

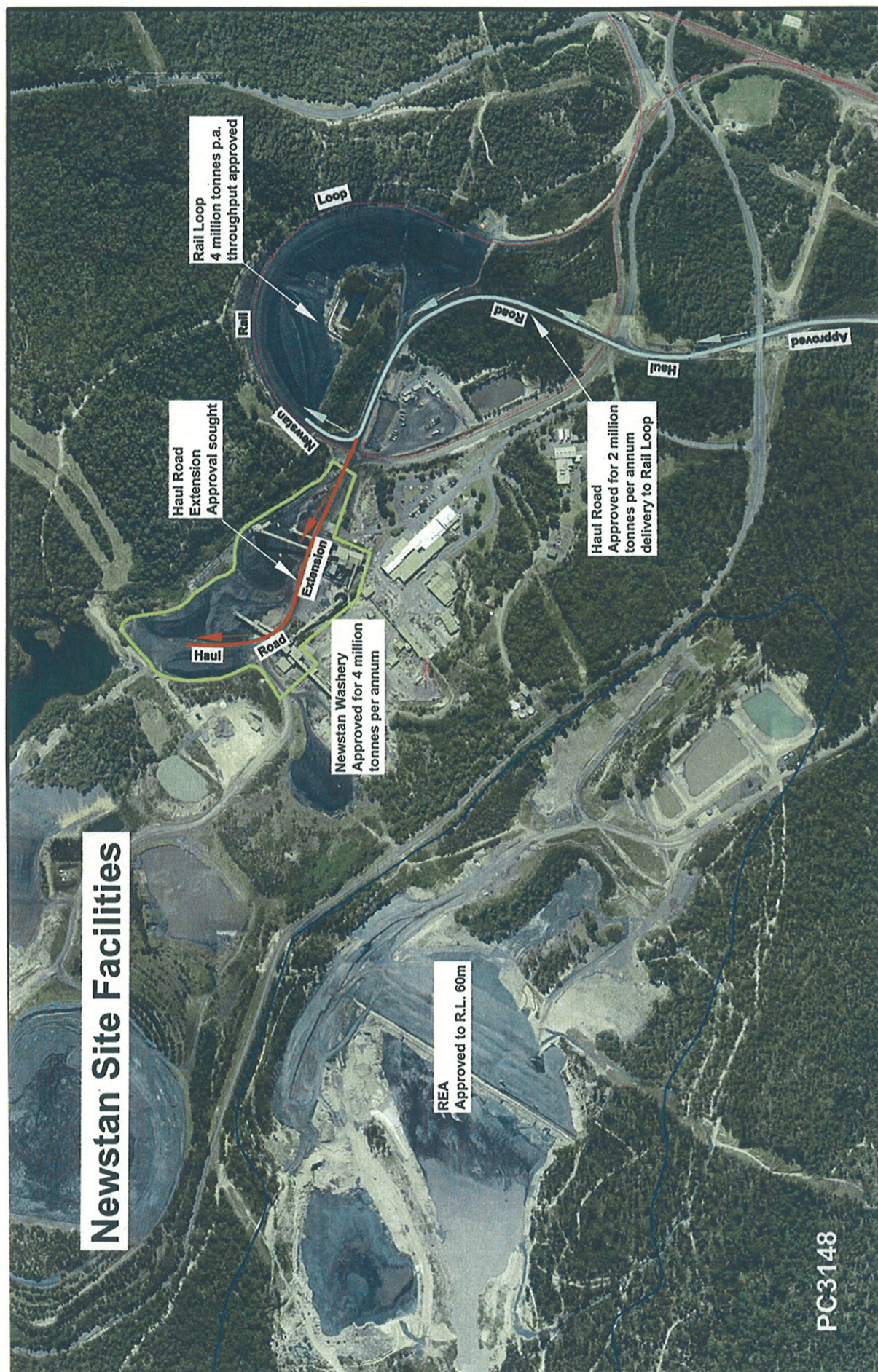


Figure 3: Newstan Colliery and associated infrastructure.



### 3 STATUTORY CONTEXT

#### Section 96

Under section 96(1A) of the EP&A Act, a consent authority may modify a development consent if it is satisfied that:

- a) *the proposed modification is of minimal environmental impact, and*
- b) *the development to which the consent as modified relates is substantially the same development for which consent was originally granted and before that consent as originally granted was modified (if at all) under this section.*

The Department has assessed the potential impacts of the proposal (Section 5) and is satisfied it would be of minimal environmental impact. It is also satisfied that the proposed modifications represent a minor change to both of the originally approved mining operations, and consequently the developments (as modified) would remain substantially the same developments for which consent was originally granted.

#### Consent Authority

The Minister was the consent authority for the original development application, and is consequently the consent authority for these applications. However, the Director, Major Development Assessments may determine the applications under the Minister's delegation of 4 March 2009.

### 4 CONSULTATION

The Department is not required to notify or exhibit applications under section 96(1A) of the EP&A Act. Given the minor nature of the proposed modifications and their minimal environmental impact, the Department has not undertaken any public consultation for the proposal. However, the Department has consulted with the Department of Industry and Investment, Department of Environment, Climate Change and Water and Lake Macquarie City Council.

None of the agencies object to the proposed modification applications. Some agencies noted minor issues in relation to their administrative responsibilities.

