Submission to the New South Wales Dept of Planning and Environment re Dendrobrium Mine etc (Modifications DA 60-03-2001-Mod 10 etc)

Philip Laird, December 2023

This submission is mainly concerned about the external costs of road haulage of coal waste on public roads. It shall draw on research conducted at the University of Wollongong. However, the submission does not necessarily reflect the views the University.

1. It is noted that there are development consents with conditions including:
a. A maximum of 5.2 million tonnes of ROM coal may be extracted from the Dendrobrium site in any financial year.
b. Coal may only be transported from underground workings by conveyor to the Kemira Valley Rail Loading Facility site and then by rail to Dendrobrium CCP (what is CCP please) at the Port Kembla Steelworks. The condition that only rail shall be used for this transport is supported.

2. It is of concern that an unspecified amount of coal washery discard from Russell Vale will leave the Dendrobrium CCP for the West Cliff coal wash emplacement area. This will be a distance of about 44 kilometres and will involve the use of congested urban motorways in Wollongong and the congested Mt Ousley Road. All in all some 16 km of haulage in urban areas.

3 Consideration needs to be given consent conditions regarding the road haulage of coal washery waste to minimize road safety risks and preserve amenity for residents and other road users.

These could include the imposition of a road haulage curfew, similar to that proposed for the haulage of Russell Vale Coal which restricted truck movements between 7.00 am - 6.00 pm Monday to Friday and 8.00 am - 6.00 pm Saturday with no coal (waste) transport Sundays or Public Holidays.

4. There is also the question of how much coal waste is involved to be transferred from between the Dendrobrium CCP and Appin. This needs to be clarified in any approvals.

5. External costs of coal wash transport do not appear to have been addressed. Why not?

6. One external cost is the under-recovery of road system costs from articulated trucks hauling heavy loads over large aggregate distances each year. Although the subject is open to debate, there is general agreement at the Federal and State level of government that the operation of heavy trucks hauling heavy loads and large aggregate annual distances are subsidised.

Here, the Productivity Commission found in 2006 that the current methodology used by the National Transport Commission for determining road user charges for heavy trucks is “conservative” by international standards (i.e. resulting in lower charges) and that payments

made by certain six axle articulated trucks do not meet NTC allocated costs. In addition, it is noted the difference between New Zealand and Australian road user charges for a heavily laden 9 B-Doubles and semitrailers hauling long annual distances, translates to about **one cent per net tonne kilometre.**

7. External costs were also addressed in a 2001 Australian Rail Track Corporation Track Audit (by Booz Allen and Hamilton) which gave unit estimates for *'... noise pollution, air pollution, greenhouse gas emissions, congestion costs, accident costs, and incremental road damage costs"* for road and rail freight in both urban and non-urban areas. They have been further addressed by this writer in a peer reviewed 2005 Australasian Transport Research Forum paper *Revised Land Freight External Costs In Australia*,

8. The NSW Independent Pricing and Regulatory Tribunal in its 2012 *Review of Access Pricing for the NSW Grain Line Network* gave (page 31 and 32) two sets of values for external costs for road and rail freight in non-urban areas. The higher value unit cost (that include an allowance for unrecovered road system costs from articulated trucks of one cent per net tonne kilometre (c/tkm)) is **3.88 c/tkm in urban areas and 2.79 c/ntkm in non-urban areas.**

9. Adjusted for inflation using RBA inflation calculator, in June 2023 the external cost from the operation of articulated trucks of one cent per net tonne kilometre (c/tkm)) is **5.17 c/tkm in urban areas and 3.72 c/ntkm in non-urban areas.**

Thus, the external cost for the road haulage of one tonne of coal wash (44 km with 16 km in urban areas) is about **$2.24.**

10. It is suggested that rather than allow for such a hidden subsidy, it is submitted that if the proposal is conditionally approved, a further condition should be that a contribution be made to TfNSW to provide for the unrecovered road system costs incurred by the additional road wear and tear caused by the road haulage of coal, and funds to improve road safety along the route and measures to better control heavy truck noise.

An amount of $2.20 per tonne is suggested as reasonable in this case.

11. These coal wash trucks will use the busy Mt Ousley Road.

For many years, concept planning has been underway for a proposed Mount Ousley Rd and Princes Motorway interchange. In 2017, a Review of Environmental Factors for the project was put on public exhibition by Roads and Maritime Services (RMS) and some money was allocated in the 2018-19 NSW budget for geotechnical and other studies.

However work is yet to really start on this project.

The official website http://www.rms.nsw.gov.au/about/corporate-publications/statistics/traffic-volumes gives access to traffic counts on the Mt Ousley road that show in 2019, the annual average daily traffic (AADT) count on this road is 55113, and of this, 15 % are trucks. Accordingly, in 2019, there was an average of 8116 truck movements a day on this road.

Given the high external costs of road freight, it is submitted that it is not unreasonable that the consignors of coal waste make a contribution to such road works.

12. It is of concern that the proposal appears to overlook heavy vehicle safety. It is submitted that a condition be imposed that the if the proposal is conditionally approved, as well as a code of conduct for coal waste truck drivers (as may apply for coal truck drivers), that all trucks should be fitted with tachographs, and be modern trucks meeting Euro 6 requirements, with low emissions and without the use of noisy engine brakes.

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