

p r o p o s e d

Mt Arthur

UNDERGROUND PROJECT

Appendix 2



Authority Correspondence

Director-General's Requirements

Section 75F of the *Environmental Planning and Assessment Act 1979*

Application Number	06_0091
Project	The proposed Mt Arthur Coal Underground project and associated infrastructure, which includes the: • establishment and operation of an underground coal mine and associated infrastructure; • production of approximately 8 million tonnes of run-of-mine coal a year; and • rehabilitation of the site.
Location	Approximately 3km south-west of Muswellbrook, in the Upper Hunter Valley
Proponent	Hunter Valley Energy Coal Pty Ltd
Date of Issue	25 January 2007
Date of Expiration	25 January 2009
General Requirements	The Environmental Assessment (EA) must include • an executive summary; • a detailed description of the project including the: – need for the project; – alternatives considered; and – various components and stages of the project; • consideration of any relevant statutory provisions; • an environmental risk analysis of the project which takes into consideration the issues raised during consultation; • a detailed assessment of the key issues specified below, which includes: – description of the existing environment; – an assessment of the potential impacts of the project, including the potential cumulative impacts that may arise from the combined operation of the mine, together with existing Mt Arthur operations including Bayswater No. 2, the proposed Mt Arthur North South Pit Extension, and the neighbouring Drayton Coal Mine and Saddlers Creek Proposal; – a description of the measures that would be implemented to avoid, minimise, mitigate, offset, manage, and/or monitor the impacts of the project; • a draft Statement of Commitments, outlining environmental management, mitigation and monitoring measures; • a conclusion justifying the project, taking into consideration the environmental impacts of the proposal, the suitability of the site, and whether or not the project is in the public interest; • a signed statement from the author of the Environmental Assessment certifying that the information contained in the report is neither false nor misleading.
Key Issues	• Subsidence – including impacts on surface and groundwater resources, cultural sites, areas of public access, and surface infrastructure including roads, utilities, buildings and other structures; • Noise – including construction, operation, and on-site and off-site road and rail noise impacts, including impacts adjacent to the Antiene rail spur; • Air Quality – including consideration of impacts in the vicinity of the Antiene rural residential area; • Greenhouse Gases – a greenhouse gas assessment (including a quantitative analysis of greenhouse gas emissions associated with the combustion of product coal, and a qualitative assessment of the impacts

	of these emissions on the environment); • Heritage - both Aboriginal and non-Aboriginal, including conservation outcomes for significant heritage items and areas in the mine affectation zone; • Flora and Fauna – including impacts on critical habitats, threatened species, populations, ecological communities and native vegetation. An offset strategy should be included to compensate for the loss of existing (or previously approved) conservation areas, and to ensure that there is no net loss of flora and fauna values in the area in the medium to long term; • Surface and Groundwater – including detailed modelling of potential surface and groundwater impacts, a site water balance, and a salinity budget. A surface and groundwater contingency strategy must be included as part of the mitigation measures for the project which details the measures proposed to protect the supply of water to landowners and the environment in the region; • Rehabilitation, Final Landform and Final Void Management – including a justification of the proposed final land use for the site in relation to strategic land use objectives and the synoptic landscape plan for the Upper Hunter Valley area; a detailed description of how the site would be progressively rehabilitated and integrated into the surrounding landscape; and the measures which would be put in place for the long term management of the site (including biodiversity offset areas) following cessation of mining; • Blasting and Vibration; • Visual; • Traffic and Transport; and • Social and Economic.
References	The Environmental Assessment should take into account appropriate State government technical and policy guidelines. While not exhaustive, guidelines which may be relevant to the project are included in the attached list.
Consultation	During the preparation of the Environmental Assessment, you must consult with the relevant local and State government authorities, service providers, community groups, affected landowners and any affected Commonwealth government authorities. In particular you must consult with the: • Department of Environment and Conservation; • Department of Natural Resources; • Department of Primary Industries; • Muswellbrook Shire Council; • Australian Rail Track Corporation; and • NSW Roads and Traffic Authority.
Deemed refusal period	120 days

