

APPENDIX 1

Director-General's Requirements



NSW GOVERNMENT
Department of Planning

**Mining & Extractive Industries
Major Development Assessment**
Phone: (02) 9228 6436
Fax: (02) 9228 6466
Email: paul.freeman@planning.nsw.gov.au
Level 4 Western Gallery
23-33 Bridge Street
GPO Box 39
SYDNEY NSW 2001

Mr Greig Duncan
Senior Site Executive
Austar Coal Mine Pty Limited
Locked Bag 806
CESSNOCK NSW 2325

Our ref: 9041305

Dear Mr Duncan

**Director-General's Requirements
Proposed Austar Coal Project
Application : 08_0111**

The Department has received your application for the Austar Coal Project in the Cessnock local government area.

I have attached a copy of the Director-General's requirements for the project. These requirements have been prepared in consultation with the relevant public authorities, and are based on the information you have provided to date. I have also attached a copy of the public authorities comments for your information.

Please note that under section 75F(3) of the *Environmental Planning and Assessment Act 1979*, the Director-General may alter these requirements at any time.

As you are aware the Department prefers operations like the Austar mine to operate under a single, modern planning approval. Consequently, you are advised that the Department would like to work constructively with the company to achieve this aim, and recommends that the project be developed with this aim in mind.

If your proposal is likely to have a significant impact on matters of National Environmental Significance, it will require an approval under the Commonwealth *Environment Protection Biodiversity Conservation Act 1999* (EPBC Act). This approval is in addition to any approvals required under NSW legislation. It is your responsibility to contact the Department of Environment, Water, Heritage, and the Arts in Canberra (6274 1111 or <http://www.environment.gov.au>) to determine if the proposal requires an approval under the EPBC Act. The Commonwealth Government has accredited the NSW environmental assessment process for assessing any impacts on matters of National Environmental Significance. If an approval is required under the EPBC Act, the Department should be contacted immediately as supplementary Director-General's requirements may need to be issued.

I would appreciate it if you would contact the Department at least two weeks before you propose to submit your Environmental Assessment for the project to determine the:

- applicable fee (see Division 1A of Part 15 of the *Environmental Planning & Assessment Regulation 2000*);

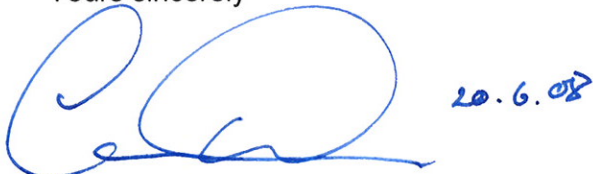
- consultation and public exhibition arrangements that will apply; and
- number of copies (hard-copy or CD-ROM) of the Environmental Assessment that will be required for exhibition purposes.

The Department will review the Environmental Assessment in consultation with the relevant authorities to determine if it adequately addresses the Director-General's requirements. If the Director-General considers the Environmental Assessment to be inadequate, you will be required to revise it prior to public exhibition.

The Director-General's requirements will be placed on the Department's website along with other relevant information which becomes available during the assessment of the project. Please submit the documents to the Department in a suitable format for web publishing and arrange for an electronic version of the project's Environmental Assessment to be hosted on a suitable website with a link to the Department's website.

If you have any enquiries about these requirements, please contact Paul Freeman on 02 9228 6436.

Yours sincerely



Chris Wilson
Executive Director
Major Project Assessment
As delegate for the Director-General

