



NSW GOVERNMENT  
**Department of Planning**

**Mining & Extractive Industries  
Major Development Assessment**  
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Mr Grant Watson  
Mine Manager – Centennial Coal Charbon  
Charbon Coal Limited  
PO Box 84  
Kandos, NSW 2848

Our ref: S02/02820

Dear Mr Watson

**Charbon Coal Project (08\_0211)  
Director-General's Requirements**

The Department has received your application for the proposed Charbon Coal Project.

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

Please note that the Director-General may alter these requirements at any time.

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, so if it is determined that an approval is required under the EPBC Act, please contact the Department 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. This will enable the Department to determine the:

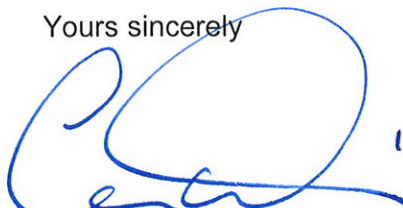
- applicable fee (see Division 1A, Part 15 of the Environmental Planning and Assessment Regulation 2000); and
- number of copies (hard-copy and CD-ROM) of the Environmental Assessment that will be required for exhibition purposes.

Following receipt the Department will review the Environmental Assessment in consultation with the relevant agencies to determine if it adequately addresses the Director-General's requirements. The Department may require you to revise the Environmental Assessment prior to public exhibition.

The Department is required to make all the relevant information associated with the project publicly available on its website. Consequently, I would appreciate it if you would ensure that all the documents you subsequently submit to the Department are in a suitable format for the web, and arrange for the Environmental Assessment to be hosted on a suitable website.

If you have any enquiries about these requirements, please contact Carl Dumbleton on 9228 6283 or [carl.dumbleton@planning.nsw.gov.au](mailto:carl.dumbleton@planning.nsw.gov.au).

Yours sincerely

A handwritten signature in blue ink, appearing to be 'Chris Wilson', with a large loop at the top and a horizontal line at the bottom.

19.12.08

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*

<b>Application number</b>	08_0211
<b>Project</b>	<ul style="list-style-type: none"> <li>The Charbon Coal Project, including: <ul style="list-style-type: none"> <li>continuing mining operations at the existing Charbon underground mine and Southern Open Cut;</li> <li>extending mining operations by open-cut and underground methods;</li> <li>processing up to 1.3 million tonnes of run-of-mine (ROM) coal a year at the existing coal handling and preparation plant;</li> <li>transporting product coal by road and rail to local and regional markets; and</li> <li>rehabilitating the site.</li> </ul> </li> </ul>
<b>Location</b>	Approximately 3 kilometres (km) south of Kandos.
<b>Proponent</b>	Charbon Coal Pty Limited
<b>Date of Issue</b>	19 December 2008
<b>General Requirements</b>	<p>The Environmental Assessment of the project must include:</p> <ul style="list-style-type: none"> <li>an executive summary;</li> <li>a detailed description of: <ul style="list-style-type: none"> <li>historical operations on the site;</li> <li>existing and approved operations and infrastructure on site, including a copy of all statutory approvals that apply to these operations and infrastructure; and</li> <li>the existing environmental management and monitoring regime on site;</li> </ul> </li> <li>a detailed description of the project, including the: <ul style="list-style-type: none"> <li>need for the project;</li> <li>alternatives considered;</li> <li>likely interactions between existing and approved mining operations and local industry;</li> <li>likely staging of the project; and</li> <li>plans of any proposed building works;</li> </ul> </li> <li>a risk assessment of the potential environmental impacts of the project, identifying the key issues for further assessment;</li> <li>a detailed assessment of the key issues specified below, and any other significant issues identified in the risk assessment (see above), which includes: <ul style="list-style-type: none"> <li>a description of the existing environment, using sufficient baseline data;</li> <li>an assessment of the potential impacts of all stages of the project, including any cumulative impacts associated with the concurrent operation of the project with any other existing or approved mining operations in the region, taking into consideration any relevant policies, guidelines, plans and statutory provisions (see below); and</li> <li>a description of the measures that would be implemented to avoid, minimise, mitigate and/or offset the potential impacts of the project, including detailed contingency plans for managing any significant risks to the environment;</li> </ul> </li> <li>a statement of commitments, outlining all the proposed environmental management and monitoring measures;</li> <li>a conclusion justifying the project on economic, social and environmental grounds, taking into consideration whether the project is consistent with the objects of the <i>Environmental Planning &amp; Assessment Act 1979</i>;</li> <li>a signed statement from the author of the Environmental Assessment, certifying that the information contained within the document is neither false nor misleading.</li> </ul>

