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14 February 2024

Mr. Stephen O'Donoghue
Director Resource Assessments
Department of Planning and Environment
GPO Box 39
SYDNEY NSW 2001

Submission via the Planning Portal

Dear Stephen,

**RE: WILPINJONG COAL MINE DEVELOPMENT CONSENT (SSD-6764) – PIT 3 AND PIT 8
EXTENSION MODIFICATION SCOPING LETTER**

Wilpinjong Coal Pty Ltd (WCPL), a wholly owned subsidiary of Peabody Energy Corporation (Peabody), is the owner and operator of the Wilpinjong Coal Mine, an approved and existing open cut mining operation. The purpose of this Scoping Letter is to provide an overview of a proposed modification to extend the operations of the Wilpinjong Coal Mine under Development Consent (SSD-6764) (the Modification).

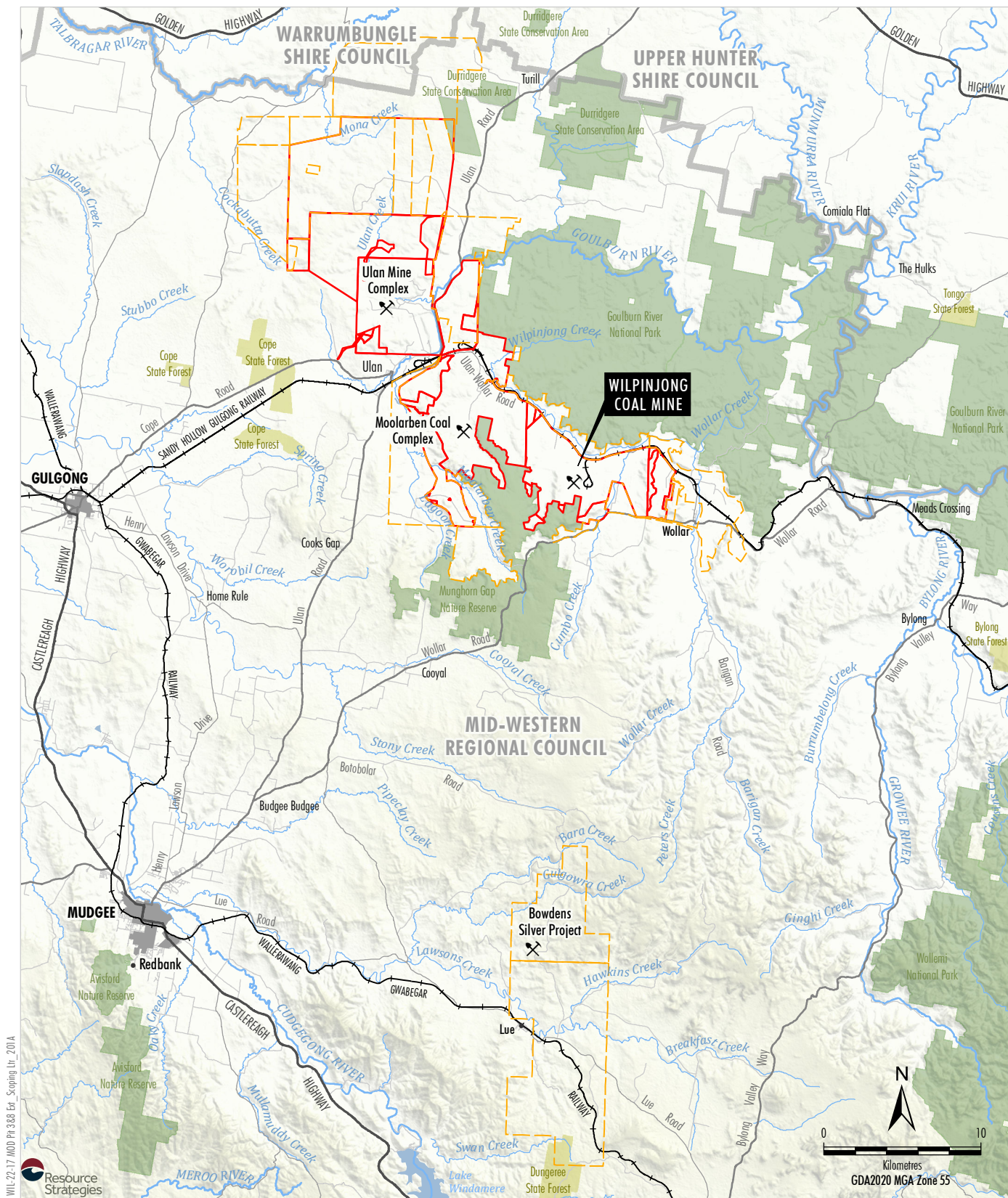
Introduction

The Wilpinjong Coal Mine is an existing open cut coal mining operation located approximately 40 kilometres (km) north-east of Mudgee, within the Mid-Western Regional Local Government Area, in central New South Wales (NSW) (Figure 1).

The Wilpinjong Coal Mine produces thermal coal products which are transported by rail to domestic customers for use in electricity generation and/or to port for export. Open cut mining operations are undertaken 24 hours per day, seven days per week.

The Wilpinjong Coal Mine originally operated under Project Approval (MP 05-0021) that was granted by the Minister for Planning under Part 3A of the NSW *Environmental Planning and Assessment Act 1979* (EP&A Act) on 1 February 2006. On 24 April 2017, WCPL was granted Development Consent (SSD-6764) for the Wilpinjong Extension Project (WEP) that included continuation of operations to 2033 at rates of up to 16 million tonnes per annum (Mtpa) of run-of-mine (ROM), superseding the previous Project Approval (MP 05-0021) which was surrendered in 2020.

