0.06% of the NSW 2022 emissions. • The Department accepts that the increase in estimated Scope 1 and 3 emissions are very small and therefore acceptable. Centennial would be required to continue implementing all reasonable and feasible measures to minimise the release of GHG emissions from the modified development in accordance with its existing development consent (see condition 9(a) of Schedule 3). • The Department accepts that the emissions associated with the modification are well below the annual 25,000 tonne CO₂-e Large Emitter threshold. However, it is noted that as the overall Project emissions would be above the threshold, Centennial would be required to estimate GHG emission contributions and develop/implement GHG avoidance-mitigation-offset strategies in line with the EPA Large Emitters Guide. The Department has included a note to the AQGHGMP condition allowing this plan to reference the mitigation plans required by the EPA.

Issue	Findings and conclusions
CWR Classification	<ul style="list-style-type: none"> • The CWR Order 2014 is the EPA's current regulation with regard to the use of CWR materials in civil engineering applications in NSW. • The CWR Order 2014 specifies the chemical and physical properties of CWR, testing requirements and thresholds that must be met by suppliers of CWR before it can be supplied to consumers for the purpose of civil engineering application. • As discussed in Section 2.1, Centennial has conducted sampling, testing and analysis of the CWR generated at its operations and determined that its physical and chemical properties are within the compliance criteria specified in the CWR Order 2014, making it suitable for supply to external parties for a range of engineering applications. • In accordance with the CWR Order 2014, Centennial has committed to continue to sample and test its CWR in accordance with a Sampling Plan prepared under the order. A draft Sampling Plan has been included at Appendix 1 of the Modification Report. • The Department has recommended a condition requiring Centennial to comply with all requirements of the CWR Order 2014 prior to supplying its CWR materials to any external customers.

5.3.1 Conservation Bond

92. As discussed in Section 2.4 of the report, Centennial is seeking approval to modify condition 20, Schedule 3 of its existing consent to allow the Conservation Bond to be lodged prior to the clearing of any native vegetation associated with the Bond, rather than by 31 July 2025.
93. The Department accepts that linking the timing for lodgement of a Conservation Bond to prior to clearing of the native vegetation to which it applies has become standard practice and is considered appropriate, particularly given it is also consistent with the timing of the BOS. The Department has therefore recommended that condition 20, Schedule 3 be amended accordingly.

6 Evaluation

94. The Department has assessed the potential environmental, social and economic impacts of the proposed modification in accordance with the requirements of the EP&A Act, in consultation with relevant Government agencies, Council and with consideration of public submissions.
95. The Department considers that the beneficial reuse of CWR materials would result in numerous benefits, particularly by reducing the volume of waste materials requiring disposal and the provision of an additional supply chain of recycled materials to meet the State's growing infrastructure demands.
96. The relatively minor increase in heavy vehicle movements associated with the transport of CWR products to external customers is unlikely to have an impact on the capacity, efficiency or safety of the surrounding road network, and traffic noise levels at surrounding residences would remain below relevant noise criteria. All other proposed transportation activities would be undertaken on the existing private haul road within existing limits (predominantly via back haulage) and would therefore not result in any additional environmental impacts beyond those already approved.
97. The Department considers that the proposed use of a mobile crushing and screening plant can be undertaken within existing air and noise criteria through the installation of an acoustic barrier and implementation of standard mitigation and management measures.
98. The Department accepts that linking the timing for lodgement of a Conservation Bond to prior to clearing of the native vegetation to which it applies is now standard practice and is considered appropriate.
99. The Department's assessment has concluded that the potential impacts of the modifications are similar in nature and scale to those of the existing operations and can be appropriately managed through existing and proposed conditions of consent.
100. Consequently, the Department considers that the proposed modification is in the public interest and is approvable, subject to the recommended conditions set out in the notice of modification (see **Appendix C**). A consolidated development consent incorporating the recommended changes is provided in **Appendix D**.
101. This Modification Assessment Report is hereby presented to the Commission to determine the application.

