



NSW GOVERNMENT
Department of Planning

***PROPOSED MODIFICATION:
Airly Coal Mine - Ancillary
Powerlines (DA 162/91 MOD 2)***



Environmental Assessment Report
Section 75W of the
Environmental Planning and Assessment Act 1979

August 2009

Cover photograph: Proposed powerline easement, view from minesite to the west

© Crown copyright 2009
Published August 2009
NSW Department of Planning
www.planning.nsw.gov.au

Disclaimer:

While every reasonable effort has been made to ensure that this document is correct at the time of publication, the State of New South Wales, its agents and employees, disclaim any and all liability to any person in respect of anything or the consequences of anything done or omitted to be done in reliance upon the whole or any part of this document.

EXECUTIVE SUMMARY

Centennial Coal Company Limited (Centennial) is seeking to modify its current consent for the Airly Coal Mine. The application (DA 162/91 MOD 2) seeks to construct and use a 66 kV powerline within a 15 metre-wide easement over a distance of 3.85 kilometres between the Airly Coal Mine and the closest take-off point from Integral Energy's powerline, near the Wallerawang-Gwebegar rail line. The application also seeks approval for the construction and use of a maintenance track and a circuit metering yard adjacent to the take-off point.

The proposed powerline route would utilise existing cleared land and existing farm tracks to limit native vegetation clearing for the proposed easement. The maintenance track may however go outside this easement in some locations in order to utilise existing farm tracks.

Most of the land proposed to be traversed by the powerline is pasture land, used for grazing purposes, with some areas of isolated trees or small patches of woodland vegetation. The easement crosses Airly Creek; however no disturbance is proposed within 40 metres of the creek. In addition, the maintenance track would utilise an existing formed crossing of the creek, so that no disturbance of the creek would be needed. The preferred alignment of the powerline easement would require the removal of approximately 17 trees.

The powerline would take up to 16 weeks to construct and employ 8 workers for that period.

The Department has assessed the potential impacts of the proposed modification and has recommended conditions it believes would, in conjunction with the reasonable and feasible mitigation measures Centennial has committed to, adequately mitigate or minimise all environmental impacts. The Department is satisfied that any residual impacts of the proposal would be either minimal or negligible.

The Department is satisfied that the proposal is in the public interest and should be approved subject to conditions. Centennial has reviewed and accepts the recommended conditions. Centennial has provided a revised Statement of Commitments as part of the EA, and has undertaken to implement these commitments in addition to the revised conditions of consent.

1. BACKGROUND

Airly Coal Pty Limited, a subsidiary of Centennial Coal Company Limited (Centennial) owns the Airly Coal Mine, located northeast of the village of Capertee in the Lithgow local government area (see Figure 1).



Figure 1: Airly Coal Mine Location

The mine was approved by the Minister in 1993 following a Commission of Inquiry (DA 162/91).

Under this consent, Centennial is allowed to establish an underground coal mine with associated infrastructure (such as a coal handling and processing plant and new rail loop) and operate it for 21 years. In 1999, the Minister modified this consent to allow Centennial to extract 500,000 tonnes of coal using open cut methods over a two year period, and truck it offsite.

Since 2001, however, the mine has been under care and maintenance. In 2008, Centennial announced its intention to recommence mining operations, and specifically, to commence planning for the construction of the necessary infrastructure to allow it to initiate underground mining operations.

While it was envisaged in the Environmental Impact Statement for the original proposal that a powerline would need to be built between the mine and the closest source of electricity, it was assumed that the approval for this powerline would be obtained separately by Integral Energy under Part 5 of the *Environmental Planning & Assessment Act 1979* (EP&A Act). Consequently, neither the powerline nor the land for the powerline was included in the original application for the mine. However, Centennial has been advised by Integral Energy to obtain its own approval for the powerline. Consequently, Centennial is now seeking to modify the Minister's consent to enable the powerline to be constructed.

2. PROPOSED MODIFICATION

On 27 March 2009, Centennial lodged a modification application with the Department under section 75W of the *Environmental Planning and Assessment Act 1979* (EP&A Act) and provided an Environmental Assessment (EA) in support of the application.

