



13th May 2024

Mr Joe Fittell

Team Leader

Energy and Resource Assessments | Planning and Assessment

Department of Planning, Housing and Infrastructure

Via Email: Joe.Fittell@planning.nsw.gov.au

Dear Joe,

Re: Request for Additional Information - Workforce Numbers

I refer to Department of Planning, Housing, and Infrastructure's (DPHI) two Request for Information (RFI) letters dated 26 April 2024 received in relation to HVO North (SSD 11826681) and HVO South (SSD-11826621). The RFIs sought the following additional information:

The Department notes that the HVO mining complex is approved to extract up to 42 million tonnes per annum (Mtpa) of run-of-mine coal, however is currently operating at less than half of that capacity. Given the project proposes to operate at a maximum extraction rate of up to 40 Mtpa, the Department requests you provide evidence to demonstrate that the current operational workforce of around 1,500 employees is not required to increase.

The following response utilises information provided in the Hunter Valley Operations Continuation Project Environmental Impact Statement (EIS) (EMM 2022) and current operational data to provide justification for the claim that a workforce of around 1,500 is adequate for HVO to achieve its proposed production rate as a complex across the combined HVO North and HVO South.

To this end this response is a single response to the two RFI's as the overall workforce numbers are based on the operation as a complex. The overall workforce numbers provided in this correspondence are consistent with the inputs utilised in the various technical impact assessments presented within the HVO EIS such as traffic, social and economics.

Response

1 Workforce forecast and coal production

Figure 1 below includes historic workforce and coal production for 2021 to 2023 and the workforce and coal production forecast considered in the EIS (workforce forecast is included in Appendix V. Social Impact Assessment Figure 3.3).

Direct job numbers for 2023 of 1,365 is generally the same as was forecast during EIS preparation for that year. Due to some particular operational constraints, including weather, coal production did not meet forecast in the same period. Operational resources and equipment, however, was in place to meet planned production.

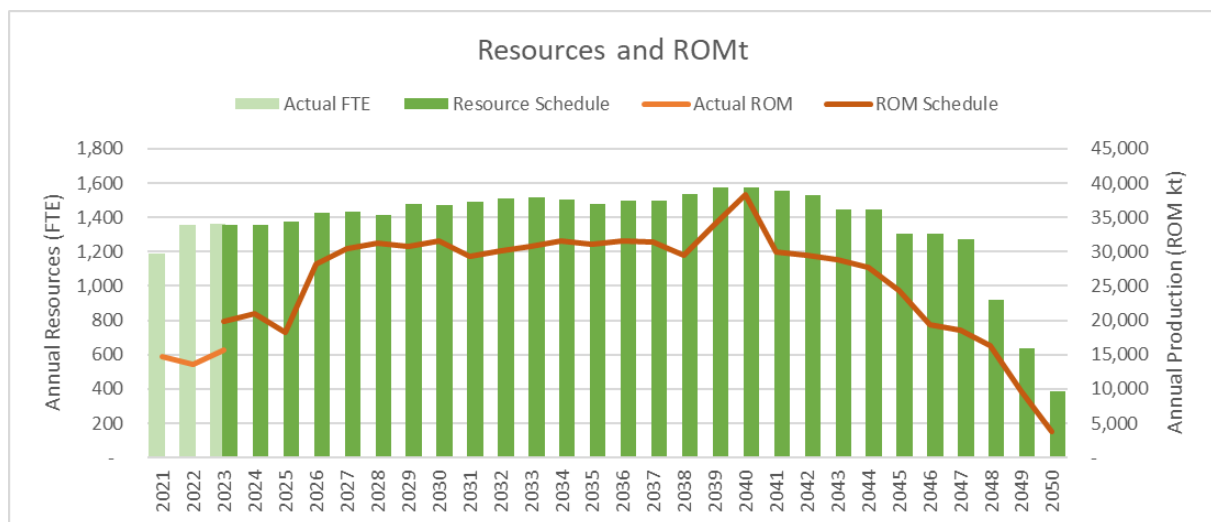


Figure 1. Workforce and Coal Production

As noted in the RFI, proposed maximum production for the complex is 40Mt ROM per annum (reflecting a reduction from the currently approved maximum production of 42Mt ROM per annum). As can be seen in **Figure 1** this occurs in a single year as coal is cleared from certain points in the mine progression.

