



Office of Environment & Heritage

Your reference:
Our reference:
Contact:

PA 08-0101 & 08-0102 MOD 4
DOC14/84219-01; EF14/1155
Ziggy Andersons, 4908 6820

Ms Elle Donnelley
Planner, Mining Projects
Department of Planning and Environment
GPO Box 39
SYDNEY NSW 2001

Dear Ms Donnelley

RE: OEH REVIEW OF INTEGRA COAL MINING COMPLEX - MODIFICATION 4 (MP 08-0101 & MP 08-0102) - REVISED BIODIVERSITY OFFSET PACKAGE

I refer to your email dated 22 May 2014 seeking comments on the revised biodiversity offset package for the Integra Open Cut Coal Project (PA 08-0101) and Integra Underground project (PA 08-0102) that forms the basis of this MOD 4 application. This combined consent is under section 75W of the *Environmental Planning and Assessment Act 1979*.

The Office of Environment and Heritage (OEH) understands that the intent of the MOD 4 is to modify an existing Biodiversity Offset Strategy to prevent the sterilisation of a coal resource identified after the combined consent was issued. OEH also understands that any proposed future disturbance of the areas excised from the existing approved offset package would be subject to a detailed environmental impact assessment, including the provision of biodiversity offsets for potential residual ecological impacts.

OEH has reviewed the proposed revised offset package in line with current OEH offsetting policy; in this case the '*NSW Offset principles for major projects*' and the '*NSW OEH interim policy on assessing and offsetting biodiversity impacts of Part 3A, State significant development (SSD) and State significant infrastructure (SSI) projects*'.

Using details provided within the EA, OEH ran the current offset package and revised offset package through the BioBanking Credit Calculator in line with 'Offset Principle 2'. In doing so, OEH identified an overall shortfall in ecosystem credits for the original offset package as well as the revised offset package.

In particular, there was a significant shortfall in the Narrow-leaved Ironbark – Spotted Gum – Forest Red Gum Forest ecosystem credits, as well as a shortfall in Swamp Oak Forest ecosystem credits and Brush-tailed Phascogale species credits (see **Table 1** below). In addition, the vegetation communities on the offsite offset at Apple Tree Flats are in different vegetation formations to those on the development site, and are cleared to a lesser degree in the CMA subregion, and thus are outside the tradability options allowed in BioBanking for this project.

Table 1. Credits summary for the approved development, current offset package and the proposed revised offset package. Ecosystem credits generated by Narrow-leaved Ironbark are shown in parentheses.

Credit Type	Development (102.10 ha Native Veg)	Current Offset Package (575.3 ha)	Proposed New Offset Package (720.70 ha)
Ecosystem Credits	6,566 (5,862)	2,795 (1,079)	3,551 (1,381)
Threatened Species Credits (Brush- tailed Phascogale)	1,760 <u>88 ha</u>	1,163 <u>193.80 ha</u>	1,217 <u>202.8 ha</u>

OEH acknowledges that the revised package satisfies Schedule 3 Condition 42 of the current combined consent in regards to the areas of offsets to be provided but this is based on the assumption that the proposed rehabilitation of Narrow-leaved Ironbark – Spotted Gum – Forest Red Gum Forest is a suitable surrogate for remnant vegetation (see **Table 2**). Passive management of the Derived Grassland/Native Pasture does not guarantee that it will over time become the Narrow-leaved Ironbark – Spotted Gum – Forest Red Gum Forest community. Active management including a combination of planting of seedlings and direct seeding will be required to ensure the offset commitments will be met.

Table 2: Summary of areas of Narrow-leaved Ironbark – Spotted Gum – Forest Red Gum Forest within development and offset packages.

Narrow-leaved Ironbark – Spotted Gum – Forest Red Gum Forest	Consent Offset Requirement (ha)	Current Offset Package (ha)	Revised Offset Package (ha)
Remnant	87.3	193.8	115.6
Rehabilitation	n/a	10	87.2
Total	87.3	203.8	202.8

In consideration of the above OEH does not object to the revised offset package, but due to the reliance on the rehabilitation of Narrow-leaved Ironbark – Spotted Gum – Forest Red Gum Forest to meet the conditions of consent, OEH recommends that the conditions of consent for the submitted modification include:

- Integra Coal Operations Pty Ltd must commit to actively revegetating the entirety of the proposed 87.2 hectares (ha) of rehabilitation to Narrow-leaved Ironbark – Spotted Gum – Forest Red Gum Forest and identify the timeframe in which this will occur;
- An update of the Integra Complex Biodiversity Management Plan (EMP-2016 Biodiversity Management Plan) to include:
 - Details of the revised Biodiversity Offset Strategy, including the revised Biodiversity Offset Areas;
 - Definition of the boundaries of the 87.2 ha of Derived Grassland/Native Pasture that are proposed to be rehabilitated;

- A program of works to actively rehabilitate the entirety of the 87.2ha of Derived Grassland/Native Pasture to Narrow-leaved Ironbark – Spotted Gum – Forest Red Gum Forest that includes:
 - the proposed methods to rehabilitate the 87.2 ha of Derived Grassland/Native Pasture;
 - the location and staging of active rehabilitation methods;
 - the proposed planting densities and percentage composition of individual species used in rehabilitation;
 - the proposed methods for ensuring success of plantings; and
 - the provisions for replacement due to potential mortality;
- Schedule 3 Condition 44A be revised to require an audit and resulting report to assess whether rehabilitation works have been substantially commenced within five years of the date of approval of this submitted modification; and
- As per Schedule 3 Condition 45, ensure the conservation bond has been updated to reflect the cost of actively rehabilitating the 87.2 ha as part of the proposed modification.

If you have any questions, or wish to discuss this matter further, please contact Ziggy Andersons, Regional Biodiversity Conservation Officer, on 4908 6820.

Yours sincerely



10 JUN 2014

RICHARD BATH
Senior Team Leader Planning, Hunter Central Coast Region
Regional Operations