The application (DA 162/91 MOD 2) seeks to construct and use a 66 kV powerline within a 15 metre-wide easement over a distance of 3.85 kilometres (km) between the Airly Coal Mine and the closest take-off point from Integral Energy's powerline, near the Wallerawang-Gwebegar rail line (see Figure 2). The application also seeks approval for the construction and use of a maintenance track and a circuit metering yard adjacent to the take-off point.

Centennial is in the process of applying to Integral Energy for approval to construct the take-off point for the new 66 kV powerline from Integral Energy infrastructure. This take-off is considered to be a component of Integral Energy's infrastructure, while the construction of all other aspects of the infrastructure necessary for the supply of an electrical power supply to the mine is Centennial's responsibility.

The proposed powerline route would utilise existing cleared land and existing farm tracks to limit native vegetation clearing for the proposed easement, within which the powerline and associated maintenance track would be constructed. The maintenance track may however go outside this easement in some locations in order to utilise existing farm tracks (see Figure 2).

Most of the land proposed to be traversed by the powerline is pasture land, used for grazing purposes, with some areas of isolated trees or small patches of woodland vegetation. The easement crosses Airly Creek; however no disturbance is proposed within 40 metres (m) of the creek. In addition, the maintenance track would utilise an existing formed crossing of the creek, so that no disturbance of the creek would be needed. The preferred alignment of the powerline easement would require the removal of approximately 17 trees.

The powerline route would be constructed within land owned by Centennial with the exception of where it would cross an unformed Crown road which is subject to an Enclosure Permit held by Centennial. Centennial has applied to the Department of Lands (now the Land and Property Management Authority) to acquire and close this road, and other unformed Crown roads, within lands associated with the Airly mine. This process is expected to be completed soon. In the meantime, the Land and Property Management Authority, as owner of the unformed road, has provided its consent for the powerline to be constructed, provided that no power poles are located within the road reserve.

The construction of the powerline, circuit metering yard and maintenance track would be limited to between 7 am and 5 pm, Monday to Friday. It would employ up to 8 full-time equivalent (FTE) workers and take up to 16 weeks to construct.

Centennial proposes to use pole installation rigs, a cherry picker and a small bulldozer during the construction phase. In addition, construction activities would generate additional traffic movements consisting of semi-trailers to deliver poles, isolators and equipment for the circuit metering yard, trucks to deliver concrete and light vehicles used by construction workers.

