



Clarence Colliery Modification 9 & Lidsdale Siding Modification 4

Temporary Coal Transport Increase

Modification Assessment
(DA504-00 Mod 9 & MP08_0223 Mod 4)

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1 Introduction

1.1 Background

The Clarence Colliery (Clarence) is an underground coal mine located in the Western Coalfield, approximately 10 kilometres (km) east of Lithgow (see **Figure 1-1**). The mine has been in operation since the 1980s and is a joint venture operation managed by Clarence Colliery Pty Ltd (a wholly owned subsidiary of Centennial Coal Company Pty Ltd [Centennial]).

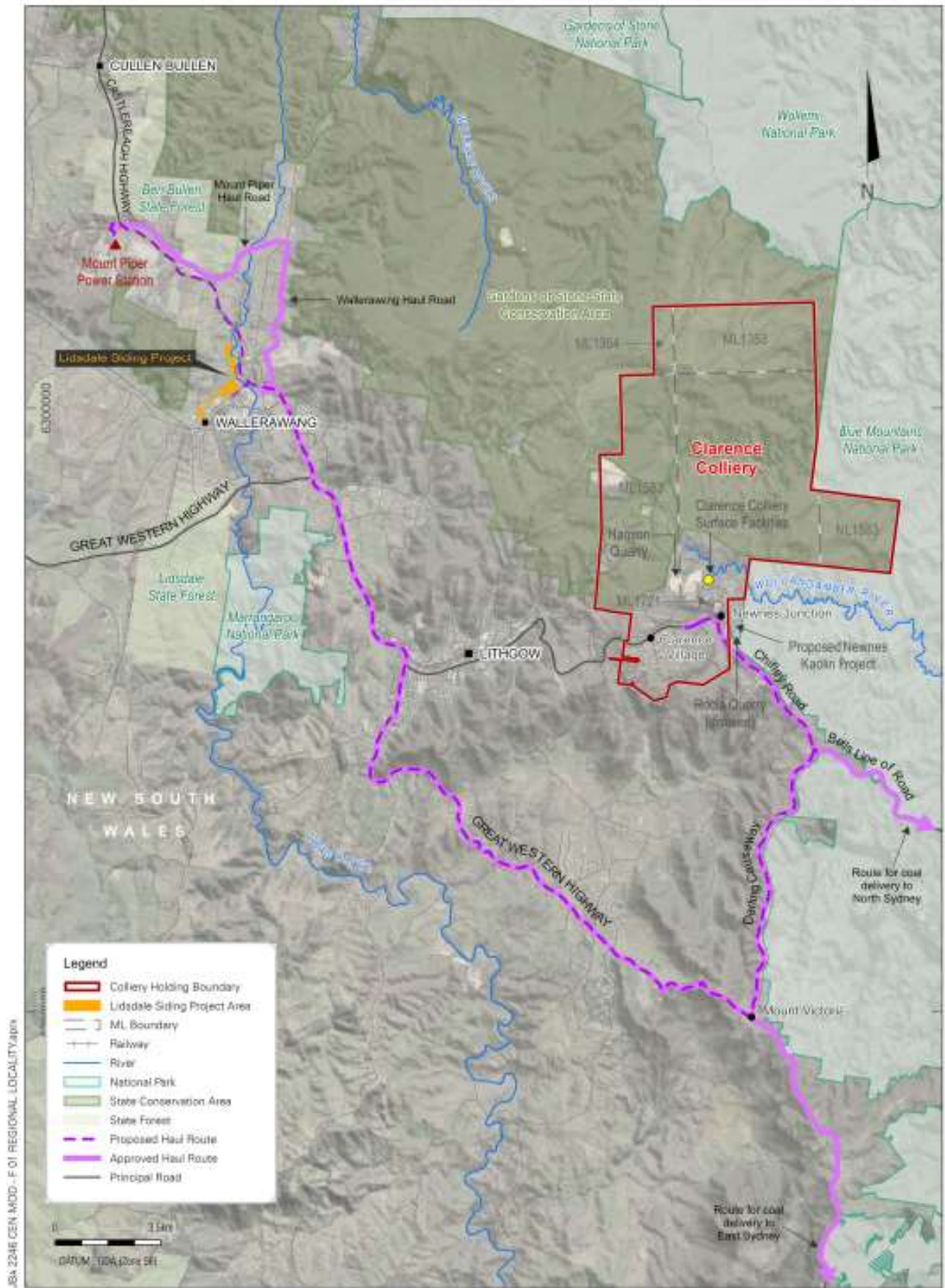
The Lidsdale Siding is a coal rail loading facility located approximately 500 metres (m) north of Wallerawang and approximately 9 km north-west of Lithgow (see **Figure 1-1**). Ivanhoe Coal Pty Ltd (Ivanhoe Coal) (a wholly-owned subsidiary of Centennial) owns and operates the Lidsdale Siding.