### 5 ASSESSMENT

The Department's assessment of the key issues is summarised in Table 1 below:

Table 1: Assessment of key issues

| Issue       | Potential Impacts & Consideration                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Conclusion |
|-------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| Air Quality | <p>The proposed modifications have the potential to cause air quality impacts due to changing operational conditions including the loading of trucks with coal at Eraring power station, two way movement of laden trucks along a 1.8 kilometre section of the Eraring-Newstan private haul road and transport of an additional 400,000 t of coal via conveyor from Mandalong to Eraring. All these activities are proposed to be temporary and would cease in February 2010.</p> <p>The loading of trucks with coal at Eraring could have a minimal impact on air quality. However, given the remote location of the power station and the temporary nature of the activity, the impact to air quality and nearby receivers would be negligible.</p> <p>The transportation of coal to Eraring by conveyor and from Eraring by truck, would provide limited opportunities for wind-blown dust generation. However, the conveyor and private haul road are isolated from nearby receivers. Centennial's existing environmental management practices would further reduce risk of dust generation, resulting in negligible impact to air quality.</p> <p>The other aspects of the proposed modifications would either not generate dust impacts or would generate insignificant quantities of dust when compared to air quality impacts generated from existing operations.</p> <p>The Department is confident any air quality impacts associated with the proposed modifications would be minimal and would have negligible impact on sensitive receivers.</p> | Negligible |

|                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |            |
|---------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| Noise                     | <p>The proposed modifications would result in changes to some noise generating activities at the Newstan Colliery and Eraring power station.</p> <p>The proposed modifications would result in haulage trucks from Mandalong mine unloading coal 300 m further west, at the Newstan washery stockpile instead of the rail loop stockpile (see Figure 3). This is a minor change to existing operations and would not result in additional truck movements within the Newstan site. This minor change in noise source locations is unlikely to increase noise impacts, given that the closest receivers are to the east at Fassifern.</p> <p>The loading of trucks with coal at Eraring power station for transport to Newstan is also a noise generating activity. Given the remote location of the power station and the minor change in operations, the proposal is unlikely to cause any additional noise impact to nearby receivers. Additionally this is a temporary measure that will cease in February 2010.</p> <p>The other aspects of the proposed modifications do not alter the existing noise generating activities.</p> <p>The Department is satisfied that any noise impacts associated with the proposed modifications would be negligible and would not impact any sensitive receivers. The minor changes in operations at Newstan would be adequately managed by Newstan's existing consent and noise management practices.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Negligible |
| Waste / Reject Management | <p>The impact of washing Mandalong coal at Newstan and the subsequent management of reject material has not previously been assessed under either the Newstan or Mandalong consents.</p> <p>Centennial has therefore calculated that the processing and washing of 2 Mt of Mandalong run-of-mine (ROM) coal would generate 240,000 t of reject material (182,000 t of coarse and 78,000 t of fine).</p> <p>The 1998 Newstan EIS predicted that processing and washing 2 Mt of Newstan ROM coal would produce 400,000 t of reject material, hence washing 2 Mt of Mandalong ROM coal would generate 160,000 t less reject material.</p> <p>As the maximum amount of ROM coal that can be processed at Newstan would not change from the already approved 4 Mt per annum, and as the volume of the reject material generated by washing Mandalong coal is less than for Newstan coal, the capacity of Newstan's coal reject emplacements would not be exceeded over the life of its existing consent.</p> <p>Coal from different areas can have distinct chemical properties, which could result in reject material requiring specific management. Centennial has undertaken some tests of the sulphur content and trace elements of the Mandalong coal reject. The results indicate a low sulphur content of 0.20%. Additionally, the sulphur present in the Mandalong coal is generally in the form of organic sulphur, which is bound within the structure of the coal and therefore is not readily leached into water. The quality of the Newstan coal is known to be of comparable quality to the Mandalong coal. Accordingly, the existing Newstan reject emplacement infrastructure and methodology would be able to successfully store the Mandalong reject material with no additional impact.</p> <p>The Department is satisfied the existing reject emplacement at Newstan can adequately accommodate and manage the reject generated by washing Mandalong coal.</p> | Nil        |
| Transport                 | <p>The proposed modifications would not result in any additional truck movements or impacts to public roads, or require the construction of any additional infrastructure.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Nil        |
| Other issues              | <p>The proposed modifications do not require additional construction, clearing, increases to approved processing / extraction rates, or changes to existing licence conditions. Accordingly, there would not be any impacts to water, soil, biodiversity or heritage.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Nil        |

## 6 SECTION 79C

Under section 96 of the EP&A Act, a consent authority is required to consider the relevant matters listed under Section 79C of the Act when it determines a modification application.

The Department has assessed the proposal against these matters, and is satisfied that:

- the proposal is consistent with the provisions of the relevant planning instruments;
- the potential environmental impacts are not significant and can be adequately minimised, mitigated and/or managed;
- the site is suitable for the development;
- the proposal is in the public interest; and
- the proposed modification can be carried out in a manner that is consistent with the objects of the EP&A Act, including the principles of ecologically sustainable development.

## 7 RECOMMENDED CONDITIONS

The Department has recommended modified conditions of consent for the Mandalong and Newstan Mines and is satisfied that the recommended conditions are generally adequate to manage the developments as modified by the applications.

## 8 CONCLUSION

The Department has assessed the application in accordance with the relevant requirements of the EP&A Act. This assessment has found that the proposed modifications would be of minimal environmental impact, and could be appropriately managed to ensure an acceptable level of environmental performance. The overall benefits outweigh any potential minor impacts, which would be adequately managed under existing measures.

On this basis, the Department is satisfied that the proposed modifications are justified, and should be approved.

## 9 RECOMMENDATION

It is RECOMMENDED that the Director:

- consider the findings and recommendations of this report;
- determine that the proposed modifications are of minimal environmental impact;
- determine that the developments to which the consents, as modified, relate are substantially the same developments for which consent was originally granted;
- approve the applications under section 96(1A) of the EP&A Act; and
- sign the attached notices of modification (Tagged A and B).

*David Kitto* 27/11/09

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