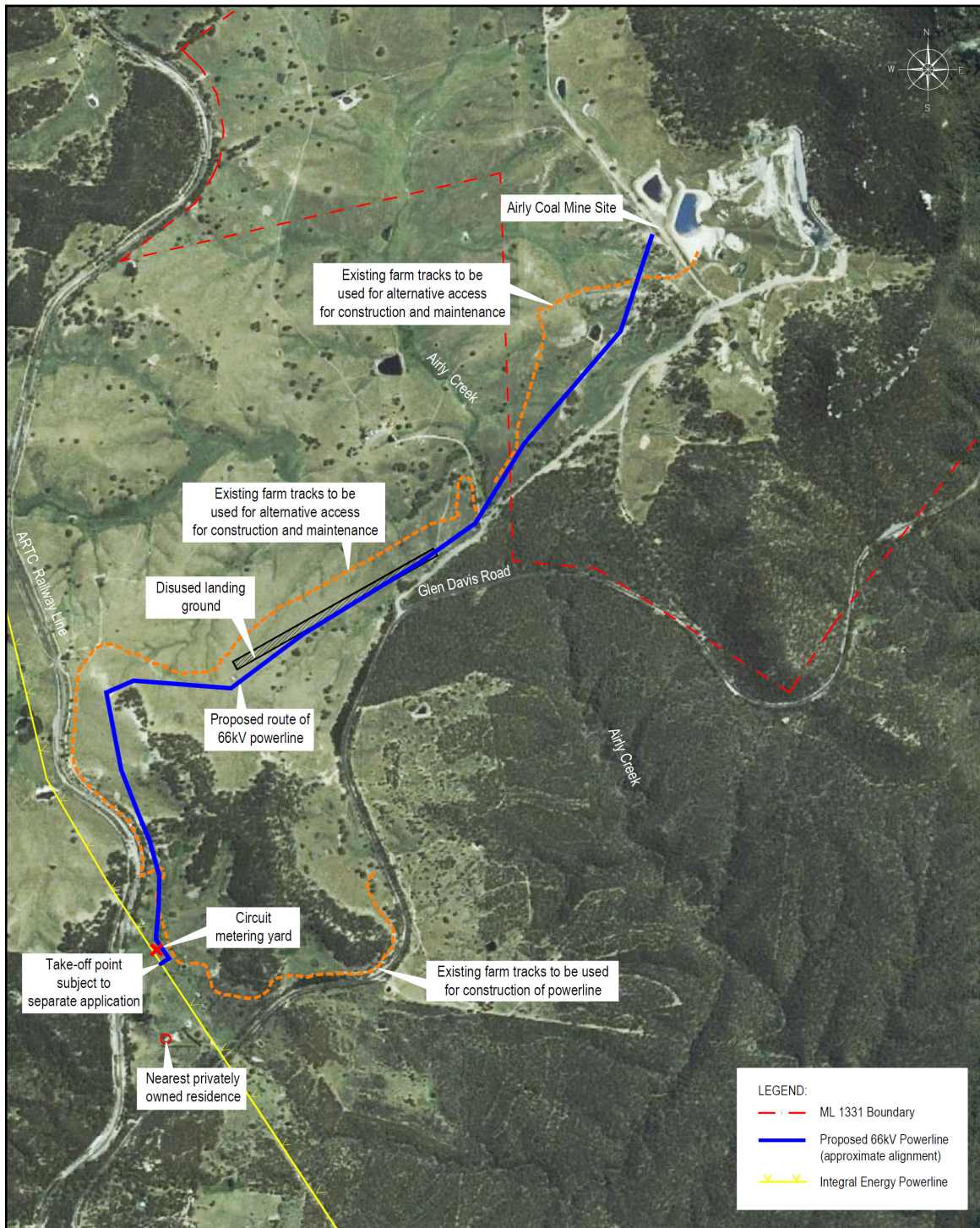


Figure 2: Powerline Route

3. STATUTORY CONTEXT

3.1 Assessment Process

Airly Coal Mine has development consent under Part 4 of the EP&A Act. Centennial has sought to modify this consent under section 75W of Part 3A of the Act. Under clause 8J(8)(b) of the *Environmental Planning and Assessment Regulation 2000*, a development consent in force immediately before the commencement of Part 3A may be modified under section 75W as if the consent were an approval under Part 3A, but only if:

- a) *the consent was granted with respect to development that would be a project to which Part 3A of the Act applies but for the operation of clause 6(2)(a) of State Environmental Planning Policy (Major Development) 2005, and*
- b) *the Minister approves of the development consent being treated as an approval for the purposes of section 75W of the Act.*

Development consent DA 162/91 was granted for development that would be a project to which Part 3A of the Act applies except for the exemption provided by clause 6(2)(a) of the Major Development SEPP. The Deputy Director-General, as delegate for the Minister, gave approval to the consent being treated as an approval for the purposes of section 75W on 15 June 2009. While the modification process is taking place under Part 3A, the modified consent would remain a consent under Part 4 of the Act.

On 4 March 2009, the Minister delegated her powers and functions as an approval authority to modify certain development consents under section 75W to the Executive Director, Major DA Assessments. This modification application meets the terms of this delegation, and consequently the Executive Director may determine the application under delegated authority.

3.3 Environmental Planning Instruments

The following environmental planning instruments are relevant to the proposal:

- *Lithgow Local Environment Plan 1994;*
- *State Environmental Planning Policy (SEPP) (Major Development) 2005;*
- *SEPP (Mining, Petroleum Production and Extractive Industries) 2007;*
- *SEPP 33 – Hazardous and Offensive Development;*
- *SEPP 44 – Koala Habitat Protection;* and
- *SEPP 55 – Remediation of Land.*

The Department has assessed the proposal against the relevant provisions in these instruments and is satisfied that the proposal complies with and is otherwise consistent with the aims, objectives and provisions of the instruments (see Appendix B).

4. CONSULTATION

Under the EP&A Act, the Department is not required to consult over the proposal. However, the Department has:

- notified relevant State government authorities and Lithgow City Council by letter; and
- notified the Capertee Progress Association by letter.

The Department is satisfied that an appropriate level of consultation has been undertaken for the proposal.

The Department received no submission from the Capertee Progress Association and 4 submissions from the following public authorities:

- Department of Environment and Climate Change, now part of the Department of Environment, Climate Change and Water (DECCW);
- Department of Primary Industries, now part of the Department of Industry and Investment (DII);
- Department of Lands, now part of the Land and Property Management Authority (LPMA); and
- Lithgow City Council (Council).