Coal production alone, however, does not totally reflect resource utilisation. A more appropriate measure is equivalent bank cubic metre material movement (eBCM) which considers not just coal movement but also waste (rock) movement and is considered below.

2 Workforce forecast and material movement

Figure 2 below shows actual and forecast workforce numbers relative to total material movement in eBCM. This figure more appropriately illustrates that material movement does fluctuate somewhat over the life of the project but not to the extent of coal production. Notable is that the peak coal production of 40Mt actually coincides with a period of relatively lower waste movement and therefore the eBCM peak is not as significant as the coal production peak and more generally follows the forecast resource fluctuations over the same period.

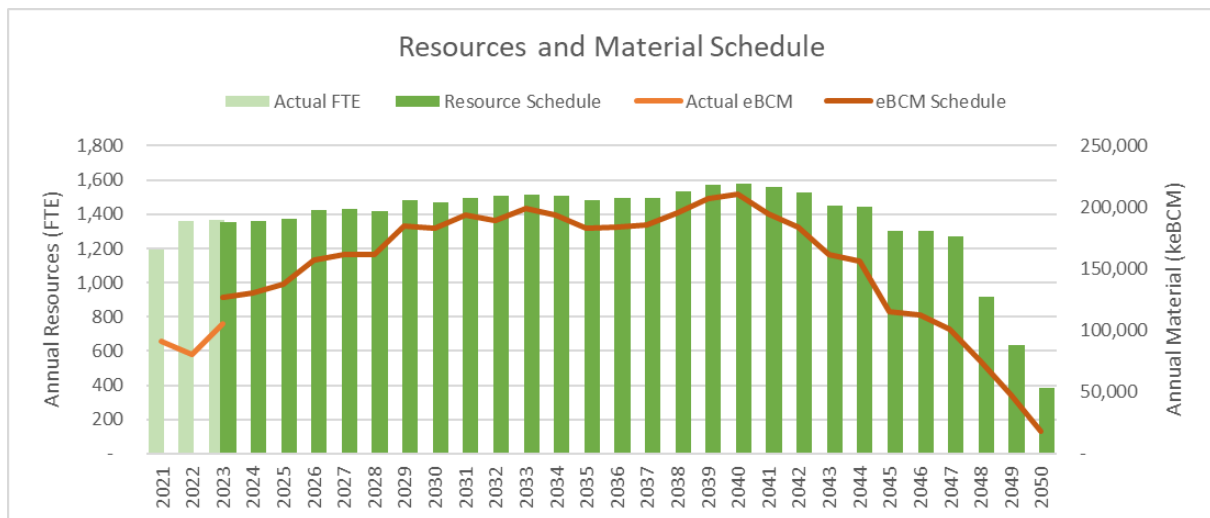


Figure 2. Workforce and Material Movement

3 Production Capacity

Figure 2 does still indicate an apparent larger increase in eBCM production than a relative resource increase compared to current performance. This is because HVO is working through a process of increasing current production by increasing equipment capacity via a range of strategies. A replacement of mining trucks with trucks with approximately 50% increase in capacity is part of the strategy. Likewise excavating equipment with larger buckets and higher productivity rate are being or are planned to be implemented. Similarly coal processing plant upgrades to increase throughput capacity is underway. All these measures substantially increase mining production rate without increasing workforce resources. This is a process that will be ongoing through to a full ramp up around Year 8 of the Project.

4 Summary

In conclusion, HVO maintain that the approved mining rate can be achieved with the proposed and currently approved workforce numbers of around 1,500 by a combination of:

- Noting that total material movement is a more stable forecast than the specific coal production forecast, and
- Increases in equipment capacity allows for increases in mining production without requiring significant increases in operational workforce numbers.

I trust this adequately answers your question. Should you wish to discuss the content of this letter please contact me on the details below.

Yours sincerely,



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