Peabody ENERGY

WILPINJONG EXTENSION PROJECT

Project Summary
and Preliminary Environmental Assessment

Resource Strategies

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1 INTRODUCTION

1.1 PURPOSE AND STRUCTURE OF THIS DOCUMENT

The Wilpinjong Coal Mine is an existing open cut coal mining operation situated in the Western Coalfield approximately 40 kilometres (km) north-east of Mudgee, within the Mid-Western Regional Local Government Area (LGA), in central New South Wales (NSW) (Figures 1 and 2).

Wilpinjong Coal Pty Limited (WCPL), a wholly owned subsidiary of Peabody Energy Australia Pty Limited (Peabody Energy), is the owner and operator of the Wilpinjong Coal Mine, which operates in accordance with Project Approval 05-0021 granted in 2006 (as modified).

The Wilpinjong Coal Mine is approved to produce 15 million tonnes per annum (Mtpa) of run-of-mine (ROM) coal and 12.5 Mtpa of thermal coal products, which are currently transported by rail to domestic customers for use in electricity generation and to port for export.

WCPL is seeking development consent to extend the Wilpinjong Coal Mine, including both physical extensions to the mine footprint to gain access to additional ROM coal reserves, and an extension to the approved life of the mine. The application also includes the existing approved operations of the Wilpinjong Coal Mine. It is intended that should development consent be granted for the proposal with conditions satisfactory to the Proponent, the current Part 3A Project Approval 05-0021 would be surrendered. The proposal is herein referred to as the Wilpinjong Extension Project (the Project).

This document has been prepared to provide Project information to key State regulatory agencies, facilitate the discussion of aspects that will need to be addressed during the environmental impact assessment process and initiate the preparation of the Secretary's Environmental Assessment Requirements (SEARs) in accordance with Clause 3 of Schedule 2 of the NSW *Environmental Planning and Assessment Regulation, 2000* (EP&A Regulation).

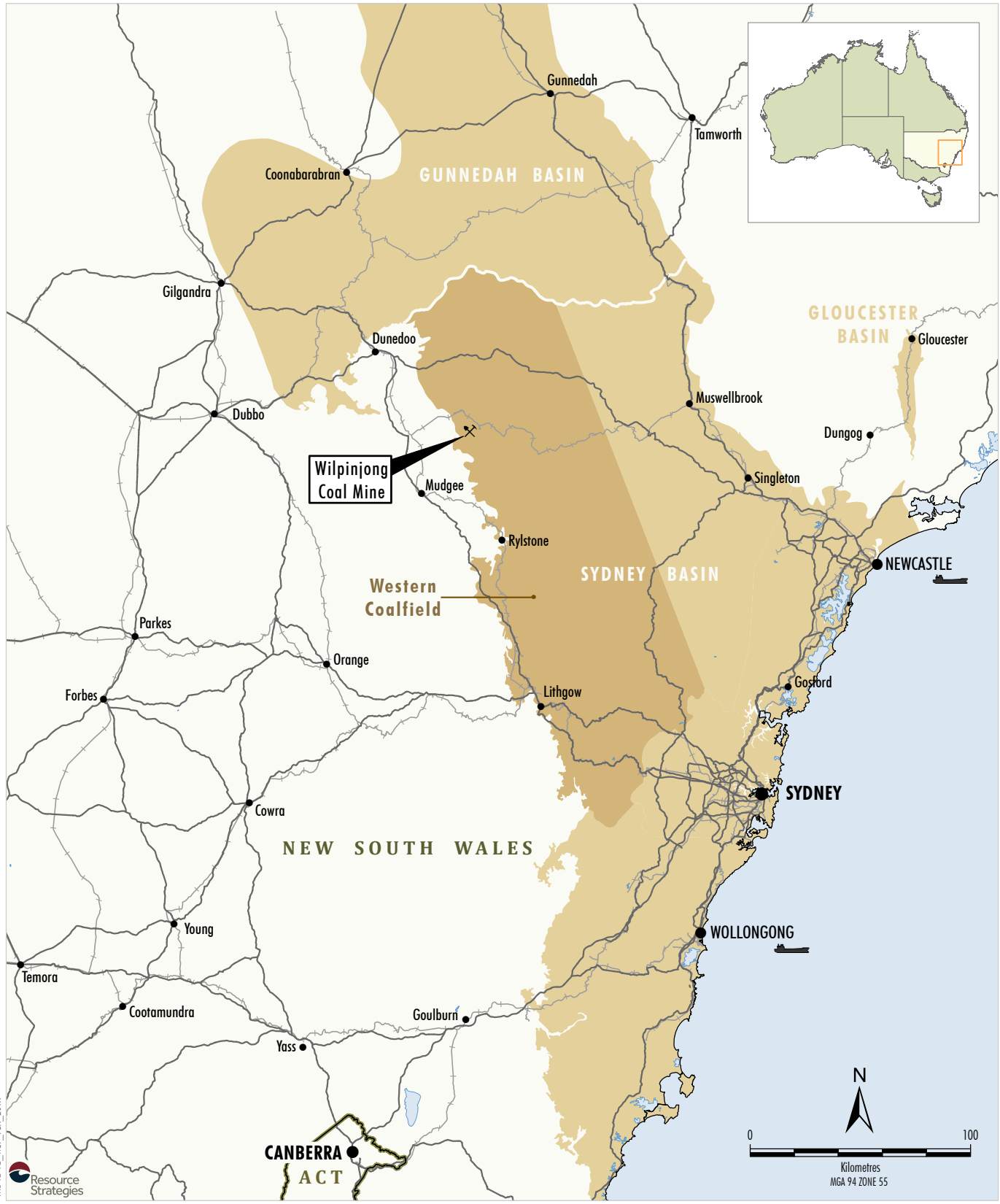
The Project will also be referred to the Commonwealth Minister for the Environment for consideration as to whether the Project is a 'Controlled Action' and requires approval under the Commonwealth *Environment Protection and Biodiversity Conservation Act, 1999* (EPBC Act).