WCPL is proposing to modify Development Consent (SSD-6764) for the Wilpinjong Coal Mine to facilitate extensions of the existing Pits 3 and 8 (referred to as the Pits 3 and 8 Extension areas) within Exploration Licences (EL) 9399 and EL 6169 and development of associated supporting infrastructure and facilities.



Peabody

WILPINJONG COAL MINE

Regional Location

Figure 1

Strategic Content

Mining operations at the Wilpinjong Coal Mine under Development Consent (SSD-6764) are approved until 31 December 2033. Since the approval of the WEP and the issue of Development Consent (SSD-6764), WCPL has continued to review and refine detailed life of mine planning.

As part of this life of mine planning process, WCPL has elected to avoid direct disturbance of the existing Cumbo Creek corridor (in Pit 4) and the Rocky Hill cultural heritage complex (in Pit 8) which are currently approved to be mined, improving the environmental outcomes by avoiding direct disturbance of these features and resulting in some approved ROM coal sterilisation. However, the proposed Modification would provide access to some additional coal to maintain the existing ROM coal production profile and current workforce at the Wilpinjong Coal Mine until approximately 2033.

The Modification would not substantially change the scale or nature of the Wilpinjong Coal Mine, which would continue to align with the objectives of the *Strategic Statement on Coal Exploration and Mining in NSW* (NSW Government, 2020).