1.2 Approval history

Clarence operates under three development consents approved under the *Environmental Planning and Assessment Act 1979* (the EP&A Act). The first consent (IRM. GE.76), for construction of surface facilities, was issued in 1976 by Blaxland Shire Council (now Lithgow City Council [Council]). The second consent (DA 174/93), for underground mining, reject emplacement, water management and ancillary structures, was issued by Council in 1994. The third consent (DA 504-00), which is a State significant development (SSD) consent, was granted in 2005 by the then Minister for Planning. This SSD consent provides for the expansion of approved mining operations into Mining Lease (ML) 1583, the processing of coal onsite, and the transport of coal by rail and road to both domestic and export markets 24 hours a day, seven days a week.

DA 504_00 has been modified on 7 occasions, with the most recent modification (MOD 7) being approved on 11 October 2021. Centennial is currently in the process of applying for a further modification (MOD 8), to extend mining operations at the site.

Lidsdale Siding has been used for coal handling, storage and rail loading since 1974. The site operates under SSD consent 08_0223, which has been modified on 3 occasions, the latest of which (MOD 3) was approved on 3 November 2020.



CENTENNIAL COAL



Regional Locality

Figure 1-1 | Regional Context Map

2 Proposed modifications

In September 2022, Centennial lodged a combined Modification Report and two separate modification applications seeking to modify the SSD consents for Clarence (DA 504_00) and Lidsdale Siding (08_0223), respectively (see **Appendix A**).

The proposed modifications seek a short-term increase (to 31 December 2023) in the amount of coal transported by road from Clarence to the Mount Piper Power Station, to maintain coal stockpile levels at the power station and to assist in meeting the electricity demands of NSW. They also seek approval for the transportation of coal to Lidsdale Siding for onward delivery to the power station via overland conveyor in accordance with the approved activities under the Lidsdale Siding development consent (MP08_0223).

The proposed modifications to the Clarence and Lidsdale Siding development consents are summarised in the following sub-sections respectively, while a detailed description is provided in the Modification Report.

Clarence (DA 504-00)

The application involves:

- increasing the maximum total annual road coal transportation from 200,000 tonnes per annum (tpa) to 300,000 tpa, until 31 December 2023; and
- increasing the maximum annual road coal transportation from Clarence to Mount Piper Power Station or Lidsdale Siding from 100,000 tpa to 200,000 tpa, until 31 December 2023.

The currently approved 200,000 tpa limit for coal transportation and the approved daily maximum truck movements to destinations other than the power station and Lidsdale Siding would remain as approved.

Increasing the maximum coal transport by road to 300,000 tpa would require overall daily truck movements from Clarence to increase from 50 to 80 per day. This would allow Centennial to maintain the current 200,000 tpa supply to domestic and export customers and supply the additional coal to the power station. Up to 50 of the 80 total truck movements per day would be associated with delivery of coal to the Mount Piper Power Station, with the balance associated with supply coal to domestic and export customers to the east of Clarence.

The proposed coal haulage to the power station or Lidsdale Siding would be undertaken via public roads. From Clarence, the proposed haul route involves Chifley Road – Darling Causeway – Station Street – Great Western Highway – Castlereagh Highway, followed by:

- Main Road – Lidsdale Siding; and/or
- Boulder Road – Mount Piper Power Station.

The proposed haulage routes are presented in **Figure 1-1**.