None of the submissions objected to the proposed modification.

DECCW supported the proposal being carried out in accordance with Centennial's Statement of Commitments and suggested three instances where these commitments could be strengthened. These suggestions related to the establishment of a flora removal protocol, revegetation of Airly Creek and a protocol for the cessation of work should Aboriginal artefacts be uncovered during construction activities. Centennial revised its Statement of Commitments to include DECCW's suggested changes.

DII requested that construction works undertaken within the mine's mining lease be in accordance with a Mining Operations Plan.

LPMA has no objection to the proposal proceeding in line with recommendations made in the EA.

Council supported the proposal being carried out in accordance with Centennial's Statement of Commitments and the recommendations of the flora and fauna assessment contained within the EA.

5. ASSESSMENT OF ENVIRONMENTAL IMPACTS

5.1 Alternative Powerline Routes

For the proposed modification, Centennial has provided a comprehensive assessment of alternative powerline routes and, through a process of consideration of the potential impacts of each of these alternatives, selected a preferred powerline route that it believes represents the least overall impact. The powerline routes considered by Centennial are shown in Figure 3. The preferred route is Option F.

Centennial discounted other options because they would:

- interfere with the operation of the rail line (Option A);
- degrade visual amenity along Glen Davis Road or involve extensive tree clearing (Option B);
- involve clearing of up to 400 trees, traverse steep terrain, and be in proximity to a Wedge-tail Eagle's nest and an Aboriginal artefact scatter (Option C – the shortest route);
- involve clearing of up to 400 trees, traverse steep terrain, and be in proximity to an Aboriginal artefact scatter (Option D); and
- involve clearing of up to 50 trees and be in proximity to *Bursaria sp.*, host plant for the threatened invertebrate species, the *Bathurst Copperwing Butterfly* (Option E).

Option F is Centennial's preferred route for the powerline because it would:

- involve the clearing of only 17 trees;
- utilise existing farm tracks;
- avoid steep terrain;
- avoid ground disturbance within the riparian zone of Airly Creek and consequent risks for erosion;
- avoid a known Aboriginal artefact scatter; and
- avoid the Wedge-tail Eagle's nest.

However, the preferred route is about 500 m longer when compared to Options C and D.

Centennial also considered the option of underground cabling rather than the use of overhead, or aerial, powerlines. Underground cabling would reduce visual impacts and only require an 8 metre-wide easement. However, it would still require a maintenance track and involve a crossing of Airly Creek that would involve extensive ground disturbance in its riparian zone and associated risk of soil erosion and impacts on water quality. Underground cabling is also considerably more expensive than aerial powerlines and is not justified on economic grounds.

The Department is satisfied with Centennial's consideration of alternatives to provide power to the mine. Its preferred option (Option F) is considered by the Department to minimise environmental impacts while providing an efficient and economic electricity supply for the commencement of approved underground mining operations.