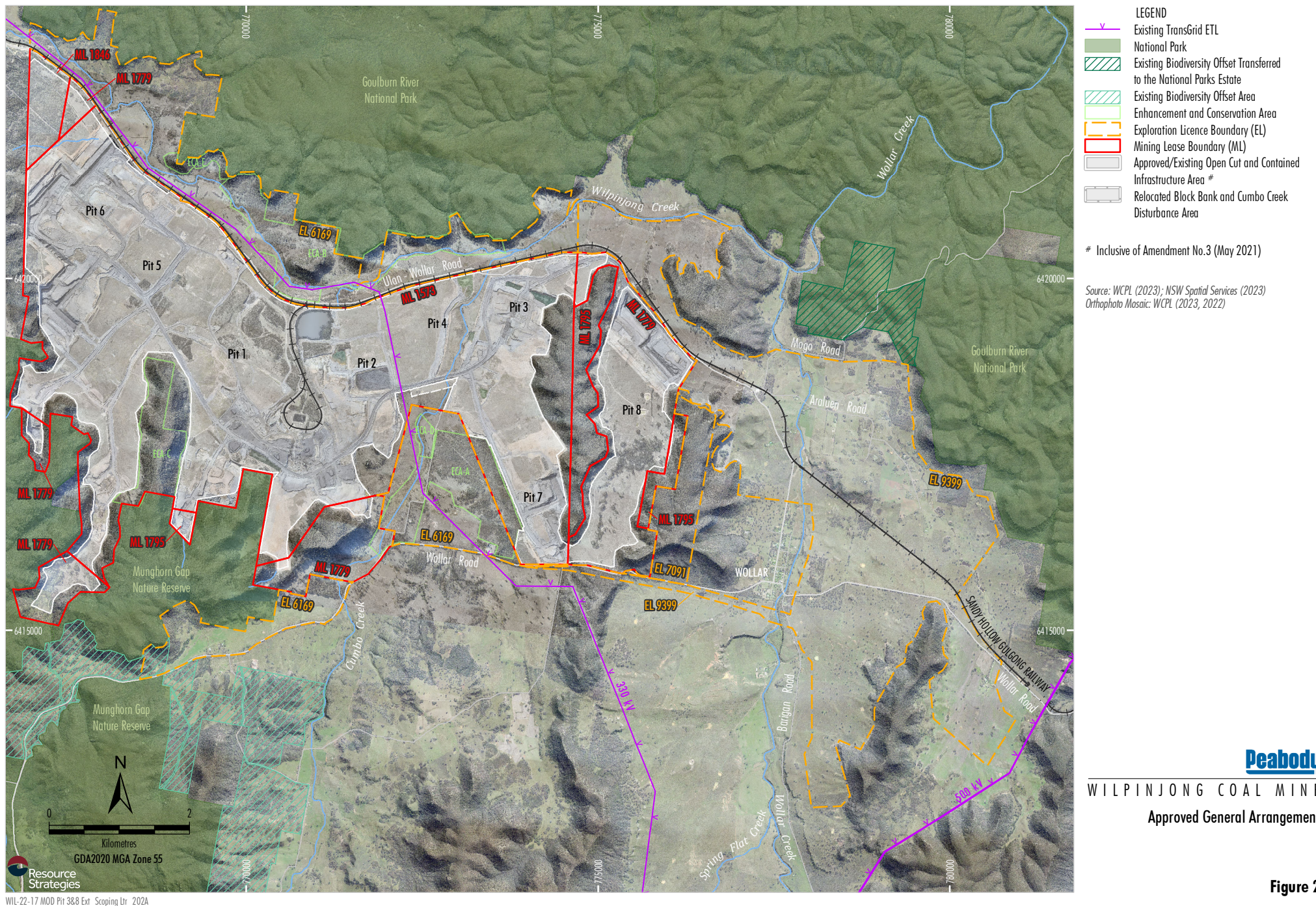
Proposed Modification and Statutory Context

The Modification would comprise the following components (Figures 2 and 3):

- extension of the existing Pits 3 and 8 with an additional open cut mining area of approximately 270 hectares (ha);
- extraction of approximately 34 million tonnes (Mt) of additional ROM coal from the extension of Pits 3 and 8;
- ongoing development of infrastructure and facilities to support the open cut mining activities, requiring some additional surface development in the order of 20 ha;
- realignment of some public infrastructure to facilitate the Pits 3 and 8 Extensions areas (e.g. sections of Sandy Hollow Gulgong Railway, public roads, level crossings and local, low voltage powerlines), co-located within a corridor in the order of 100 ha, subject to refinement in consultation with the infrastructure owners during the detailed design process;
- in-pit crushing of waste rock for use on-site as construction material;
- one additional year of mining operations (e.g. mining operations until 31 December 2034) to allow for backfilling final voids and shaping the final landform; and
- development of additional water management infrastructure (e.g. dams, drains, pumps, pipelines and flood protection bunds).

