

Ms Lynelle Briggs AO
Chairperson
Planning Assessment Commission
GPO Box 3415
Sydney NSW 2001

Dear Ms Briggs



**Rocky Hill Coal Project (SSD 5156)
Stratford Extension Project MOD 1 (SSD 4966 MOD 1)**

In December 2012, the Department received a development application for the Rocky Hill Coal Project. In June 2015, the Applicant requested that the project be put on hold, and subsequently lodged an amended development application in August 2016.

The Department has now finalised its assessment of the amended Rocky Hill Coal Project. During the exhibition of this application, the Department received more than 2,308 public objections. Additionally, Mid Coast Council objected to the amended project. Consequently, the Department requests that the Planning Assessment Commission (the Commission) determine this application in accordance with the Minister's delegation of 16 February 2015.

This project has not previously been referred to the Commission for merit review. The Department did not consider that a merit review was appropriate as this project has been subject to a very lengthy planning process and a merit review would likely have further delayed determination by six to nine months. All parties involved in this matter are looking for it to be resolved as soon as practicable. Additionally, by not sending this project for merit review, the Applicant's merit appeal rights will remain in place. The Minister for Planning has accepted this course of action.

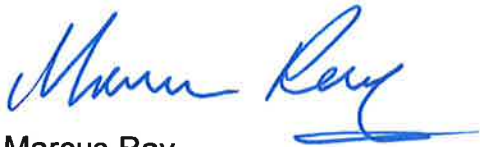
Following careful consideration of all community and agency submissions, as well as information provided by the Applicant, the Department considers that the location of the project is incompatible with respect to the southern fringe of the nearby urban area of Gloucester. On this basis, and for other reasons, the Department considers that the project should be refused.

The amended development application also proposed a commercial arrangement with the owner of the Stratford Coal Mine (Yancoal), to deliver the ROM coal from the Rocky Hill Coal Project to the Stratford Coal Mine, to process and dispatch by rail. Accordingly, in August 2016, Yancoal submitted a modification application to enable the Stratford Extension Project to receive, process and dispatch coal from the amended Rocky Hill Coal Project. This modification has been assessed concurrently with the amended Rocky Hill Coal Project and is also being referred to the Commission for determination.

If the Commission agrees that the Rocky Hill Coal Project should be refused, then the Department recommends that the Stratford modification is also refused, since it has no critical purpose intrinsic to the operation of the Stratford Extension Project in the absence of the Rocky Hill Coal Project.

Please find enclosed the Department's assessment package, including the Department's Environmental Assessment Report and draft instrument of refusal. Should you have any further questions in relation to this matter, please contact Howard Reed, Director Resource Assessments, at the Department on 9274 6308.

Yours sincerely



Marcus Ray
Deputy Secretary
Planning Services

23/10/2017