Director-General's Requirements

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

Application Number	08_0111
Project	Stage 3 of the Austar Coal Mine, which involves: ▪ extraction of up to 3.6 million tonnes of run-of-mine (ROM) coal a year for 21 years using Longwall Top Coal Caving technology from longwall panels A6 to A17; and ▪ construction and operation of new pit top facilities off Quorrobolong Road south of Kitchener including an access road, upcast and downcast ventilation shafts, main ventilation fan, bath house, workshop, electricity substation and distribution line, service boreholes, offices and store.
Operation of the Austar Mining Complex	The Project will use the existing and approved infrastructure and facilities at the existing Austar Mining Complex as described below to handle, process and transport ROM coal from longwalls A6 to A17. These activities involve the continued operation of: ▪ the Ellalong Drift and associated infrastructure; ▪ the Pelton Coal Handling Preparation Plant for the washing and handling of coal; ▪ the Austar Railway Line and South Maitland Railway to transport up to 3 million tonnes of product coal per annum; ▪ road transport of up to 60,000 tonnes of specialty coal product per annum; and ▪ emplacement of reject material from Austar's mining operations at Pelton Open Cut and other sites as approved in the Mining Operation Plan.
Project Area	▪ Stage 3 area including the new surface infrastructure site which is located 6 to 8 kilometres south of Cessnock (see Figure 1); and ▪ the Austar Mining Complex which includes the existing infrastructure and facilities that will be used by the project (see Figure 2).
Proponent	Austar Coal Mine Pty Limited.
Date of Issue	18 June 2008.
General Requirements	The Environmental Assessment must include: ▪ an executive summary; ▪ a detailed description of the existing operations within the project area that will be used for the project including: – all statutory approvals that apply to these operations; – a justification for the continued road transport of specialty coal products; – a rehabilitation and final land use strategy justifying the proposed final land use for the project area in accordance with relevant strategic land use objectives for the Cessnock area; ▪ a detailed description of the project including: – the need for the project; – the alternatives considered; and – the various components and stages of the project, and how these will be integrated into the existing operations within the project area; ▪ consideration of any relevant statutory provisions, including whether the project is consistent with the objects of the <i>Environmental Planning & Assessment Act 1979</i>; ▪ a general overview of the environmental performance of the existing operations within the project area; a description of the environmental management and monitoring measures that currently apply to the existing operations; and a description of any measures proposed to improve the environmental performance of the existing facilities over time; ▪ a general overview of the environmental impacts of the project, identifying the key issues for further assessment and taking into

	identifying the key issues for further assessment and taking into consideration the issues raised during consultation; ▪ a detailed assessment of the key issues specified below, and any other significant issues identified in the general overview of environmental impacts of the project (see above) which includes: – a description of the existing environment; and – an assessment of the potential impacts of the project; and – a description of the measures that would be implemented to avoid, minimise, mitigate, offset, manage and/or monitor the impacts of the project (and how they would be integrated into the existing monitoring and management regime at the Austar Mining Complex); ▪ 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 the benefits of the project; and ▪ 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	In relation to Stage 3 (i.e. the proposed mining of longwalls A6 to A17 and establishment of the new pit top facilities) the following key issues are to be addressed: ▪ Subsidence – including impacts on surface and groundwater resources; flooding behaviour and flood prone land; sensitive natural features; cultural heritage sites; public access; and surface infrastructure including roads, utilities, buildings, water storage facilities and other structures. The assessment must also provide a comparison of subsidence and subsidence-related impacts associated with conventional longwall mining and Longwall Top Coal Caving; ▪ Surface and Groundwater – including a detailed assessment of potential surface water and groundwater impacts; a detailed site water balance; and details of the proposed surface and groundwater monitoring program. As part of the mitigation measures for the project, a surface and groundwater management and contingency strategy must be included which details the measures proposed to protect environmental flows and the water supply to local landholders; ▪ Flora and Fauna – including any impacts on critical habitats, threatened species, populations and ecological communities; ▪ Air Quality - including an assessment of air quality impacts at the proposed new pit top facility; ▪ 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); ▪ Noise and Vibration – including construction and operational noise impacts at the new pit top facility; ▪ Traffic and Transport – including construction and operational traffic associated with the new pit top facility; ▪ Aboriginal and non-Aboriginal Heritage; ▪ Visual Amenity; and ▪ Social and Economic – particularly with regard to any increased demand for infrastructure and services in the region.
References	The Environmental Assessment must take into account relevant 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 should consult with the relevant local, State or Commonwealth Government authorities, service providers, community groups or affected landowners. The consultation process and the issues raised must be described in the Environmental Assessment.