The Modification would also formalise WCPL's proposed avoidance of direct disturbance of the existing Cumbo Creek corridor and the Rocky Hill cultural heritage complex which are currently approved to be mined in Pit 4 and Pit 8, respectively. This avoidance would sterilise approximately 7 Mt of approved ROM coal and reduce the approved Wilpinjong Coal Mine surface development footprint by approximately 40 ha. As a result, the Modification, on balance, would involve:

- a net increase of approximately 27 Mt of ROM coal to be mined;
- a net increase in the order of 350 ha of surface development footprint, subject to refinement during the detailed design process and preparation of the Modification Report; and
- an expected net increase in the greenhouse gas emissions associated with the mining activities in the Pits 3 and 8 Extension areas, that would be documented in the greenhouse gas assessment for the Modification.



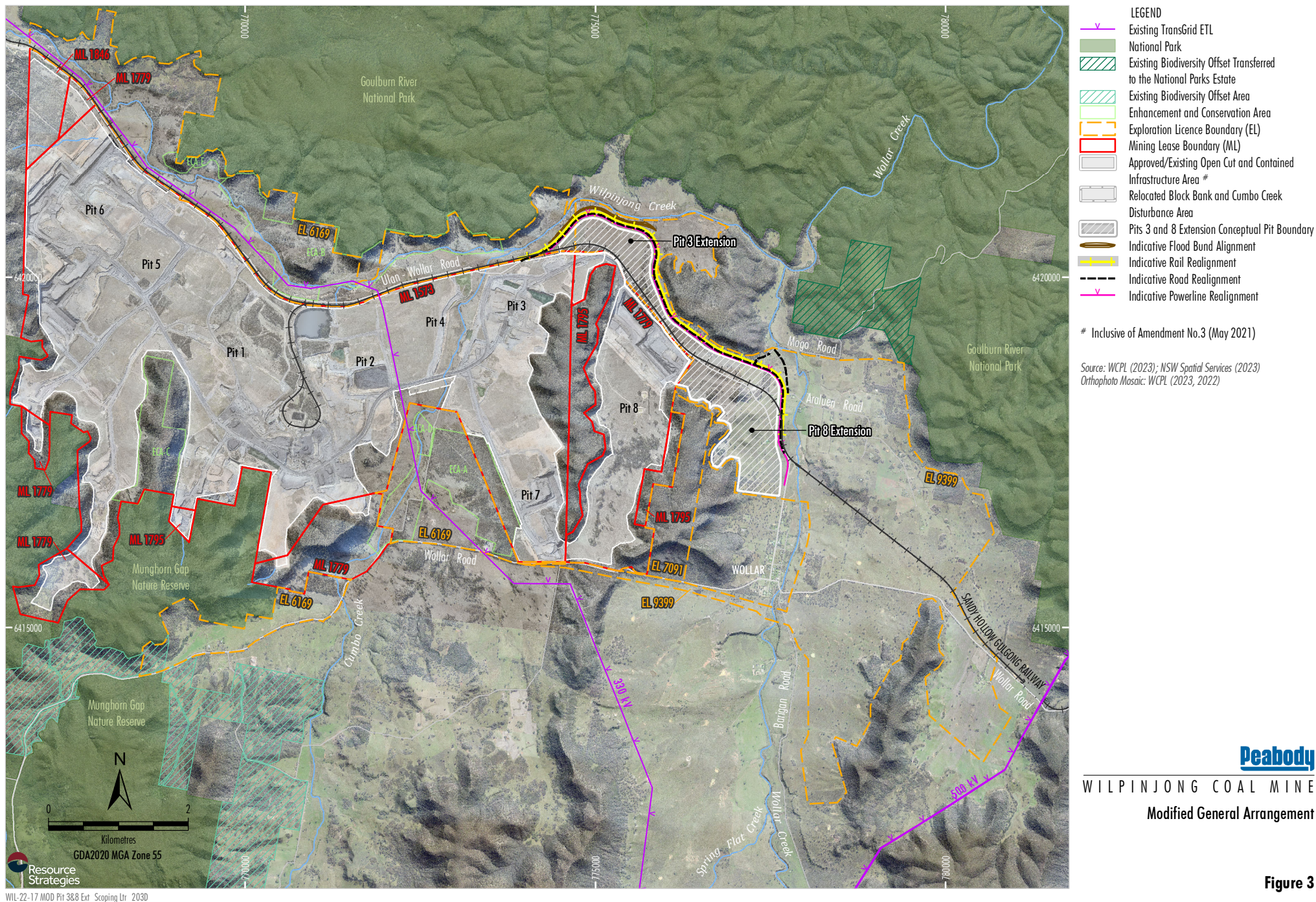


Figure 3

There would be no changes to the following approved components of the Wilpinjong Coal Mine for the Modification:

- mining method;
- timeframe for ROM coal production;
- maximum annual ROM coal and waste rock production;
- coal washing and handling systems;
- product coal transport systems;
- water supply and disposal;
- hours of operation; and
- operational workforce.

Attachment 1 provides a summary comparison of the approved Wilpinjong Coal Mine under Development Consent (SSD-6764) and the Wilpinjong Coal Mine incorporating the Modification.

WCPL proposes a modification to Development Consent (SSD-6764), which would be sought under section 4.55(2) of the EP&A Act on the basis that the Wilpinjong Coal Mine incorporating the proposed Modification would be “substantially the same” as the Wilpinjong Coal Mine originally approved by Development Consent (SSD-6764).

It is anticipated that potential environmental impacts as a result of the Modification would not have a significant impact on matters of national environmental significance under the Commonwealth *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act). However, this would be confirmed following an assessment of potential biodiversity impacts for the Modification.