Appendices

Appendix A – List of referenced documents

A1 – Modification Report : Refer to the ‘Modification Application’ folder under the ‘Assessment’ tab on the Department’s website at: <https://www.planningportal.nsw.gov.au/major-projects/projects/northern-coal-services-modification-5>

A2 – Submissions: Refer to the ‘Submissions’ tab on the Department’s website at: <https://www.planningportal.nsw.gov.au/major-projects/projects/northern-coal-services-modification-5>

A3 – Submissions Report: Refer to the ‘Response to Submissions’ folder under the ‘Assessment’ tab on the Department’s website at: <https://www.planningportal.nsw.gov.au/major-projects/projects/northern-coal-services-modification-5>

A4 – Agency Advice: Summarised in Table A1. Refer to the ‘Agency Advice’ folder under the ‘Assessment’ tab on the Department’s website at: <https://www.planningportal.nsw.gov.au/major-projects/projects/northern-coal-services-modification-5>

Table A1 | Agency Advice

Agency	Advice
NSW Resources Regulator	<ul style="list-style-type: none">• Resource Regulator Advice on Mod 5
Environment Protection Authority (EPA)	<ul style="list-style-type: none">• EPA Advice on Mod 5
Transport for NSW (TfNSW)	<ul style="list-style-type: none">• TfNSW Advice on Mod 5
Lake Macquarie City Council (LCC)	<ul style="list-style-type: none">• Council Advice on Mod 5

A5 – Additional Information: Summarised in Table A2. Refer to the ‘Additional Information’ folder under the ‘Assessment’ tab on the Department’s website at: <https://www.planningportal.nsw.gov.au/major-projects/projects/northern-coal-services-modification-5>

Table A2 | Additional Information

Additional Information	Date
Traffic and Transport - Request for Information Response	17 April 2025

Appendix B – Statutory considerations

See over page

Appendix C – Instrument of Modification

Appendix D – Consolidated Development Consent

Appendix B: Statutory considerations

Objects of the EP&A Act

Table B1 summarises how the relevant objects of the EP&A Act have been considered in the Department's assessment of the Project.

Table B1 | Objects of the EP&A Act and how they have been considered

Object	Consideration
(a) 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,	<p>The modification meets this objective because it would:</p> <ul style="list-style-type: none">• allow the re-use of an otherwise waste product to be used as engineering material in a locality that has a demand for such materials;• reduce the volume of waste materials requiring emplacement within the Project REAs and preserving disposal capacity;• provide an additional supply chain of recycled materials to meet the State's growing infrastructure demands; and• reduce the greenhouse gas emissions generated by the production of new materials and the disposal of waste materials. <p>Overall, the Department considers that any minor social impacts (primarily relating to heavy vehicle traffic increases and noise) can be appropriately managed under existing and recommended conditions.</p>
(b) to facilitate ecologically sustainable development by integrating relevant economic, environmental and social considerations in decision-making about environmental planning and assessment,	<p>The Department considers that the modification is minor and can be carried out in a manner that is consistent with the principles of ecologically sustainable development as it would:</p> <ul style="list-style-type: none">• not require clearing of any native vegetation;• have no impact on Aboriginal cultural heritage or historic heritage; and• have minimal environmental impact beyond what is already approved.
(c) to promote the orderly and economic use and development of land,	<p>The modification represents a continuation of a long-standing historical land use which is permissible on the subject land. The modification would not require any additional land clearing and would result in no additional impacts to built or natural features beyond what is already approved. The Department considers this represents an orderly and economic use of the land.</p>
(d) to promote the delivery and maintenance of affordable housing,	<p>The modification would have no impact on the existing approved project boundary.</p>
(e) to protect the environment, including the conservation of threatened and other species of native animals and plants, ecological communities and their habitats,	<p>The modification does not require any land clearing and avoids any impacts on threatened species and communities and key habitats.</p>
(f) to promote the sustainable management of built and cultural heritage (including Aboriginal cultural heritage),	<p>The modification would not directly impact Aboriginal cultural heritage or historic heritage.</p>

Object	Consideration
(g) to promote good design and amenity of the built environment,	The modification would not require any changes to the existing built environment.
(h) to promote the proper construction and maintenance of buildings, including the protection of the health and safety of their occupants,	The modification does not require the construction of any buildings.
(i) to promote the sharing of the responsibility for environmental planning and assessment between the different levels of government in the state,	The Department has assessed the modification application in consultation with Lake Macquarie City Council and other relevant NSW government authorities and given consideration to the issues raised by these agencies in its assessment.
(j) to provide increased opportunity for community participation in environmental planning and assessment.	The Department publicly exhibited the Modification Report and application and considered all submissions in its assessment.