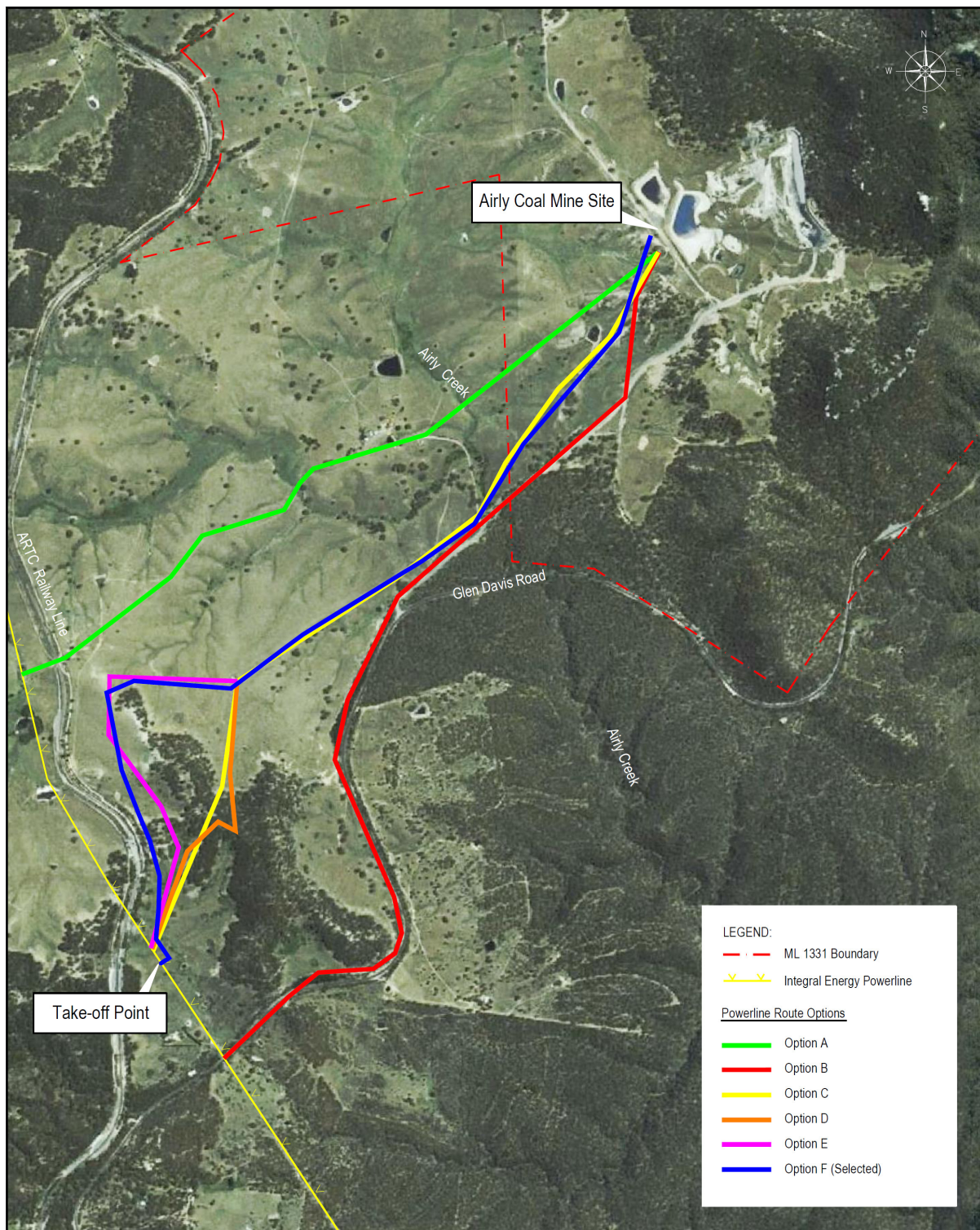


Figure 3: Alternative Powerline Routes

5.2 Consideration of Impacts (Option F)

Flora and Fauna

Centennial undertook an ecological assessment of the proposed powerline easement which included a flora survey, habitat survey and fauna survey.

The vegetation communities that occur along the proposed powerline easement are shown in Figure 4. Almost all of the 3.85 km powerline route would traverse vegetation communities that are described as “cleared and severely disturbed vegetation” or, in broad terms, pasture lands. Up to 17 trees would be cleared, mainly from a patch of Capertee-Wolgan Slopes Red Box Grey Gum Stringybark Grassy Woodland vegetation community, located close to the take-off point for the powerline.

Despite targeted searches, no vegetation which might be considered to represent an Endangered Ecological Community (EEC) or remnant elements of an EEC were observed to occur within the proposed easement. In addition, no threatened flora species were recorded within the proposed easement.

The proposed easement traverses mostly open grassy habitat, which has limited potential to support native fauna species apart from common open country birds and animals. Three threatened fauna species have been recorded within the vicinity of the proposed easement:

- Diamond Firetail;
- Brown Treecreeper; and
- Gang-Gang Cockatoo.

No suitable habitat for either the Brown Treecreeper or Gang-Gang Cockatoo occurs within the proposed easement. Potential habitat for the Diamond Firetail does occur within the proposed easement, although this habitat would not be diminished by the construction or use of the powerline. Centennial's consideration of SEPP 44 has concluded that the site does not constitute either “Core” or “Potential Koala Habitat”.