WCPL intends to refer the Modification to the Commonwealth Minister for the Environment. If the Modification is determined to be a “Controlled Action” requiring approval under the EPBC Act, it would be assessed pursuant to the Assessment Bilateral Agreement with the NSW Government, (e.g. NSW Government would issue assessment requirements for the Modification for matters relevant to the EPBC Act).

Proposed Scope of the Modification Report

WCPL is preparing a Modification Report to address the potential environmental impacts of the Modification. The Modification Report will be prepared in accordance with the Department of Planning and Environment (DPE) *State Significant Development Guidelines* (DPE, 2022), including *Appendix E – Preparing a Modification Report*. The Modification Report will include:

- a description of the Wilpinjong Coal Mine, an overview of the Modification and an explanation of any interactions with other developments;
- a description of the strategic context in relation to the Modification and the Wilpinjong Coal Mine;
- a detailed description of the Modification;
- a description of the statutory context of the Modification;
- a summary of the consultation undertaken for the Modification;
- an assessment of the potential environmental impacts of the Modification, including a comparison with potential environmental impacts of the approved Wilpinjong Coal Mine; and
- a justification for the Modification and an evaluation of merits.

Proposed Technical Studies

The proposed scope of the environmental assessment of the Modification Report would include the following technical studies.

Noise and Blasting Assessment

A Noise and Blasting Assessment for the Modification will include predictive modelling and assessment of the on-site blast emissions, operational noise (including cumulative noise) effects and comparison to applicable conditions in Development Consent (SSD-6764), with reference to the contemporary *Noise Policy for Industry* (NSW Environment Protection Authority [EPA], 2017) requirements, where applicable.

The Noise and Blasting Assessment will also consider any noise effects associated with the relocation of public infrastructure (e.g. infrastructure construction noise or potential changes to off-site road or rail operational traffic noise).