As the proposed modifications relate only to coal transportation, it would not change the approved mine life, mining areas, operational hours, mine access, mining and coal handling and processing methods, employee numbers and coal production rates.

Lidsdale Siding (MP 08_0223)

The application involves receipt of up to 200,000 tpa of coal at Lidsdale Siding by road. A maximum of 50 truck movements per day would be required for the road transportation of coal to the site.

No changes are proposed to the facility's operating life, operational hours, annual rate of coal throughput (i.e., incoming or outgoing), facility access, infrastructure, employees and coal handling methods.

3 Strategic context

Mount Piper Power Station is a coal fired power station located 17 km north-west of Lithgow. The power station is owned and operated by Energy Australia NSW Pty Limited. The power station has the capacity to provide electricity to approximately 1.18 million homes in NSW annually.

Centennial is the primary provider of coal to the Mount Piper Power Station, with Springvale and Clarence being the two mining operations currently approved to deliver coal to the power station. The recent energy shortage across NSW has resulted in diminished coal stockpile levels at the power station. To enable the power station to meet forward electricity demands, there is a need to supplement coal supplies to the power station.

Temporary increase in road transport of supplementary coal from Clarence directly to Mount Piper Power Station (up to 200,000 tpa) was previously approved under MOD 4 to DA 504-00. The temporary increase was approved to continue until end of 2020. Transport of the supplementary coal occurred via private haul roads at the time. The private haul roads previously approved for road transport are not currently accessible by Centennial due to changes in ownership and/or expired lease agreements.

4 Statutory context

4.1 Scope of modifications

The Department has reviewed the scope of the modification applications and considers that the applications can be characterised as modifications involving minimal environmental impacts as they would:

- in the case of Clarence, involve a relatively minor temporary increase to the approved road haulage rate of an operating mine;
- in the case of Lidsdale Siding, involve the temporary receipt of coal via road transportation, at the site of an approval coal handling facility;
- not involve any other changes to operational aspects of the sites, including project lifespans, production rates, disturbance footprints, operating hours, or infrastructure;
- not significantly increase the environmental impacts of the developments; and
- be substantially the same developments as originally approved.

Therefore, the Department is satisfied that the applications should be assessed and determined under section 4.55(1A) of the EP&A Act.

4.2 Consent authority

The Minister for Planning (the Minister) is the consent authority for the modification applications under section 4.5(a) of the EP&A Act. However, as Centennial did not report any political donations, and Council did not object to the proposals, the modification applications may be determined by the Director, Resource Assessments, under the Minister's delegation of 9 March 2022.

4.3 Mandatory matters for consideration

The Department undertook a comprehensive assessment of the projects against the mandatory matters for consideration as part of the original assessments of MP 08_0223 and DA 504-00. The Department considers this modification applications do not result in significant changes that would alter the mandatory matters for consideration under section 4.15 of the EP&A Act and conclusions made as part of the original assessments.

Environmental Planning Instruments

The following environmental planning instruments apply to the modification applications:

- *State Environmental Planning Policy (Resources and Energy) 2021*;
- *State Environmental Planning Policy (Planning Systems) 2021*; and
- *Lithgow Local Environment Plan 2014*.

The Department has considered the proposed modifications against the relevant provisions of these instruments. The Department considers that the proposed modification can be carried out in a manner that is generally consistent with the aims, objectives and provisions of these instruments.

Objects of the EP&A Act

The consent authority must consider the objects of the EP&A Act when determining a development application under the Act. The Department has assessed the proposals against the objects found in section 1.3 of the EP&A Act. The objects of most relevance to the proposed modifications are:

- (a) to promote the social and economic welfare of the community and a better environment by the proper management, development and conservation of the State's natural and other resources;
- (b) to facilitate ecologically sustainable development by integrating relevant economic, environmental and social considerations in decision-making about environmental planning and assessment;
- (c) to promote the orderly and economic use and development of land;
- (e) to protect the environment, including the conservation of threatened and other species of native animals and plants, ecological communities and their habitats; and
- (i) to promote the sharing of the responsibility for environmental planning and assessment between the different levels of government in the State.