State Government Technical and Policy Guidelines - For Reference

Aspect	Policy /Methodology
Soil and Water	
	• <i>Managing Urban Stormwater: Soils & Construction</i> (Landcom); • <i>Guidelines for Fresh and Marine Water Quality</i> (ANZECC); • <i>Rehabilitation Manual for Australian Streams</i> (Land and Water Resources Research and Development Corporation); • <i>NSW State Rivers and Estuaries Policy</i> (DNR); • the various <i>State Groundwater Policy</i> documents (DNR); • <i>Approved Methods for the Sampling and Analysis of Water Pollutants in NSW</i> (DEC); • <i>Environmental Guidelines: Use of Effluent by Irrigation</i> (DEC);
Flora and Fauna	
	• draft <i>Guidelines for Threatened Species Assessment</i> (DEC); • <i>Threatened Biodiversity Survey and Assessment: Guidelines for Development and Activities</i> (DEC); • <i>Guidelines for Developments Adjoining Department of Environment Conservation Land</i> (DEC); • <i>NSW Groundwater Dependent Ecosystem Policy</i> (DNR); • <i>Policy and Guidelines for Fish Friendly Waterway Crossings</i> (DPI);
Blasting and Vibration	
	• <i>Technical Basis for Guidelines to Minimise Annoyance due to Blasting and Ground Vibration</i> (ANZECC);
Noise	
	• <i>NSW Industrial Noise Policy</i> (DEC); • <i>Environmental Criteria for Road Traffic Noise</i> (DEC); • <i>Environmental Noise Control Manual</i> (DEC);
Air Quality	
	• <i>Approved Methods for the Modelling and Assessment of Air Pollutants in NSW</i> (DEC);
Heritage	
	• draft <i>Guidelines for Aboriginal Cultural Heritage Assessment and Community Consultation</i> (DEC); • <i>Assessing Heritage Significance</i> (NSW Heritage Office); • <i>NSW Heritage Manual</i> (NSW Heritage Office); • <i>Archaeological Assessment Guidelines</i> (NSW Heritage Office, 1996)
Traffic	
	• <i>Guide to Traffic Generating Development and Road Design Guide</i> (RTA); • <i>RTA Road Design Guide</i> (RTA); • relevant Austroad standards;
Rehabilitation	
	• <i>Guidelines for Rehabilitation of Land for Agricultural End Use</i> (DPI);
Greenhouse Gases	
	• <i>AGO Factors and Methods Workbook</i> (Australian Greenhouse Office);
Waste	
	• <i>Environmental Guidelines: Assessment and Classification and Management of Liquid and Non-Liquid Wastes</i> (DEC).
	• <i>Environmental Guidelines: Assessment and Classification and Management of Liquid and Non-Liquid Wastes</i> (DEC).



AUSTRALIAN RAIL TRACK CORPORATION LTD

Mr Peter O'Grady
General Manager
Marketing Operations
BHP Billiton Energy Coal

20th July 2007-07.

Dear Peter

I am writing to confirm our previous discussion on the potential development and indicative increase in export coal from your Mt Arthur load point on the Drayton loop.

As you will appreciate the opportunity to understand both the quantum and timing of new projects or indeed increased volumes simply as a result of increased production is vital for ARTC to understand to ensure we plan appropriately for the future.

It is with in mind I again re-iterate our purpose is to use the detail as part of our analysis in developing the ARTC Hunter Valley Strategic Plan which is published annually and looks to provide interested stakeholders with a Master Plan complete with projects necessary to increase capacity at those areas on the rail network that have been identified as a potential constraint to the movement of export coal to the port of Newcastle and domestic coal to the power utilities in the region.

It is also import for organisations such as yours to understand what if any potential constraint may occur if there are any deficiencies in turn out connections from the main lines and the spur line themselves. It is with this in mind I re-confirm the need to constantly asses your connection and the capacity it has.

I would expect the publication of the next ARTC strategy to be available by the end of August this year.

Again, thank you for your insight and I look forward to gaining annual updates on each of your areas in the Hunter and beyond.

Yours truly,

A handwritten signature in black ink, appearing to read 'Dale Macklinshaw', is written over the printed name.

Dale Macklinshaw
Hunter Valley Operations Manager