The SEARs will be prepared by the NSW Department of Planning & Environment in consideration of:

- this document;
- key issues raised by relevant public authorities;
- the decision of the Commonwealth Minister for the Environment regarding the referral of the relevant 'action' under the EPBC Act; and
- applicable guidelines and statutory considerations.

This document is structured as follows:

Section 1	Introduction – provides background on the Wilpinjong Coal Mine and an overview of the Project.
Section 2	Local and Regional Context – summarises the local and regional context of the Project (including surrounding development).
Section 3	Project Summary and Justification – provides a concise description of the Project, indicates the types of activities that will be undertaken, includes a justification for the Project and summarises alternatives to the Project that have been considered.
Section 4	Planning Considerations – describes the permissibility of the Project and potentially applicable statutory planning instruments and strategic planning documents.
Section 5	Preliminary Environmental Assessment – identifies key environmental issues of particular relevance to the Project based on a preliminary risk assessment, provides an analysis of the likely nature and extent of potential impacts, and identifies strategies to address the impacts identified.
Section 6	Stakeholder Consultation – outlines consultation (with the community, local council and Government agencies) already undertaken and proposed to be carried out for the Project.
Section 7	References.



LEGEND
- Highway
- Major Railway
- Coalfield

Source: Geoscience Australia, 2006

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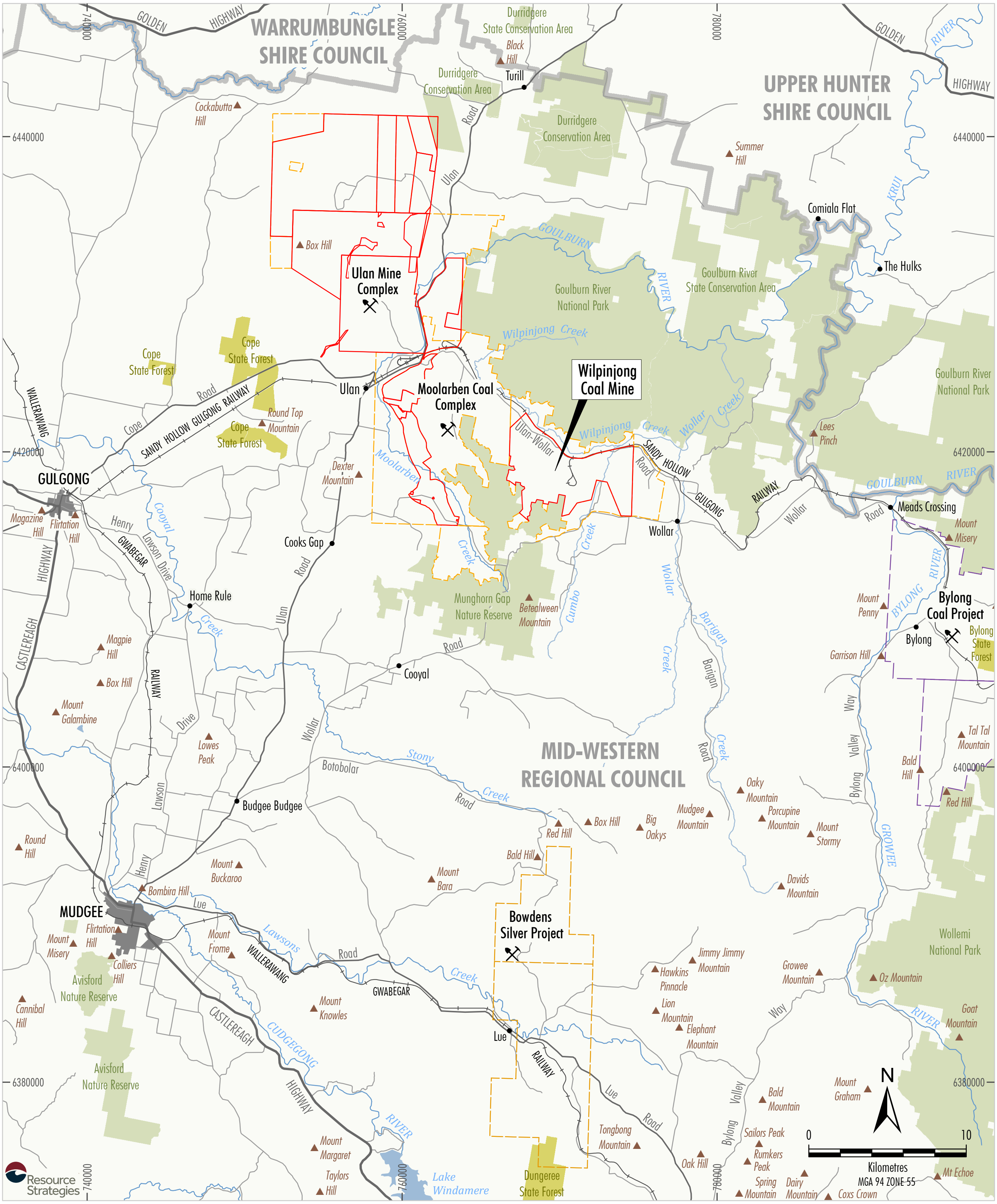
WILPINJONG EXTENSION PROJECT