The Department considers the proposed modifications encourage the proper management and development of resources (Object [a]) and promotion of the orderly and economic use of land (Object [c]). The Department has considered the principles of ecologically sustainable development in its assessment of the proposed modifications and considers the proposals can be carried out in a manner that is consistent with the principles (Object [b]).

As detailed in **Section 6** of this report, the Department considers that the proposals have been designed to minimise potential environmental impacts (Object [e]). The Department considers that the consultation undertaken with key stakeholders satisfies Object (i).

The reasons for granting consent for the original application

In accordance with section 4.55(3) of the EP&A Act, in determining these modifications, the Department has taken into consideration the reasons for consent authorities' decisions on Clarence (DA 504-00) and Lidsdale Siding (MP08_0223), dated 19 December 2005 and 3 May 2013, respectively. The Department is satisfied that the proposed modifications do not affect the decisions that were previously made.

4.4 Biodiversity assessment

The Department has considered the provisions of section 7.17 of the *Biodiversity Conservation Act 2016* and is satisfied that a biodiversity development assessment report (BDAR) is not required to be submitted as there would be no increase in impacts on biodiversity values from the modifications.

5 Engagement

5.1 Department's engagement

In accordance with the requirements for section 4.55(1A) modifications, the applications were not formally exhibited. Nevertheless, the Department made the applications publicly available on its website from 14 October 2022 and referred the applications to the Environment Protection Authority (EPA), Transport for NSW (TfNSW), Council and Blue Mountains City Council. No public submissions were received regarding the proposed modifications. Copies of all agency and council advice is provided in **Appendix B**

EPA noted that the modification activities would not require a variation to any environment protection licences relevant to the operations of Clarence and Lidsdale Siding. It also noted that the proposed modifications may increase dust and noise impacts from the increased truck movements and requested additional long term noise monitoring at an existing monitoring location. Potential noise and air quality impacts associated with the proposed modifications are addressed in **Section 6.2** and **Section 6.3**, respectively.

TfNSW did not raise any specific concerns related to the proposed modifications. It made several recommendations for the ongoing management of traffic impacts. These are discussed in **Section 6.1**.

Lithgow City Council raised no concerns with the proposed modifications.

Blue Mountains City Council did not provide any comments on the proposed modifications.

6 Assessment

The Department considers the key issues for the proposed medication relate to potential traffic and transport, and noise impacts associated with the proposed increase in truck movements on public roads. The Department's assessment of these issues is provided in **Section 6.1** and **Section 6.2**. The Department's assessment of other issues associated with the proposed modifications is provided in **Section 6.3**.

6.1 Traffic and transport

A detailed Traffic Impact Assessment was prepared by Cardno (now Stantec) (2022), which assessed the potential impacts of the proposed modifications on daily traffic volumes, intersection performance and road safety along the proposed haul route during the morning and afternoon peak periods.

Traffic volumes

Traffic volume projections along the assessed route show that the proposed modifications would result in approximately 1 – 8 per cent (%) increase in daily truck movements on the haul routes, which would be unlikely to materially affect current traffic conditions.

Intersection performance

Intersection performance was assessed based on the proposed maximum 8 truck movements per hour travelling to the power station or Lidsdale Siding during peak periods.

The Castlereagh Highway/Boulder Drive intersection and the Castlereagh High/Main Street/Wolgan Road intersection would likely experience minimal increases in vehicle delays (increase of between 0.3 and 1.4 seconds). Both intersections would remain at a high level of service (LOS A) during the morning and evening peak hours. The remainder of the intersections relevant to the proposed haul route (site access intersection, Chifley Road/Darling Causeway intersection and Station Street/Harley Avenue intersection) would also experience minimal traffic delays or impacts on traffic flow.

Road safety

All intersections generally have good visibility and there are established speed limits on the haul routes. The Department considers that the proposed modifications are unlikely to affect current road safety.

Mitigation and management

TfNSW recommended the implementation of various traffic and transport management measures, including covering of all loaded trucks during transport, cleaning of trucks and checking of real-time road network status. Centennial has committed to covering all loaded trucks and to washing all empty trucks prior to leaving Clarence, Lidsdale and Mount Piper Power Station sites.