The selection of Option F as the preferred route means that vegetation clearing would be limited to 17 trees, adjacent to the rail line. No threatened plants would be affected, and it is unlikely that any fauna species occurring on the site would be adversely affected, nor would any habitat within the site become fragmented or isolated. Centennial has proposed a range of mitigation measures to further limit potential impacts. These measures are included in its Statement of Commitments and include precautions to prevent the import of weeds to the site on construction machinery, weed management, erosion control, pre-clearance inspection of vegetation for hollows and fauna (only one hollow-bearing tree is proposed to be removed) and works to minimise the impacts of the permanent maintenance tracks.

DECCW requested that Centennial only be allowed to remove mature trees if supervised by a person qualified to recovery any native fauna that may be displaced and that the company produce a plan of management for any displaced fauna. DECCW also requested that Centennial continue to engage with the Hawkesbury Nepean Catchment Management Authority in regard to revegetation works for Airly Creek, including the removal of weed species such as willows. Centennial has accepted DECCW's recommendations and revised its Statement of Commitments accordingly. Centennial's proposal to work with the Hawkesbury Nepean Catchment Management Authority to undertake voluntary revegetation works within Airly Creek in the vicinity of the creek crossing is not a formal proposal by the company to offset the removal of 17 trees. However, the ultimate result will be that long-term biodiversity values in the vicinity of the easement will be maintained, rather than diminished, by the construction of the powerline.

The Department considers that the construction and operation of the proposed powerline would have a very minor effect on flora and fauna in its vicinity. The Department also supports Centennial's proposed mitigation measures and has recommended a condition of consent that would require Centennial to construct and operate its powerline in accordance with its revised Statement of Commitments.