<b>Key Issues</b>	<ul style="list-style-type: none"> <li>• <b>Subsidence</b> – including detailed modelling and monitoring of impacts on local landforms such as Haystack Mountain, private property, other elements of the surface environment and hydrogeology;</li> <li>• <b>Soil &amp; Water</b> – including detailed modelling of potential surface and groundwater impacts; a site water balance; a salinity balance; and a detailed description of final void management;</li> <li>• <b>Biodiversity</b> – including impacts on critical habitats (including any riparian habitat and groundwater dependent ecosystems), threatened species, populations, ecological communities and native vegetation;</li> <li>• <b>Traffic</b> – including a detailed traffic impact study;</li> <li>• <b>Noise &amp; Blasting</b>;</li> <li>• <b>Air Quality</b> – including the cumulative impacts from the project and the lime and cement works at Kandos / Charbon;</li> <li>• <b>Heritage</b> – both Aboriginal and non-Aboriginal;</li> <li>• <b>Greenhouse Gases</b> – <ul style="list-style-type: none"> <li>- a quantitative assessment of the potential scope 1, 2 and 3 greenhouse gas emissions of the project and qualitative assessment of the potential impacts of these emissions on the environment; and</li> <li>- a detailed description of the measures that would be implemented on site to minimise the greenhouse gas emissions of the project;</li> </ul> </li> <li>• <b>Visual</b>;</li> <li>• <b>Rehabilitation</b> – including a detailed Rehabilitation and Landscape Management Strategy that describes how the site would be progressively rehabilitated and integrated into the landscape, taking into consideration the rehabilitation plans of existing mining operations, and any other relevant strategic land use plans and objectives . The strategy should also describe what measures would be put in place for the long term protection and management of the site following cessation of mining; and</li> <li>• <b>Social and Economic</b> - including an assessment of the demand the project may generate for the provision of local infrastructure and services.</li> </ul>
<b>References</b>	<p>The environmental assessment of the key issues listed above must take into account relevant guidelines, policies, and plans. While not exhaustive, the following attachment contains a list of guidelines, policies and plans that may be relevant to the environmental assessment of this project.</p>
<b>Consultation</b>	<p>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.</p> <p>In particular, you must consult with:</p> <ul style="list-style-type: none"> <li>• Department of Environment and Climate Change;</li> <li>• Department of Water and Energy;</li> <li>• Department of Primary Industries;</li> <li>• Roads and Traffic Authority; and</li> <li>• Mid-Western Regional Council.</li> </ul>
<b>Deemed Refusal Period</b>	60 days

# Policies, Guidelines & Plans

Aspect	Policy /Methodology
<b>Risk Assessment</b>	
	AS/NZS 4360:2004 Risk Management (Standards Australia)
	HB 203: 203:2006 Environmental Risk Management – Principles & Process (Standards Australia)
<b>Subsidence</b>	
	Guideline for Application for Subsidence Management Approvals (DPI)
<b>Soil &amp; Water</b>	
<i>Soil</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)
	State Environmental Planning Policy No. 55 – Remediation of Land
	Managing Land Contamination – Planning Guidelines SEPP 55 – Remediation of Land (DOP)
<i>Surface Water</i>	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)
	National Water Quality Management Strategy: Guidelines for Sewerage Systems – Effluent Management (ARMCANZ/ANZECC)
	National Water Quality Management Strategy: Guidelines for Sewerage Systems – Use of Reclaimed Water (ARMCANZ/ANZECC)
	Using the ANZECC Guideline and Water Quality Objectives in NSW (DEC)
	State Water Management Outcomes Plan
	NSW Government Water Quality and River Flow Environmental Objectives (DECC)
	Approved Methods for the Sampling and Analysis of Water Pollutants in NSW (DEC)
	Managing Urban Stormwater: Soils & Construction (Landcom)
	Managing Urban Stormwater: Treatment Techniques (DECC)
	Managing Urban Stormwater: Source Control (DECC)
	A Rehabilitation Manual for Australian Streams (LWRRDC and CRCCH)
<i>Groundwater</i>	Technical Guidelines: Bunding & Spill Management (DECC)
	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)
	NSW State Groundwater Quantity Management Policy (DLWC) Draft
	Murray-Darling Basin Commission. Groundwater Flow Modelling Guideline (Aquaterra Consulting Pty Ltd)
	Draft Guidelines for the Assessment & Management of Groundwater Contamination (DECC)
<b>Transport</b>	
	Guide to Traffic Generating Development (RTA)
	Road Design Guide (RTA)
<b>Biodiversity</b>	
	Draft Guidelines for Threatened Species Assessment under Part 3A of the <i>Environmental Planning and Assessment Act 1979</i> (DEC)
	NSW Groundwater Dependent Ecosystem Policy (DLWC)

	Policy & Guidelines - Aquatic Habitat Management and Fish Conservation (NSW Fisheries)
	Policy & Guidelines - Fish Friendly Waterway Crossings (NSW Fisheries)
	State Environmental Planning Policy No. 44 – Koala Habitat Protection
<b>Noise &amp; Vibration</b>	
	NSW Industrial Noise Policy (DECC)
	Environmental Criteria for Road Traffic Noise (NSW EPA)
	Environmental Noise Control Manual (DECC)
	ANZECC Guideline to Minimise Annoyance Due to Blasting Overpressure & Ground Vibration (ANZECC)
	Assessing Vibration: A Technical Guideline (DEC)
<b>Air Quality</b>	
	Protection of the Environment Operations (Clean Air) Regulation 2002
	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)
<b>Greenhouse Gas</b>	
	National Greenhouse Accounts (NGA) Factors (AGO)
	Guidelines for Energy Savings Action Plans (DEUS)
<b>Heritage</b>	
<i>Aboriginal</i>	Draft Guidelines for Aboriginal Cultural Heritage Impact Assessment and Community Consultation (DEC)
<i>Non- Aboriginal</i>	NSW Heritage Manual (NSW Heritage Office & DUAP)
	The Burra Charter (The Australia ICOMOS charter for places of cultural significance)
<b>Visual</b>	
	Control of Obtrusive Effects of Outdoor Lighting (Standards Australia, AS 4282)
<b>Rehabilitation / Final Land Forms</b>	
	Mine Rehabilitation – Leading Practice Sustainable Development Program for the Mining Industry (Commonwealth of Australia)
	Mine Closure and Completion – Leading Practice Sustainable Development Program for the Mining Industry (Commonwealth of Australia)
	Strategic Framework for Mine Closure (ANZMEC/MCA)
<b>Social &amp; Economic</b>	
	Draft Economic Evaluation in Environmental Impact Assessment (DOP)
	Techniques for Effective Social Impact Assessment: A Practical Guide (Office of Social Policy, NSW Government Social Policy Directorate)