	In particular you must consult with: ▪ Department of Environment & Climate Change; ▪ Department of Water & Energy; ▪ Department of Primary Industries; ▪ NSW Roads and Traffic Authority; ▪ NSW Mine Subsidence Board; and ▪ Cessnock City Council The consultation process and the issues raised must be described in the Environmental Assessment.
Deemed refusal period	90 days

State Government Technical and Policy Guidelines - For Reference

Aspect	Policy /Methodology
Subsidence	Guideline for Application for Subsidence Management Approvals (NSW Department of Mineral Resources)
	New Approval Process for Management of Coal Mining Subsidence. Policy (NSW Department of Mineral Resources)
Soil and Water	
<i>Contamination</i>	Australian and New Zealand Guidelines for the Assessment and Management of Contaminated Sites (ANZECC & NHMRC)
	National Environment Protection (Assessment of Site Contamination) Measure 1999 (NEPC)
<i>Land Classification</i>	Rural Land Capability Mapping (DLWC)
	Agricultural Land Classification
<i>Erosion & Sediment Control</i>	Managing Urban Stormwater: Soils & Construction (Landcom)
	Design Manual for Soil Conservation Works - Technical Handbook No. 5 (Soil Conservation Service of NSW)
	Wind Erosion - 2nd Edition (DIPNR)
<i>Floodplain & Wetlands</i>	The NSW Wetlands Management Policy (DLWC)
	Floodplain Management Manual (DNR)
	Recommended Methods for Monitoring Floodplains and Wetlands (Baldwin <i>et. al</i>)
	Floodplain Risk Management Guideline (DECC)
<i>Groundwater</i>	National Water Quality Management Strategy Guidelines for Groundwater Protection in Australia (ARMCANZ/ANZECC)
	NSW State Groundwater Policy Framework Document (DLWC)
	NSW State Groundwater Quality Protection Policy (DLWC)
	Draft NSW State Groundwater Quantity Management Policy (DLWC)
<i>Rivers & Estuaries</i>	The NSW State Rivers and Estuaries Policy (NSW Water Resources Council)
	A Rehabilitation Manual for Australian Streams (LWRRDC and CRCCH)
<i>Salinity</i>	NSW Salinity Strategy (DLWC)
<i>Water Quality</i>	National Water Quality Management Strategy: Water quality management - an outline of the policies (ANZECC/ARMCANZ)
	National Water Quality Management Strategy: Policies and principles - a reference document (ANZECC/ARMCANZ)
	National Water Quality Management Strategy: Implementation guidelines (ANZECC/ARMCANZ)
	National Water Quality Management Strategy: Australian Guidelines for Fresh and Marine Water Quality (ANZECC/ARMCANZ)
	National Water Quality Management Strategy: Australian Guidelines for Water Quality Monitoring and Reporting (ANZECC/ARMCANZ)
	Using the ANZECC Guideline and Water Quality Objectives in NSW (DEC)
	Approved Methods for the Sampling and Analysis of Water Pollutants in NSW (DEC)
Air Quality	
	Approved Methods for the Modelling and Assessment of Air Pollutants in NSW (DEC)

Approved Methods for the Sampling and Analysis of Air Pollutants in NSW
(DEC)

Greenhouse Gas	
	National Greenhouse Accounts (NGA) Factors (AGO)
	Guidelines for Energy Savings Action Plans (DEUS)
Noise	
	NSW Industrial Noise Policy (DECC)
	Environmental Criteria for Road Traffic Noise (NSW EPA)
	Environmental Noise Control Manual (DECC)
Traffic & Transport	
	Guide to Traffic Generating Development (RTA)
	Road Design Guide (RTA)
Flora and Fauna	
	Draft Guidelines for Threatened Species Assessment under Part 3A of the <i>Environmental Planning and Assessment Act 1979</i> (DEC)
	Threatened Biodiversity Survey and Assessment: Guidelines for Developments and Activities. Working Draft (DEC)
	Policy & Guidelines for Fish Friendly Waterway Crossings (NSW Fisheries)
	Policy & Guidelines - Aquatic Habitat Management and Fish Conservation (NSW Fisheries)
Heritage	
<i>Aboriginal</i>	Draft Guidelines for Aboriginal Cultural Heritage Impact Assessment and Community Consultation (DEC)
	Aboriginal Cultural Heritage Standards and Guidelines Kit (NSW EPA)
<i>Non- Aboriginal</i>	NSW Heritage Manual (NSW Heritage Office & DUAP)
	The Burra Charter (The Australia ICOMOS charter for places of cultural significance)
Hazards	
	Applying SEPP 33: Hazardous And Offensive Development Application Guidelines (DUAP)
	Multi-Level Risk Assessment (DUAP)
Rehabilitation	
	Mine Rehabilitation – Leading Practice Sustainable Development Program for the Mining Industry (DITR)
	Mine Closure & Completion – Leading Practice Sustainable Development Program for the Mining Industry (DITR)