Air Quality Assessment

An Air Quality Assessment for the Modification will include predictive air quality modelling and impact assessment of construction, operations (including cumulative impacts), blast fumes and comparison against existing criteria in Development Consent (SSD-6764) and the *Approved Methods for the Modelling and Assessment of Air Pollutants in New South Wales* (EPA, 2022).

The Air Quality Assessment will also consider any air quality impacts associated with the relocation of public infrastructure (e.g. infrastructure construction emissions).

Greenhouse Gas Emissions

Peabody triggers the threshold for reporting under the Commonwealth *National Greenhouse and Energy Reporting Act 2007*, and reports energy use and greenhouse gas emissions from its enterprises, including the Wilpinjong Coal Mine. Evaluation of the potential greenhouse gas emissions of the Modification would be presented in the Modification Report and would consider key government policies including, the NSW Government's *Net Zero Plan Stage 1: 2020 – 2030* and the Australian Government's Safeguard Mechanism.

An assessment would be conducted of incremental greenhouse gas emissions associated with the proposed Modification, inclusive of consideration of the *Climate Change (Net Zero Future) Act 2023*, and the NSW EPA's *Climate Change Policy and Climate Change Action Plan 2023-26*. It is understood that additional NSW greenhouse gas assessment guidance is currently under development, and on this basis due consideration would also be given to EPA and Net Zero and Emissions Modelling - Climate and Atmospheric Science feedback on greenhouse gas assessment matters for other recent mine modifications in NSW.

Groundwater Assessment

A Groundwater Assessment will include quantitative assessment of the potential incremental groundwater impacts of the Modification, based on:

- review of previous groundwater modelling assessments undertaken for the Wilpinjong Coal Mine;
- review of monitoring data and updates to baseline conditions for the surrounding groundwater systems;
- updated numerical groundwater modelling in accordance with the relevant guidelines incorporating additional groundwater data collected; and
- review of management measures and monitoring undertaken for the Wilpinjong Coal Mine (and commentary on their suitability for the Modification).

Surface Water and Flooding

A Surface Water and Flooding Assessment will include assessment of the potential surface water resource impacts associated with the Modification, with consideration of any associated incremental change to impacts on regional water availability, stream flow, water quality and flow regimes.

The Surface Water and Flooding Assessment will also assess any changes to the flood regime of relevant surrounding watercourses associated with the Modification and associated mitigation and management measures.

Biodiversity

A Biodiversity Development Assessment Report (BDAR) will be prepared to comprehensively assess potential impacts to biodiversity values due to additional surface development and potential indirect prescribed impacts of the Modification in accordance with the NSW *Biodiversity Conservation Act 2016* (BC Act) and the Commonwealth EPBC Act.

Within the additional surface development footprint and WCPL's proposed avoidance, the preliminary mapping of native vegetation indicates the majority would be derived native grasslands, with areas of Box-Gum Grassy Woodland on Valley Floors, Rough-Barked Apple Woodland, Western Grey Box Woodland, and White Box Shrubby Woodland. These vegetation communities and associated threatened species would be documented in the BDAR for the Modification.

In consideration of the requirements of the BC Act, recent NSW Government advice for similar developments in the region, and available mapping of relevant threatened species records, the BDAR will specifically assess:

- any potential surface development impacts to threatened species habitat and threatened ecological communities for potential Serious and Irreversible Impact (SAIL) entities; and
- any potential indirect prescribed impacts on threatened species and threatened ecological communities (e.g. due to blasting impacts on habitat and/or changes to hydrology, habitat connectivity and species movement), in the Goulburn River National Park and Munghorn Gap Nature Reserve, located at least 500 m and 5 km away from the additional open cut mining areas, respectively.

Aboriginal Cultural Heritage

An Aboriginal Cultural Heritage Assessment (ACHA) will be prepared to assess potential impacts on Aboriginal cultural heritage values. This will include field surveys and a targeted subsurface test excavation program for the additional surface development areas for the Modification in accordance with relevant guidelines and in consultation with the Registered Aboriginal Parties.

