



Planning & Infrastructure

Major Projects Assessment

Mining & Industry

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Andrea Sutton
General Manager Operations
Bengalla Mining Company Pty Ltd
Locked Mail Bag 5
MUSWELLBROOK NSW 2333

Dear Ms Sutton

State Significant Development – Director General's Requirements Continuation of Bengalla Mine Project (SSD-5170)

I have attached a copy of the Director General's environmental assessment requirements (DGRs) for the preparation of an Environmental Impact Statement (EIS) for the Continuation of Bengalla Mine Project.

These requirements are based on the information you have provided to date and have been prepared in consultation with relevant government agencies and the affected councils. Their comments, which you should address appropriately in preparing the EIS, are also attached (see Attachment 2). Please note that the Department may alter these requirements at any time, and that you must consult further with the Department if you do not lodge a development application and EIS for the project within two years of the date of issue of these DGRs. The Department will review the EIS for the project carefully before putting it on public exhibition, and will require you to submit an amended EIS if it does not adequately address the DGRs.

The Department also advises that there are a number of recent key policy and planning documents that are relevant to the project. These include the draft Upper Hunter Strategic Regional Land Use Plan, and the draft Aquifer Interference Policy, which are available on the Department's website. These DGRs may be amended to reference these additional documents once they are finalised, to ensure that they are appropriately considered during the preparation of the EIS.

The Department's preliminary assessment of your project under the draft Upper Hunter Strategic Regional Land Use Plan shows the proposed mine extension is located within 2 kilometres of mapped Biophysical Strategic Agricultural Land and the Equine Critical Industry Cluster. The Department strongly recommends that you consider the draft Plan and in particular the draft gateway criteria in Chapter 11 of the Plan during preparation of your mine plan and EIS.

I also draw your attention to the need for the EIS to contain a rigorous assessment of the agricultural impacts of the project. Your assessment must be in accordance with the new Agricultural Impact Statement Guideline, which is available on the Department's website.

Your project may require separate approval under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act). The Department encourages you to confirm whether such an approval will be required as soon as possible. If an EPBC Act approval is required, I would appreciate it if you would advise the Department accordingly, as the Commonwealth approval process may be integrated into the NSW approval process, and supplementary DGRs may need to be issued.

I would appreciate it if you would contact the Department at least two weeks before you propose to submit the development application and EIS for your project. This will enable the Department to:

- confirm the applicable fee (see Division 1AA, Part 15 of the *Environmental Planning and Assessment Regulation 2000*); and
- determine the number of copies (hard-copy and CD-ROM) of the EIS required for review.

If you have any enquiries about these requirements, please contact David Mooney at the details listed above.

Yours sincerely,



Howard Reed 13.3.12
A/Director Mining & Industry
As delegate for the Director-General

Director-General's Environmental Assessment Requirements State Significant Development

Section 78A(8A) of the *Environmental Planning and Assessment Act 1979*

Application Number	SSD 5170
Proposal	The Bengalla Mine Continuation Project, which includes: • continued open cut mining to the west of existing operations for a period of 24 years; • increased maximum annual production, from 10.7 million tonnes per annum (Mtpa) to 15 Mtpa of ROM coal; • an additional overburden emplacement area west of Dry Creek; • re-diversion of Dry Creek; and • relocation of a section of the Bengalla Link Road.
Location	Bengalla Road, 4 km west of Muswellbrook
Applicant	Bengalla Mining Company Pty Ltd
Date of Issue	13 March 2012
General Requirements	The Environmental Impact Statement (EIS) for the development must meet the form and content requirements in Clauses 6 and 7 of Schedule 2 of the <i>Environmental Planning and Assessment Regulation 2000</i>. In addition, the EIS must include a: • detailed description of the development, including: – need for the proposed development; – justification for the proposed mine plan, including efficiency of coal resource recovery, mine safety, and environmental protection; – likely staging of the development - including construction, operational stage/s and rehabilitation; – likely interactions between the development and existing, approved and proposed mining operations in the vicinity of the site, particularly the approved but not yet operational Mt Pleasant mine and the Mt Arthur mine; – plans of any proposed building works; – forecast coal volumes and train movements • consideration of all relevant environmental planning instruments, including identification and justification of any inconsistencies with these instruments; • risk assessment of the potential environmental impacts of the development, identifying the key issues for further assessment; • detailed assessment of the key issues specified below, and any other significant issues identified in this risk assessment, which includes: – a description of the existing environment, <u>using sufficient baseline data</u>; – an assessment of the potential impacts of all stages of the development, including any cumulative impacts, taking into consideration relevant guidelines, policies, plans and statutes; and – a description of the measures that would be implemented to avoid, minimise and if necessary, offset the potential impacts of the development, including proposals for adaptive management and/or contingency plans to manage any significant risks to the environment; and • consolidated summary of all the proposed environmental management and monitoring measures, highlighting commitments included in the EIS.

