



21 February 2018

Mr Howard Reed
 Director
 Resource Assessments
 NSW Department of Planning & Environment
 Level 22, 320 Pitt Street
 SYDNEY NSW 2000

Sent by email to:
 howard.reed@planning.nsw.gov.au
 melissa.anderson@planning.nsw.gov.au

Attention: Ms Melissa Anderson

Dear Howard

Re: Teralba Quarry – Additional Information Request for the Proposed Modification to Project Approval 10_0183

In response to the email provided by Ms Melissa Anderson on 19 February 2018, the below provides a framework for the Biodiversity Offset Strategy for the Teralba Quarry incorporating a staged approach to satisfying offsetting obligations.

Project Approval (PA) 10_0183 approves residual impacts to *PCT1589 'Spotted Gum - Broad-leaved Mahogany – Grey Gum grass – shrub open forest on Coastal Lowlands of the Central Coast'* and the threatened plant *Tetratheca juncea* that require offsetting. Metromix proposes a staged approach to satisfying offsetting obligations for the ecosystem credits associated with removal of an approximately 24.8ha area of *PCT1589 'Spotted Gum - Broad-leaved Mahogany – Grey Gum grass – shrub open forest on Coastal Lowlands of the Central Coast'*. The stages for offsetting are displayed in **Figure A** and indicative timing, areas and credits for each stage presented in **Table 1**.

Table 1: Offsetting Stages, Timing and Credits

Indicative Extraction Timing	Indicative Timing to Satisfy Offsetting Obligation	Stages	Area	Proportion of Impact	Number of ecosystem credits required to be offset by Metromix
Present - 2022	End 2018	Southern Stage 1	5.92	23.87%	321
2023 – 2028	End 2022	Northern Stage 1	3.80	15.32%	206
2029 – 2032	End 2028	Northern Stage 2	2.23	8.99%	121
2033 – 2035	End 2032	Northern Stage 3	3.24	13.06%	175
2036 – 2044	End 2035	Southern Stage 2	6.45	26.01%	349
2044 – 2047	End 2044	Southern Stage 3	3.16	12.74%	171
Total			24.80	100.00%	1 343

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It should be noted that the timing to satisfy each of the stages described in **Table 1** is based on the existing rate of production. It is therefore indicative and entirely dependent on the progress of extraction activities. This, in turn, is dependent on continued client demand and the buoyancy of the construction and infrastructure development industries. It is considered appropriate that the conditions of consent only limit Metromix by making commencement of extraction in each stage contingent on retirement of the offsetting credits for that stage prior to clearing any vegetation in that stage. The timing presented in **Table 1** for satisfying offsetting obligations would be confirmed in a Biodiversity Offset Strategy that would be subject to review and update consistent with the other post-approval documentation relevant to the Teralba Quarry.

It is noted that 1 103 species credits are required to be offset as a result of impacts to 75 plants of the threatened plant *Tetratheca juncea*. The impacted *Tetratheca juncea* are all located in Southern Stage 1, therefore all species credits would be retired by the end of 2018 consistent with the ecosystem credits associated with this stage.

As noted in my email dated 20 February 2018, the mechanism to satisfy credit requirements in each stage is yet to be resolved. This decision would be subject to internal review of the options provided under the Biodiversity Offset Scheme of the *Biodiversity Conservation Act 2016* as was described in the *Environmental Assessment* (dated December 2017) and, where necessary, negotiations with the owner of the land subject to any proposed offset area and/or other landowners that hold offsetting credits for sale. The *Response to Submissions* demonstrated that Metromix has the capability to satisfy its offsetting obligations for the Teralba Quarry Extension Project through the currently approved offset area, alternative offset areas, purchase of credits, or contributions to the Biodiversity Conservation Trust. Therefore, it is not possible at this stage to confirm if any of the Biodiversity Offset Area identified in Appendix 5 of PA 10_0183 would be used as an offset area or the intended method of credit retirement for each of the stages.

DPE has also requested that Metromix provide an indication of intended timing for satisfaction of credits within Southern Stage 1. It was intended that retirement of these credits would be proof of compliance with a revised Condition 53 of Schedule 3 of PA 10_0183 that required the Biodiversity Offset Strategy to be implemented by 31 December 2018.

I trust the above satisfies the questions raised for the Department's review of the *Response to Submissions*. Please feel free to contact me in the RWC Brooklyn office or Bill Sanderson of Metromix with any additional queries.

Yours sincerely



Nick Warren
Senior Environmental Consultant

Attached: Figure A – Proposed Biodiversity Offsetting Stages
Copy: Metromix

