

Mr Chris Lauritzen
General Manager – Resource Development
MACH Energy Australia Pty Ltd

Via email: Chris.Lauritzen@machenergy.com.au

24 December 2021

Dear Mr Lauritzen

**Mount Pleasant Optimisation Project (SSD-10418)
Request for Additional Information**

I refer to the Mount Pleasant Optimisation Project (SSD 10418) Economic Assessment prepared by AnalytEcon, dated January 2021.

The Department has carefully reviewed the assessment and notes that it included a calculation (based on proportion of the NSW GSP as a percentage of World Gross Domestic Product) to reduce the direct GHGEs attributable to NSW.

The Department does not support this approach and considers it is inconsistent with the Department's *Guidelines for the economic assessment of mining and coal seam gas proposals 2015*, Technical Note 9.

The Department is of the view that the costs associated with all Scope 1 and Scope 2 emissions should be alternatively apportioned to NSW, noting the approaches for apportionment in the recent decisions by the Independent Planning Commission on the Mangoola Continued Operations and Maxwell Underground Mine. In addition, the Department considers that the Economic Assessment should present a range of carbon prices via sensitivity testing for the cost-benefit analysis.

To align with the Departments position, it is requested that you recalculate the net benefits of the Project in net present value terms and ensure that GHGE costs are alternatively apportioned to NSW, including a sensitivity analysis around carbon pricing.

If you have any questions regarding this matter, please contact Tegan Cole on 02 9895 6457 or via email at Tegan.Cole@planning.nsw.gov.au.

Yours sincerely



Stephen O'Donoghue
Director Resource Assessments