Key Issues

The EIS must address the following specific matters:

- **Land Resources** – including an Agricultural Impact Statement and a detailed assessment of the potential impacts on:
 - soils and land capability (including salinisation and contamination);
 - landforms and topography, including steep slopes; and
 - land use, including agricultural, forestry, conservation and recreational use, with particular attention on the local viticulture and equine industries;
- **Water Resources** – including:
 - detailed assessment of potential impacts on the quality and quantity of existing surface and ground water resources, including:
 - o detailed modelling of potential groundwater impacts, including any potential impacts on the alluvial aquifers of the Hunter River and confirmation of the physical extent of the river's alluvium;
 - o impacts on affected licensed water users and basic landholder rights;
 - o impacts on riparian, ecological, geo-morphological and hydrological values of watercourses, including environmental flows;
 - o details and staging for the proposed Dry Creek re-diversion; and
 - o a flood assessment including identification of any necessary flood impact mitigation measures;
 - a detailed site water balance, including a description of site water demands, water disposal methods (inclusive of volume, salinity and frequency of any water discharges), water supply infrastructure and water storage structures;
 - an assessment of proposed water discharge quantities and quality/ies against receiving water quality and flow objectives;
 - assessment of impacts of salinity from mining operations, including disposal and management of coal rejects and modified hydrogeology, a salinity budget and the evaluation of salt migration to surface and groundwater sources;
 - identification of any licensing requirements or other approvals under the *Water Act 1912* and/or *Water Management Act 2000*;
 - demonstration that water for the construction and operation of the development can be obtained from an appropriately authorised and reliable supply in accordance with the operating rules of any relevant Water Sharing Plan (WSP);
 - a description of the measures proposed to ensure the development can operate in accordance with the requirements of any relevant WSP or water source embargo;
 - a detailed description of the proposed water management system (including sewage), water monitoring program and other measures to mitigate surface and groundwater impacts; and
 - compliance with the Hunter River Salinity Trading Scheme;
- **Biodiversity** – including:
 - measures taken to avoid, reduce or mitigate impacts on biodiversity;
 - accurate estimates of proposed vegetation clearing;
 - a detailed assessment of potential impacts of the development on any:
 - o terrestrial or aquatic threatened species or populations and their habitats, endangered ecological communities and groundwater dependent ecosystems; and
 - o regionally significant remnant vegetation, or vegetation corridors; and
 - a comprehensive offset strategy to ensure the development maintains or improves the terrestrial and aquatic biodiversity values of the region in the medium to long term;
- **Heritage** – including:
 - an Aboriginal cultural heritage assessment (including both cultural and archaeological significance) which must:

- demonstrate effective consultation with Aboriginal communities in determining and assessing impacts, and developing and selecting mitigation options and measures; and
 - outline any proposed impact mitigation and management measures (including an evaluation of the effectiveness and reliability of the measures); and
- a Historic heritage assessment (including archaeology) which must:
 - include a statement of heritage impact (including significance assessment) for any State significant or locally significant heritage items; and
 - outline any proposed mitigation and management measures (including an evaluation of the effectiveness and reliability of the measures);
- **Air Quality** – including a quantitative assessment of potential:
 - construction and operational impacts, with a particular focus on dust emissions (including PM_{2.5} and PM₁₀ emissions, and dust generation from coal transport), as well as diesel and blast fume emissions;
 - reasonable and feasible mitigation measures to minimise dust, diesel and blast fume emissions, including evidence that there are no such measures available other than those proposed; and
 - monitoring and management measures, in particular real-time air quality monitoring;
- **Greenhouse Gases** – including:
 - a quantitative assessment of potential Scope 1, 2 and 3 greenhouse gas emissions;
 - a qualitative assessment of the potential impacts of these emissions on the environment; and
 - an assessment of reasonable and feasible measures to minimise greenhouse gas emissions and ensure energy efficiency;
- **Noise, Vibration & Blasting** – including a quantitative assessment of potential:
 - construction, operational and off-site transport noise impacts;
 - blasting impacts on people, livestock and property;
 - reasonable and feasible mitigation measures, including evidence that there are no such measures available other than those proposed; and
 - monitoring and management measures, in particular real-time, attended noise monitoring and predictive meteorological forecasting;
- **Traffic & Transport** – including:
 - accurate predictions of the road and rail traffic generated by the project;
 - a detailed assessment of the potential impacts of the development on the capacity, efficiency and safety of the:
 - local and regional rail network, having regard to the strategic objectives and cumulative impacts for the passenger and freight rail network; and
 - local and regional road network, with particular regard to a cumulative traffic impact assessment; condition assessment of the existing network; proposed new road infrastructure; and impacts of coal trains on level crossing operations;
 - details of mine to port or other domestic customer transport movements, train path availability and any required rail infrastructure works; and
 - a detailed description of the measures that would be implemented to maintain and/or improve the capacity, efficiency and safety of the road and rail networks in the surrounding area over the life of the project;
 - details of the existing interactions with and potential opportunities to join inter-mine arrangements for maintenance and/or upgrade of public roads, particularly Thomas Mitchell Drive; and
 - details of interactions with the approved rail corridor for Mt Pleasant mine;

	• Visual – including: - a detailed assessment of the: ○ changing landforms on the site during the various stages of the project; and ○ potential visual impacts of the project on private landowners in the surrounding area as well as key vantage points in the public domain, including lighting impacts; and - a detailed description of the measures that would be implemented to minimise the visual impacts of the project; • Waste – including: - accurate estimates of the quantity and nature of the potential waste streams of the development, including tailings and coarse reject; - a tailings and coarse reject disposal strategy; and - a description of measures that would be implemented to minimise production of other waste, and ensure that that waste is appropriately managed; • Hazards – including bushfires; • Social & Economic – including an assessment of the: - potential direct and indirect economic benefits of the project for local and regional communities and the State; - potential impacts on local and regional communities, including: ○ increased demand for local and regional infrastructure and services (such as housing, childcare, health, education and emergency services); and ○ impacts on social amenity; - a detailed description of the measures that would be implemented to minimise the adverse social and economic impacts of the project, including any infrastructure improvements or contributions and/or voluntary planning agreement or similar mechanisms; and - a detailed assessment of the costs and benefits of the development as a whole, and whether it would result in a net benefit for the NSW community; and • Rehabilitation – including the proposed rehabilitation strategy for the site, having regard to the key principles in the Strategic Framework for Mine Closure, including: - rehabilitation objectives, methodology, monitoring programs, performance standards and proposed completion criteria; - nominated final land uses and land forms, having regard to any relevant strategic land use planning or resource management plans or policies; and - the potential for integrating this strategy with any other rehabilitation and/or offset strategies in the region.
Plans and Documents	The EIS must include all relevant plans, architectural drawings, diagrams and relevant documentation required under Schedule 1 of the <i>Environmental Planning and Assessment Regulation 2000</i>. These documents should be included as part of the EIS rather than as separate documents.
Consultation	During the preparation of the EIS, you must consult with relevant local, State or Commonwealth Government authorities, service providers, community groups and affected landowners. In particular you must consult with the: • Commonwealth Department of Sustainability, Environment, Water, Population and Communities; • Office of Environment and Heritage (including the Environment Protection Authority and the Heritage Branch); • Division of Resources and Energy within the Department of Trade and Investment, Regional Infrastructure and Services; • Department of Primary Industries (including the NSW Office of Water; NSW Forestry, Agriculture and Fisheries sections; Catchments and Lands (Crown Lands Division)); • Transport for NSW (including the Centre for Transport Planning, Roads