Centennial would also continue to implement the Clarence Haulage Management Standard, which incorporates the drivers code of conduct, fatigue management measures and several other measures designed to further manage safety risks to road users.

Summary

The Department considers that the proposed modifications would have minimal impact on traffic and transport along the proposed haul route, and that these impacts can be adequately managed under the existing Clarence and Lidsdale Siding consents.

6.2 Noise

A Noise Impact Assessment was prepared by Bridges Acoustics (2022), which assessed the predicted noise levels from the proposed truck movements, truck loading and unloading at Clarence and Lidsdale Siding, and from the truck movements along the proposed haul routes.

Operational noise

The proposed additional truck movements within Clarence (including loading/unloading) are predicted to increase the frequency of truck-related noise being experienced at the receivers. Nonetheless, the additional truck movements would not increase the noise levels at the receivers. The Noise Impact Assessment indicates that noise levels associated with the additional truck movements at Clarence would comply with the approved noise criteria specified in the conditions of consent for Clarence (DA 504-00).

Noise predictions at Lidsdale Siding indicate that the total noise levels from the proposed truck movements and the existing operations (including trains, mobile plant, and conveyors within the site) would comply with the approved noise criteria specified in the conditions of consent for Lidsdale Siding (MP08_0223) at all receivers.

EPA recommended an establishment of additional attended monitoring at the existing monitoring site 'WNM1' associated with the Western Coal Services and the Springvale Coal Services site (SSD 5579). The Department notes that the applications do not propose to amend any aspects of the approved Western Coal Services or the Springvale Coal Services site (SSD 5579). The modification applications also do not propose any changes to coal handling rates at Lidsdale Siding. Therefore, the Department considers that the current monitoring programme is sufficient to monitor noise levels associated with Lidsdale Siding (MP08_0223) and Clarence (DA 504-00).

Road noise

The proposed trucking movements would increase the road traffic noise levels by less than 2 decibels (dB) at residential receivers and would not contribute to the exceedance of the relevant criteria under the *NSW Road Noise Policy* (RNP).

Noise predictions indicate exceedance of the relevant RNP criteria at a church located directly opposite Lidsdale Siding access road (Receiver ID R13). However, the Noise Impact Assessment indicates that the existing traffic noise levels at the receiver already exceed the recommended criteria by approximately 13 dB under the approved Lidsdale Siding operations (08_0223). The proposed modification would result in approximately 1 dB increase in the noise levels experienced at the receiver.

The RNP states that road noise level increases of up to 2 dB are considered barely perceptible to the average person. The Department considers that road noise level increases of this magnitude would result in negligible additional impacts to sensitive receivers.

Mitigation and management

The existing conditions of consents for Clarence (DA 504 00) and Lidsdale Siding (MP08_0223) require Centennial to prepare and implement an overarching Noise Management Plan for the projects in consultation with EPA.

Noise impacts from Clarence and Lidsdale Siding would continue to be managed and monitored in accordance with the Centennial Western Region Noise Management Plan. Clarence has also committed to use trucks that comply with current Australian Design Rules for heavy vehicles.

Summary

The Department considers that the proposed modifications would have negligible noise impacts on the sensitive receivers of Clarence and Lidsdale Siding and on the receivers along the proposed haul route. The Department considers that these impacts can be adequately managed under the existing Clarence and Lidsdale Siding consents.

6.3 Other issues

Other issues associated with the proposed modifications include air quality, greenhouse gas, and socio-economic impacts. The Department's assessment of these issues is summarised in **Table 6-1**. The Department considers that the issues summarised in **Table 6-1** can be adequately managed under the existing Clarence and Lidsdale Siding consents.

The modifications do not propose any activities which may impact on biodiversity, Aboriginal heritage, historic heritage, water, or soils.