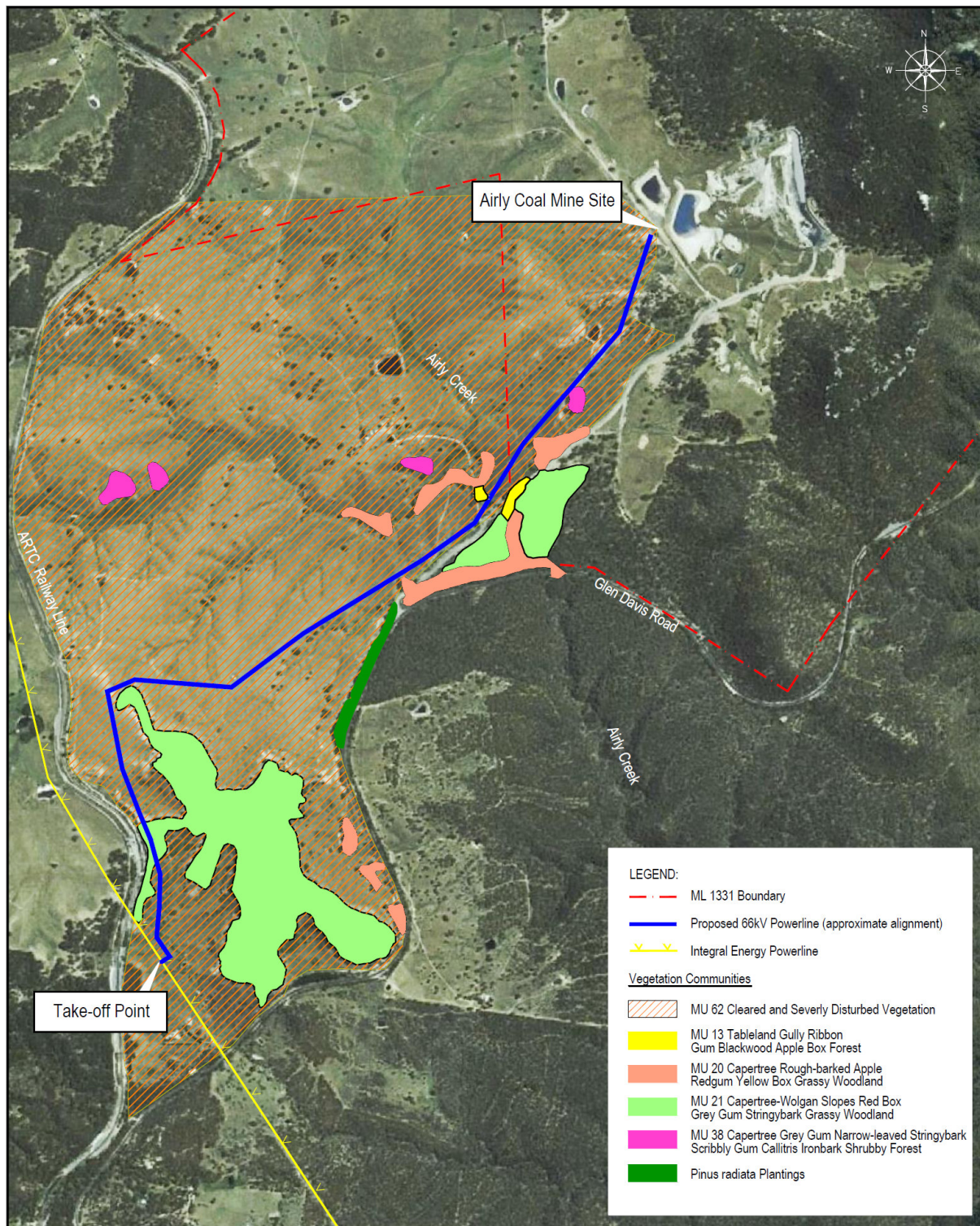


Figure 4: Vegetation Communities

Other Issues

All other issues are considered by the Department to result in impacts that would be relatively low, negligible or nil impact. In many instances, the low level of residual impact can be attributed to the careful selection of the preferred powerline route.

ISSUE	CONSIDERATION	IMPACT
<i>Surface Water and Erosion Control</i>	The construction of the powerline, circuit metering yard and maintenance track would result in minor areas of ground disturbance which could increase soil erosion from the site to local waterways. However, overall potential impacts would be limited by measures such as: • selecting a powerline route that avoids steep terrain (which is prone to greater erosional rates); • avoiding any works within 40 m of the banks of Airly Creek, • using existing tracks and cleared land to the maximum extent possible for the location of the maintenance track; • using an existing culvert for the maintenance track crossing of Airly Creek; • rehabilitating areas of disturbance as soon as possible following construction activities; • installing temporary sediment control measures (in accordance with the Blue Book) prior to undertaking activities requiring ground disturbance; and • preparing a construction environmental management plan, specifically addressing erosion and sediment control, prior to the commencement of construction. The Department accepts that, with the implementation of the erosion control measures proposed and the avoidance of areas more susceptible of increased erosional risk, surface water impacts are unlikely to be significant. The Department has recommended a condition of approval that would require Centennial to implement its proposed mitigation measures to control erosion and protect water quality which are contained within its revised Statement of Commitments.	Minor
<i>Traffic</i>	Centennial has assessed traffic impacts associated with the proposed modification as well as traffic that would be generated by the construction of the take-off point (which is not part of this application but would be undertaken under a separate Integral Energy approval). The Department is satisfied that this approach assesses cumulative traffic impacts that could be expected to occur at the time the powerline is under construction. Overall traffic volumes would be small. Up to 15 trucks and 6 concrete trucks would be needed to deliver construction materials over the entire 16 week construction period. In addition, up to 7 other heavy vehicles (such as cherry-pickers) would be needed. The employment of 8 FTE workers on the site would result in an increase in light vehicle movements to and from the site. The relatively small number of deliveries that would be required to the site, small workforce and limited construction period would limit any inconvenience to users of public roads, such as Glen Davis Road. The Department is therefore satisfied that there would be no significant traffic impacts.	Minimal
<i>Heritage</i>	A desktop study, field survey and review of the existing literature did not locate any sites or artefacts of Aboriginal or non-Aboriginal heritage within the proposed powerline easement. While one artefact scatter was found within the vicinity of the proposed powerline route, the site is not within the proposed easement. Centennial has specifically chosen route Option F to avoid impacts to this site. DECCW requested Centennial to revise its Statement of Commitments to include a commitment to cease work should Aboriginal materials be uncovered during the construction of the powerline. Centennial has agreed to do so and revised its Statement of Commitments accordingly.	Negligible
<i>Visual</i>	The proposed powerline would be constructed on land owned or controlled by Centennial and would be screened from public view by roadside vegetation, particularly along Glen Davis Road. As shown in Figure 2, the nearest privately-owned residence is located about 300 m to the south of the powerline take-off point and would have existing views of Integral Energy's 66 kV powerline. The construction of Centennial's powerline would not change the visual amenity for this residence. The Department considers residual visual impacts to be negligible.	Negligible
<i>Noise</i>	Construction activities associated with the powerline have the potential to generate noise in a typically quiet rural environment. The nearest privately-owned residence is located about 300 m to the south of the powerline take-off point. There are no other	Negligible