	and Maritime Services); • NSW Health; • ARTC and coal chain operators including Railcorp, Newcastle Ports Corporation and the Hunter Valley Coal Chain Co-ordinator; • Dams Safety Committee; • Hunter-Central Rivers Catchment Management Authority; and • Muswellbrook Shire Council. The EIS must describe the consultation process and the issues raised, and identify where the design of the development has been amended in response to these issues. Where amendments have not been made to address an issue, a short explanation should be provided.
Further consultation after 2 years	If you do not lodge a DA and an EIS for the development within 2 years of the issue date of these DGRs, you must consult further with the Director-General in relation to the requirements for lodgement.
References	The assessment of the key issues listed above must take into account relevant guidelines, policies, and plans as identified. While not exhaustive, Attachment 1 contains a list of some of the guidelines, policies, and plans that may be relevant to the environmental assessment of this development.

ATTACHMENT 1 Technical and Policy Guidelines

The following guidelines may assist in the preparation of the Environmental Impact Statement. This list is not exhaustive and not all of these guidelines may be relevant to your proposal. Many of these documents can be found on the following websites:

<http://www.planning.nsw.gov.au>

<http://www.bookshop.nsw.gov.au>

<http://www.publications.gov.au>

Policies, Guidelines & Plans

Risk Assessment	
	AS/NZS 4360:2004 Risk Management (Standards Australia)
	HB 203: 2003:2006 Environmental Risk Management – Principles & Process (Standards Australia)
Biodiversity	
	Threatened Species Survey and Assessment Guidelines: Field Survey Methods for Fauna – Amphibians (DECCW 2009)
	Threatened Biodiversity Survey and Assessment: Guidelines for Developments and Activities – Working Draft (DECC 2004)
	Threatened Species Assessment Guidelines: the Assessment of Significance (DECC 2007)
	Guidelines for Threatened Species Assessment (DoP 2005)
	BioBanking Assessment Methodology and Credit Calculator Operational Manual (DECCW 2008)
	NSW State Groundwater Dependent Ecosystem Policy (DLWC)
	Policy & Guidelines - Aquatic Habitat Management and Fish Conservation (NSW Fisheries)
	Policy & Guidelines - Fish Friendly Waterway Crossings (NSW Fisheries)
	State Environmental Planning Policy No. 44 – Koala Habitat Protection
Water Resources	
	National Water Quality Management Strategy: Australian Guidelines for Fresh and Marine Water Quality (ANZECC/ARMCANZ)
	National Water Quality Management Strategy: Australian Guidelines for Water Quality Monitoring and Reporting (ANZECC/ARMCANZ)
	National Water Quality Management Strategy: Guidelines for Sewerage Systems – Effluent Management (ARMCANZ/ANZECC)
	National Water Quality Management Strategy: Guidelines for Sewerage Systems – Use of Reclaimed Water (ARMCANZ/ANZECC)
	Using the ANZECC Guideline and Water Quality Objectives in NSW (DEC)
	State Water Management Outcomes Plan
Surface Water	Water Sharing Plan for the Hunter Unregulated and Alluvial Water Sources 2009
	NSW Government Water Quality and River Flow Objectives (DECC)
	Approved Methods for the Sampling and Analysis of Water Pollutants in NSW (DEC)
	Managing Urban Stormwater: Soils & Construction (Landcom) and associated Volume 2E: Mines and Quarries
	Managing Urban Stormwater: Treatment Techniques (DECC)
	Managing Urban Stormwater: Source Control (DECC)
	Floodplain Development Manual (DIPNR)
	Floodplain Risk Management Guideline (DECC)
	A Rehabilitation Manual for Australian Streams (LWRRDC and CRCCH)
	Technical Guidelines: Bunding & Spill Management (DECC)
	Environmental Guidelines: Use of Effluent by Irrigation (DECC)