Regional Location

Figure 1



LEGEND

- Mining Lease Boundary
- Exploration Licence Boundary
- Authorisation Boundary
- Local Government Boundary
- NSW State Forest
- National Park, Nature Reserve or State Conservation Area
- Mining Operation

Source: Geoscience Australia, 2006 and NSW Trade & Investment, 2013

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WILPINJONG EXTENSION PROJECT

Project Location

Figure 2

1.2 BACKGROUND

Overview of the Wilpinjong Coal Mine

The Wilpinjong Coal Mine was approved under Part 3A of the *Environmental Planning and Assessment Act, 1979* (EP&A Act) by the NSW Minister for Planning on 1 February 2006 (Project Approval 05-0021).

Mining at the Wilpinjong Coal Mine commenced in September 2006. The approved open cut and contained infrastructure area at the Wilpinjong Coal Mine (Figure 3) comprises an area of approximately 1,990 hectares (ha).

The mining operation uses blasting, dozers and hydraulic excavators to mine coal and overburden in a strip mining configuration. The mine operates 24 hours per day, seven days per week and produces up to 15 Mtpa of ROM coal. A modification application is currently pending with the Planning Assessment Commission for an increase in the ROM coal production rate from 15 Mtpa to approximately 16 Mtpa.

The Wilpinjong Coal Mine produces both washed and unwashed coal products. The mine is approved to transport 12.5 Mtpa of product coal which is loaded onto trains 24 hours per day, seven days per week.

All product coal is transported by rail to domestic power generation customers and the Port of Newcastle for export.

The primary access route from Mudgee to the site is via Ulan Road and Ulan-Wollar Road (Figures 2 and 3). A sealed mine access road connects the mine facilities area to Ulan-Wollar Road.

A mine facilities area is constructed on a hardstand located to the south-west of the rail loop (Figure 3). The mine facilities area includes a workshop, storage building, office buildings, muster area and a range of service facilities.

The current total combined WCPL employee and full-time equivalent on-site contractor workforce is approximately 550 people.

Mining Tenements

Mining at the Wilpinjong Coal Mine is conducted in Mining Lease (ML) 1573, which comprises an area of approximately 2,860 ha. WCPL also holds Exploration Licence (EL) 6169 that extends to the north and south of ML 1573 and abuts the Moolarben Coal Complex tenements to the west (Figures 2 and 3).

EL 7091 is also held by WCPL and covers the valley (Slate Gully) to the immediate east of the existing Wilpinjong Coal Mine (Figure 3).

In combination, the three mining tenements held by WCPL comprise a contiguous area of over 5,000 ha. Peabody Energy is also the major local landholder of freehold land in the vicinity of the mine (Figures 4a and 4b).