Table 6-1 | Other issues considered

Issue	Findings	Recommendations
Air Quality	<ul style="list-style-type: none"> • The modifications would result in a small increment in particulate emissions from the additional trucks being loaded and unloaded. This is unlikely to result in an exceedance of the currently approved air quality criteria. • EPA noted that all feasible and reasonable measures must be undertaken to prevent air quality impacts associated with the increased truck movements. • Centennial has committed to: <ul style="list-style-type: none"> ○ passing all haul trucks through a vehicle wash bay before leaving Clarence, Lidsdale Siding and the Mount Piper Power Station; and ○ covering all loaded trucks to prevent windblown dust leaving vehicles during transport. • Air quality impacts at Clarence and Lidsdale Siding would continue to be managed in accordance with Centennial's <i>Air Quality and Greenhouse Gas Management Plan Western Region</i>. 	No changes to the existing conditions are required.
Greenhouse Gas Emissions	<ul style="list-style-type: none"> • The proposed additional tuck movements would result in a small incremental increase in greenhouse gas emissions. • Greenhouse gas impacts would continue to be managed in accordance with Centennial's <i>Air Quality and Greenhouse Gas Management Plan Western Region</i>. 	No changes to the existing conditions are required.
Socio-Economic	<ul style="list-style-type: none"> • The temporary supplementary coal supply from the proposal would support energy stocks at the Mount Piper Power Station and ensure the energy demands in NSW are met. 	No changes to the existing conditions are required.

7 Evaluation

The Department has assessed the modification applications and supporting information in accordance with the relevant requirements of the EP&A Act, including the relevant matters for consideration.

The Department acknowledges that there is an urgent need to supplement coal supply to Mount Piper Power Station. The Department considers that the modifications would provide a reliable short-term supplementary coal supply to Mount Piper Power Station, without the need to modify any existing infrastructure at Clarence or Lidsdale Siding. This would assist the ongoing efficient operation of the power station and its capacity to meet NSW energy demands.

The Department considers that potential impacts of the proposed modifications would be minor and temporary, and that the existing and recommended conditions would be adequate to manage the impacts of the modifications.

The Department considers that the proposed modifications should be approved subject to the recommended conditions. The Department has drafted Instrument of Modifications for the proposed modifications (**Appendix C**) and consolidated conditions of consent, as modified (**Appendix D**).

8 Recommendation

It is recommended that the Director, Resource Assessments, as delegate of the Minister for Planning:

- **considers** the findings and recommendations of this report;
- **determines** that the applications (DA 504-00-Mod-9 and MP 08_0223-Mod-4) fall within the scope of section 4.55(1A) of the EP&A Act;
- **accepts and adopts** all of the findings and recommendations in this report as the reasons for making the decision to approve the modifications;
- **modifies** the consents (DA 504-00 and MP 08_0223); and
- **signs** the attached Instruments of Modifications (**Appendix C**).

Recommended by:

P. Golberg 17/11/2022

Polina Golberg
Senior Planning Officer
Resource Assessments

Recommended by:

JMD 17/11/2022

James McDonogh
Team Leader
Resource Assessments

9 Determination

The recommendation is **Adopted** by:

J Evans
17/11/2022

Jessie Evans
Director Resource Assessments
Energy, Resources and Industry

as delegate of the Minister for Planning

Appendices

Appendix A – Modification report

Clarence: <https://www.planningportal.nsw.gov.au/major-projects/projects/clarence-colliery-mod-9-temporary-trucking-increase>

Lidsdale Siding: <https://www.planningportal.nsw.gov.au/major-projects/projects/lidsdale-siding-coal-loader-mod-4>

Appendix B – Agency Advice

Clarence: <https://www.planningportal.nsw.gov.au/major-projects/projects/clarence-colliery-mod-9-temporary-trucking-increase>

Lidsdale Siding: <https://www.planningportal.nsw.gov.au/major-projects/projects/lidsdale-siding-coal-loader-mod-4>

Appendix C – Instrument of Modifications

Clarence: <https://www.planningportal.nsw.gov.au/major-projects/projects/clarence-colliery-mod-9-temporary-trucking-increase>

Lidsdale Siding: <https://www.planningportal.nsw.gov.au/major-projects/projects/lidsdale-siding-coal-loader-mod-4>

Appendix D – Consolidated Consents

Clarence: <https://www.planningportal.nsw.gov.au/major-projects/projects/clarence-colliery-mod-9-temporary-trucking-increase>

Lidsdale Siding: <https://www.planningportal.nsw.gov.au/major-projects/projects/lidsdale-siding-coal-loader-mod-4>