<i>Groundwater</i>	National Water Quality Management Strategy Guidelines for Groundwater Protection in Australia (ARMCANZ/ANZECC)
	NSW State Groundwater Policy Framework Document (DLWC, 1997)
	NSW State Groundwater Quality Protection Policy (DLWC, 1998)
	NSW State Groundwater Quantity Management Policy (DLWC, 1998)
	Murray-Darling Basin Groundwater Quality. Sampling Guidelines. Technical Report No 3 (MDBC)
	Murray-Darling Basin Commission. Groundwater Flow Modelling Guideline (Aquaterra Consulting Pty Ltd)
	Guidelines for the Assessment & Management of Groundwater Contamination (DECC, 2007)
	Any relevant Water Sharing Plan for groundwater and surface water resources
Air Quality	
	Protection of the Environment Operations (Clean Air) Regulation 2002
	Approved Methods for the Modelling and Assessment of Air Pollutants in NSW (DEC)
	Approved Methods for the Sampling and Analysis of Air Pollutants in NSW (DEC)
Noise & Blasting	
	NSW Industrial Noise Policy (DECC)
	Environmental Noise Management – Assessing Vibration: a technical guide (DEC)
	NSW Road Noise Policy (DECCW)
	Interim Guidelines for the Assessment of Noise From Rail Infrastructure Projects (DECC)
	Technical basis for guidelines to minimise annoyance due to blasting overpressure and ground vibration (ANZECC)
Land Resources	
	Agricultural Impact Statement Guidelines 2012 (DP&I)
	Agfact AC25: Agricultural Land Classification (NSW Agriculture)
	State Environmental Planning Policy No. 55 – remediation of Land
	Australian and New Zealand Guidelines for the Assessment and Management of Contaminated Sites (ANZECC)
Traffic & Transport	
	Guide to Traffic Generating Development (RTA)
	Road Design Guide (RTA)
Heritage	
<i>Aboriginal</i>	Draft Guidelines for Aboriginal Cultural Heritage Assessment and Community Consultation (DEC 2005)
<i>Historic</i>	The Burra Charter (The Australia ICOMOS charter for places of cultural significance)
	NSW Heritage Manual (NSW Heritage Office)
	The Burra Charter (The Australia ICOMOS charter for places of cultural significance)
Greenhouse Gases	
	National Greenhouse Accounts Factors (Australian Department of Climate Change (DCC))
	Guidelines for Energy Savings Action Plans (DEUS)
Waste	
	Waste Classification Guidelines (DECC)
Hazards	
	State Environmental Planning Policy No. 33 – Hazardous and Offensive Development
	Hazardous and Offensive Development Application Guidelines - Applying SEPP 33
	Hazardous Industry Planning Advisory Paper No. 6 – Guidelines for Hazard Analysis

Rehabilitation

Mine Rehabilitation – Leading Practice Sustainable Development Program for the Mining Industry (Commonwealth of Australia)

Mine Closure and Completion – Leading Practice Sustainable Development Program for the Mining Industry (Commonwealth of Australia)

Strategic Framework for Mine Closure (ANZMEC-MCA)

Socio-Economic

Draft Economic Evaluation in Environmental Impact Assessment (DoP)

Techniques for Effective Social Impact Assessment: A Practical Guide (Office of Social Policy, NSW Government Social Policy Directorate)

Singleton Council Draft Community Strategic Plan: *A Blueprint for 2022*