The approved Wilpinjong Coal Mine has previously been subject to Aboriginal cultural heritage surveys and has an approved Aboriginal Cultural Heritage Management Plan (ACHMP) which is implemented in accordance with the conditions in Development Consent (SSD-6764). The ACHMP will be used to inform the preparation of the ACHA and appropriate management measures.

Social

Under Commonwealth and NSW legislation, the likely social and economic impacts of a development must be assessed, including consultation with relevant local, State or Commonwealth authorities, and with other stakeholders. A Social Impact Assessment (SIA) has been previously prepared for the approved Wilpinjong Coal Mine and an approved Social Impact Management Plan (SIMP) is implemented in accordance with the conditions in the Development Consent (SSD-6764).

A review of the previous SIA and approved SIMP would be undertaken for the Modification in accordance with Social Impact Assessment Guideline (NSW Government, 2023) to prepare a 'basic SIA report'. The basic SIA report would identify any proposed changes to the SIMP to reflect current conditions.

Other Environmental Aspects

Consideration and assessment of potential impacts (where required) to other environmental aspects (e.g. historic heritage, road transport, economics, geochemistry, aquatic ecology, land contamination and resources, and visual) will be undertaken for the Modification. Additional studies that will be prepared in support of the Modification are anticipated to include:

- Economic Assessment;
- Historic Heritage Assessment;
- Road Transport Assessment;
- Aquatic Ecology Assessment;
- Geochemistry Assessment; and
- Land Contamination Assessment.

Engagement Program

Consultation will include, but not necessarily be limited to, the following government agencies and stakeholders during the preparation of the Modification:

- Mid-Western Regional Council;
- Australian Rail Track Corporation;
- other key users of the Sandy Hollow Gulgong Railway Line (including the operators of Moolarben Coal Complex and Ulan Mine Complex);
- DPE, including Biodiversity, Conservation and Science, Climate and Atmospheric Science, Water, and Crown Lands branches;
- Commonwealth Department of Climate Change, Energy, the Environment and Water;
- NSW National Parks and Wildlife Service;
- EPA;
- NSW Mining, Exploration and Geoscience;
- Heritage NSW;
- Transport for NSW;
- the existing Wilpinjong Coal Mine Community Consultative Committee;
- potentially affected private landholders;
- the existing Registered Aboriginal Parties Consultative Committee and Native Title Claimant groups (including comprehensive consultation in accordance with relevant guidelines for the ACHA process);
- regional service providers; and
- other interested stakeholders.

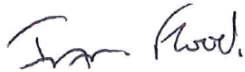
Action

WCPL is seeking confirmation of the following from DPE:

- The Modification can be lodged and considered by DPE under section 4.55(2) of the EP&A Act.
- The proposed scope of the Modification Report and proposed technical studies is suitable.
- The proposed engagement program and consultation for the Modification is suitable.

Please do not hesitate to contact the undersigned should you wish to discuss.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Ian Flood'.

