



10 November 2010

The Director-General
c/- Director Major Development Assessment
Department of Planning
Ground Floor
23-33 Bridge Street
SYDNEY NSW 2001

Attention: Mr David Kitto

Dear David

RE: NARRABRI COAL MINE – MODIFICATION APPLICATION

Narrabri Coal Operations Pty Ltd (NCOPL) is the owner and operator of the Narrabri Coal Mine. NCOPL requests the New South Wales (NSW) Minister for Planning modify the Narrabri Coal Project – Stage 2 Approval (08_0144) for the Narrabri Coal Mine in relation to Condition 3 of Schedule 3 (Extraction Plans). This request is made in order to clarify the approval requirements for the preparation of extraction/subsidence plans under the Project Approval and Mining Lease conditions.

NCOPL requests that the Minister for Planning assess the proposed modification under Section 75W of the *Environmental Planning and Assessment Act, 1979*.

Extraction Plan

Condition 3 of Schedule 3 of the Project Approval (08_0144) requires the preparation of Extraction Plans for all second workings at the Narrabri Coal Mine, viz.:

SECOND WORKINGS

Extraction Plans

3. *The Proponent shall prepare and implement Extraction Plans for all second workings in the project area to the satisfaction of the Director-General. These plans must:*
 - (a) *be prepared by a team of suitably qualified and experienced experts whose appointment has been endorsed by the Director-General and in consultation with DII;*
 - (b) *be approved by the Director-General before the Proponent carries out second workings covered by the Plan;*
 - (c) *include*
 - *detailed plans for second workings;*
 - *detailed plans of any associated surface construction works;*
 - *revised predictions of subsidence effects, subsidence impacts and environmental consequences, incorporating any relevant information obtained since this approval;*
 - *a Subsidence Monitoring Program to calibrate and validate subsidence predictions; and analyse the relationship between subsidence effects and subsidence impacts and any ensuing environmental consequences;*

- a program to collect sufficient environmental baseline data for future Extraction Plans; and
- a Public Safety Management Plan to ensure public safety in the project area.

Note: In accordance with condition 11 of schedule 2, the preparation and implementation of Extraction Plans for second workings may be staged, provided that no less than 3 longwall panels are included in each plan, unless otherwise agreed to in writing by the Director-General. In addition, these plans are only required to contain management plans that are relevant to the specific second workings that are being carried out.

NCOPL proposes that Condition 3 of Schedule 3 of the Project Approval (08_0144) be amended in order to address NSW Department of Industry and Investment's (I&I NSW's) requirements in relation to subsidence management, in particular, aspects relating to detailed plans for second workings, coal resource recovery, subsidence predictions, subsidence monitoring, built features, and public safety.

Condition 3 of Schedule 3 of the Project Approval currently requires: *revised predictions of subsidence effects, subsidence impacts and environmental consequences, incorporating any relevant information obtained since this approval.* Similar to previous Part 3A approvals issued by the Department of Planning, it is considered appropriate that the revised predictions of subsidence effects and subsidence impacts be prepared to the satisfaction of I&I NSW, and that revised predictions of environmental consequences be prepared to the satisfaction of the Department of Planning.

It is also considered appropriate for revised predictions of environmental consequences to be linked to a review and revision of applicable management plans, specifically the Water Management Plan (Condition 13 of Schedule 4), Aboriginal Cultural Heritage Management Plan (Condition 23 of Schedule 4) and Rehabilitation Management Plan (Condition 4 of Schedule 5). Based on the outcomes of the review, the Extraction Plan would provide a timeframe for the revision of the applicable management plan(s).

NCOPL proposes that Condition 3 of Schedule 3 of the Project Approval (08_0144) be replaced with the condition below.

SECOND WORKINGS

Extraction Plans

3. *The Proponent shall prepare and implement Extraction Plans for all second workings in the project area to the satisfaction of the Director-General. These plans must:*
 - (a) be prepared by a team of suitably qualified and experienced experts whose appointment has been endorsed by the Director-General and in consultation with I&I NSW;*
 - (b) be approved by the Director-General before the Proponent carries out second workings covered by the Plan;*
 - (c) include the following to the satisfaction of I&I NSW:*
 - *detailed plans for second workings;*
 - *a coal resource recovery plan that demonstrates effective recovery of the available resource;*
 - *revised predictions of subsidence effects and subsidence impacts, incorporating any relevant information obtained since this approval;*
 - *a Subsidence Monitoring Program to calibrate and validate subsidence predictions; and analyse the relationship between the subsidence effects and subsidence impacts of the Extraction Plan and any ensuing environmental consequences;*
 - *a Built Features Management Plan prepared in consultation with the owner of the relevant feature to manage the potential environmental consequences of the Extraction Plan on built features; and*

- a Public Safety Management Plan to ensure public safety in the project area;
- (d) include detailed plans of any associated surface construction works;
- (e) include a revised assessment of potential environmental consequences of the Extraction Plan, and a review and revision of management plans prepared in accordance with Condition 13 of Schedule 4, Condition 23 of Schedule 4 and Condition 4 of Schedule 5 at a timeframe to be specified in the Extraction Plan;
- (f) include a program to collect sufficient environmental baseline data for future Extraction Plans.

Note: In accordance with condition 11 of schedule 2, the preparation and implementation of Extraction Plans for second workings may be staged, provided that no less than 3 longwall panels are included in each plan, unless otherwise agreed to in writing by the Director-General. In addition, these plans are only required to contain management plans that are relevant to the specific second workings that are being carried out.

Subject to Condition 3, Schedule 3 of the Project Approval being amended, NCOPL intends to request that I&I NSW remove the current Mining Lease condition which requires preparation of a Subsidence Management Plans. This request would be made on the basis that the Extraction Plan condition (as amended) incorporated all necessary subsidence plan content and consultation requirements.

Were Condition 3, Schedule 3 of the Project Approval to be amended, the note in Schedule 5 Rehabilitation and Offsets would also require modification to refer to Condition 3, Schedule 3, rather than Condition 3(c) of Schedule 3:

REHABILITATION

Note: These conditions should be read in conjunction with sections 4, 8 and 12 of the revised Statement of Commitments and condition 3(c) of schedule 3.

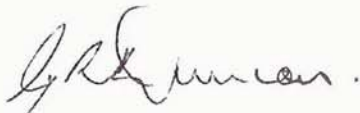
Conclusion

NCOPL requests that the Minister for Planning assesses the proposed modifications to Project Approval (08_0144) under Section 75W of the *Environmental Planning and Assessment Act, 1979*. The proposed change is requested in order to clarify the reporting and consultation requirements for the Extraction Plan.

NCOPL considers that the proposed modification in no way changes the scale, nature or consequential potential environmental impacts of the existing project as approved under Project Approval (08_0144).

Please do not hesitate to contact the undersigned should you have any queries.

Yours sincerely



Greig Duncan
General Manager,
Narrabri Coal Operations
Whitehaven Coal