ISSUE	CONSIDERATION	IMPACT
	residences closer than 1500 m to the proposed powerline. Centennial has consulted with the nearest landowner and established that this residence is usually only occupied during weekends. As Centennial proposes to limit construction activities to 9 am to 5 pm, Monday to Friday, there would be no noise impacts for this residence. The Department considers that the construction and operation of the proposed powerline would not result in adverse noise impacts for the local community.	
<i>Air Quality</i>	The earthworks associated with the construction of the powerline and maintenance track and the movement of vehicles on the track has the potential to generate dust. Centennial has committed to restrict vehicle speeds to less than 40 km/hr. This, combined with a construction period of less than 16 weeks, means that any air quality impacts are very unlikely to affect the amenity of local landowners.	Negligible
<i>Waste</i>	Centennial proposes to mitigate any waste impacts by the provision of portable toilet facilities for workers, the collection of general and recyclable wastes during the construction phase, the recovery of usable timber from felled trees and the use of residual timber for habitat enhancement. The Department believes that Centennial's mitigation measures are appropriate for the proposal and has recommended a condition of consent that would require Centennial to implement its revised Statement of Commitments.	Negligible.
<i>Disused Landing Ground</i>	As shown in Figure 2, the proposed powerline easement traverses a disused landing ground which is about 1300 m in length. This landing ground is listed as an emergency landing ground on international charts and on maps produced by the LPMA. Clearly, the construction of a powerline along this landing ground will render it unable to be used in an emergency. Centennial has contacted CASA, which has agreed to the closure of the emergency landing ground and requested that Centennial place 6 m white crosses at 200 m intervals along the landing ground so that aviators would be warned that it was closed. In addition, Centennial has initiated the process to have the landing ground symbol removed from future editions of maps produced by LPMA and for its removal from international charts. The Department considers that Centennial has undertaken appropriate measures to ensure the disused landing ground is safely closed.	N/A

6. RECOMMENDED CONDITIONS

The Department has prepared recommended conditions of consent for the proposed modification (see Appendix A). These conditions are required to prevent and/or minimise adverse impacts of the proposed modification.

Centennial has reviewed and accepts the recommended conditions. Centennial has provided a revised Statement of Commitments as part of the EA, and has undertaken to implement the operational controls contained within its commitments.

7. CONCLUSION

Centennial is seeking to modify its current consent to allow it to construct a 66 kV powerline over a distance of 3.85 km from Integral Energy's 66kV feeder line to the west of Airly Coal Mine's surface facilities.

When consent was granted for the mine in 1993, it was usual practice for electricity lines to be constructed by the electricity supply authority, with approval for the powerline to be obtained by the authority under Part 5 of the EP&A Act. Integral Energy has indicated that Centennial should be responsible for the construction of the connecting 66 kV powerline to its mine and accordingly, Centennial is required to gain approval for the powerline as its 1993 consent does not apply to most of the lands the powerline will need to traverse.

The Department has assessed the modification application, EA and submissions and is satisfied that there is sufficient information available to determine the application. This assessment has found that the proposed modification would have only limited environmental impacts, most notably the removal of 17 mature trees in the proposed powerline easement.

Centennial has selected its preferred powerline route so as to avoid most environmental impacts, even though this route is 500 m longer than the most direct route between the feeder powerline and the mine site.

The Department has assessed the predicted impacts of the proposed modification and has recommended conditions it believes would, in conjunction with the mitigation measures Centennial has committed to, minimise these impacts. In assessing the proposed development, the Department has taken into account the objects of the EP&A Act, in particular the need to encourage ESD, and matters required to be considered under section 79C of the Act.

Based on this consideration, the Department is satisfied that the proposal is generally in the public interest, and should be approved subject to conditions.

8. RECOMMENDATION

It is RECOMMENDED that the Executive Director, as delegate of the Minister:

- consider the findings and recommendations of this report;
- determine that the proposed modification is not a "radical transformation" of the development consent;
- approve the application to modify development consent, subject to conditions, under section 75W of the *Environmental Planning and Assessment Act 1979*; and
- sign the attached instrument of modification to the development consent (Tagged A).



David Kitto
Director
Major Development Assessment



Chris Wilson
Executive Director
Major DA Assessments