Environmental Planning Instruments (EPIs)

To satisfy the requirements of section 4.15(1)(a)(i) of the Environmental Planning and Assessment Act 1979 (EP&A Act), the following considers the relevant provisions of the EPIs that govern the carrying out of this project and have been taken into consideration in the Department's environmental assessment:

Lake Macquarie Local Environmental Plan 2014 (Lake Macquarie LEP 2014)

The Project is located within the Lake Macquarie Local Government Area and the *Lake Macquarie Local Environmental Plan 2014 (Lake Macquarie LEP 2014)* applies to this modification application.

Under the *Lake Macquarie LEP 2014*, the Project is primarily zoned SP1 Special Activities - Mining. The areas surrounding the Project are zoned C2 Environmental Conservation, RU2 Rural Landscape and SP2 Special Activities - Infrastructure Electricity Generating Works.

The Department has considered Section 2.9(1)(a) and Part 2.6 of the *Resources and Energy State Environmental Planning Policy (Resources and Energy SEPP)* which states that underground mining may be carried out on any land with development consent, and that the Resources and Energy SEPP prevails where there is an inconsistency with an LEP. Therefore, the Department considers that this modification application is permissible with development consent.

State Environmental Planning Policy (Planning Systems) 2021 (Planning Systems SEPP)

The proposed modification is for the purposes of coal mining which is identified as State Significant Development through Clause 5 of Schedule 1 of the Planning Systems SEPP.

As Centennial Coal has disclosed a reportable political donation, under Section 2.7(1)(c) of the Planning System SEPP and in accordance with Section 4.5(a) of the EP&A Act the Independent Planning Commission is the consent authority.

State Environmental Planning Policy (Resources and Energy) 2021 (Resources and Energy SEPP)

Section 2.9 of the 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 this SEPP, and the Commission may determine the application. The Department notes that the modification does not include any changes to the already approved disturbance area or project boundaries.

In addition, Part 2.3 of the SEPP lists a number of matters that a consent authority must consider before determining an application for consent to undertake development for the purposes of mining. The Department has considered these matters in its assessment of the proposed modification and finds that the modification:

- would not result in any impact beyond the non-discretionary development standards for mining, including in relation to cumulative air and noise impacts;
- is compatible with the existing on-site land uses and would not have a significant impact on the existing approved surrounding land uses, noting that noise and air quality impacts are predicted to be compliant with existing applicable criteria;
- would not trigger the requirements of the VLAMP;
- would not have a significant impact on a water resource, threatened species or biodiversity;
- result in negligible increases in GHGs;
- would not impact on resource recovery and would enhance beneficial reuse of otherwise waste material;
- would not have a significant impact on the existing approved transport arrangements through the predominant use of backhaul arrangements within existing approved transport movement to the EPA and CES, and the additional transport movements proposed would not have a significant impact on the public road network; and
- would not impact the approved mine closure or rehabilitation.

Based on its assessment of the project, the Department considers that it can be managed in a manner that is generally consistent with the aims, objectives and provisions of Chapter 2 of this SEPP.

Hazardous and offensive development (chapter 3)

Chapter 3 of this SEPP requires persons proposing to carry out development for the purposes of potentially hazardous industry to prepare a Preliminary Hazard Analysis (PHA) and to submit this with the development application.

The original EIS for the Project considered the potential hazards and risks associated with the project, including the storage and transportation of hazardous goods. Centennial notes in its Modification Report that contamination is unlikely to have occurred at its surface facilities site, and that it implements best practices for working with hazardous materials through environmental management plans and work health and safety systems.

The proposed modification is not considered a “potentially hazardous industry” or “potentially offensive industry” as described in this SEPP. Consequently, Centennial did not prepare a preliminary hazard analysis, and the Department considers that Part 3.11 of the SEPP does not apply to determination of the modification application.