Ian Flood
Manager, Project Development and Approvals
Wilpinjong Coal Pty Ltd

Attachment 1 – Summary of the Approved and Modified Wilpinjong Coal Mine

ATTACHMENT 1 – SUMMARY OF THE APPROVED AND MODIFIED WILPINJONG COAL MINE

Component	Approved Wilpinjong Coal Mine under Development Consent (SSD-6764)	Proposed Modified Wilpinjong Coal Mine
Mining Method and Open Cut Extent	<ul style="list-style-type: none"> Open cut mining operation with an indicative mine program for the extraction of approximately 349 Mt of total ROM coal over the life of the Wilpinjong Coal Mine¹. Eight open cut pits and associated contained infrastructure area comprising approximately 2,790 ha. 	<ul style="list-style-type: none"> Extraction of approximately 34 Mt of additional ROM coal. Extension of existing Pits 3 and 8 with an additional open cut pit area of approximately 270 ha.
Maximum Annual ROM Coal Production	<ul style="list-style-type: none"> 16 Mtpa of ROM coal. 	<ul style="list-style-type: none"> No change.
Mine Life	<ul style="list-style-type: none"> 28 years with mining authorised until 31 December 2033. 	<ul style="list-style-type: none"> No change to timeframe for ROM coal production (ceases in 31 December 2033). One additional year of mining operations to backfill the final voids and shape the final landform.
Waste Rock Management	<ul style="list-style-type: none"> Waste rock is placed predominantly within mine voids and select waste rock used for construction of mine components. 	<ul style="list-style-type: none"> No change, however, in-pit crushing of select waste rock for use on-site is proposed.
Annual Waste Rock Production	<ul style="list-style-type: none"> Annual waste rock production of approximately 43 million bank cubic metres (Mbcm). 	<ul style="list-style-type: none"> No change.
Coal Washing and Handling	<ul style="list-style-type: none"> Beneficiation of ROM coal in the Coal Handling and Preparation Plant. Facilities for the handling and stockpiling of both washed and unwashed (bypass coal). 	<ul style="list-style-type: none"> No change.
Maximum Annual Product Coal Production	<ul style="list-style-type: none"> Approximately 13 Mtpa of thermal product coal for domestic electricity generation and export. 	<ul style="list-style-type: none"> No change.
Coal Transport	<ul style="list-style-type: none"> An average of six and a maximum of 10 laden trains per day leaving the mine. Transport via the Sandy Hollow Gulgong Railway. 	<ul style="list-style-type: none"> No change.
Coal Rejects Management	<ul style="list-style-type: none"> Coal rejects placed predominantly within mine voids. Tailings filter press to allow co-disposal of the tailings with coarse rejects. 	<ul style="list-style-type: none"> No change.
Water Supply	<ul style="list-style-type: none"> Make-up water demand to be met from runoff recovered from mine operational areas, recovery from tailings, open cut dewatering, advanced dewatering of pit areas and supply from borefield. Water recovery from tailings via tailings filter press. 	<ul style="list-style-type: none"> No change to key sources of water supply.
Water Disposal	<ul style="list-style-type: none"> Mine water treated in a reverse osmosis plant/water treatment facility and discharged to Wilpinjong Creek in accordance with Environment Protection Licence (EPL) 12425. 	<ul style="list-style-type: none"> No change to key aspects of water disposal.
Hours of Operation	<ul style="list-style-type: none"> Open cut mining, handling and processing of ROM coal at the CHPP and train loading at the Wilpinjong Coal Mine is currently undertaken 24 hours per day, seven days per week. 	<ul style="list-style-type: none"> No change.
General Infrastructure	<ul style="list-style-type: none"> Access roads, electricity supply and distribution, rail loop, CHPP, train loading infrastructure, ROM coal stockpiles, coal handling equipment, flood bunds, diesel storage, administration, workshop, ablution buildings, stores, heavy vehicle workshop, and parking and washdown facilities. 	<ul style="list-style-type: none"> Continued use of existing approved infrastructure and modifications to support the operations as required (e.g. relocation of in-pit infrastructure, additional open cut flood bunds).
Infrastructure Relocations	<ul style="list-style-type: none"> Realignment of a 330 kV Electricity Transmission Line, Ulan-Wollar Road and associated rail level crossing and local powerlines and services. 	<ul style="list-style-type: none"> Realignment of section of Sandy Hollow Gulgong Railway, public roads and associated level crossings and local powerlines and services.
Operational Workforce	<ul style="list-style-type: none"> Approximately 625 at peak. 	<ul style="list-style-type: none"> No change.
Construction Workforce	<ul style="list-style-type: none"> Approximately 100 people at peak. 	<ul style="list-style-type: none"> No change.

¹ Comprised of 254 Mt from the Wilpinjong Coal Project EIS and 95 Mt from the Wilpinjong Extension Project EIS.