1.3 PROJECT OVERVIEW

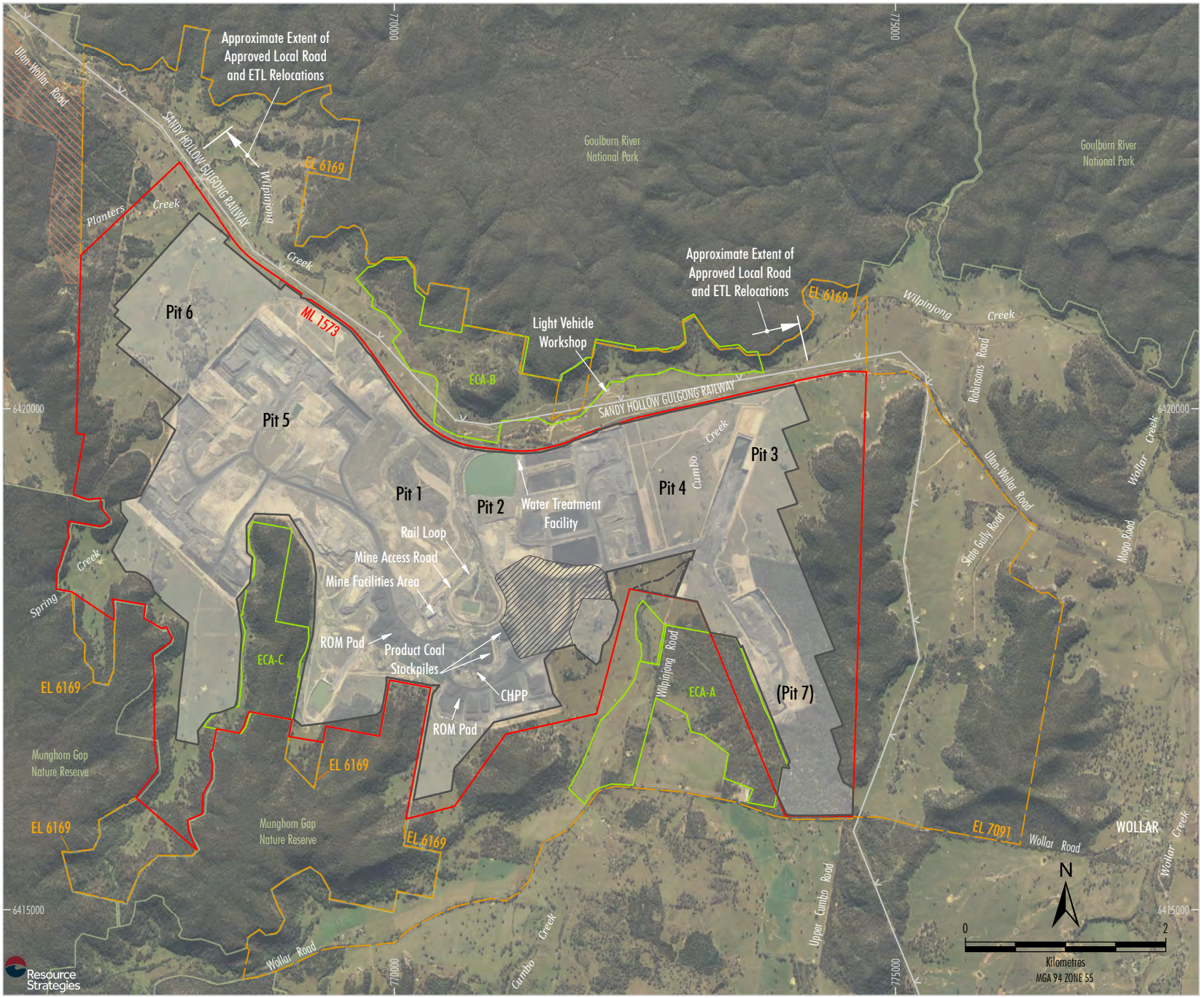
The Project is a proposed extension of open cut operations at the Wilpinjong Coal Mine for an additional operational life of approximately seven years.

The Project open cut extension areas would be located within ML 1573, EL 6169 and EL 7091 (Figure 5).

WCPL is seeking approval from the NSW Minister for Planning for a Development Consent under Division 4.1 of Part 4 of the EP&A Act for the Project. The application also includes the existing approved operations of the Wilpinjong Coal Mine. It is intended that should development consent be granted for the proposal with conditions satisfactory to the Proponent, the current Part 3A Project Approval 05-0021 would be surrendered.

The Project would include the following activities:

- open cut mining of ROM coal from the Ulan Coal Seam and Moolarben Coal Seam in ML 1573 and in new Mining Lease Application areas in EL 6169 and EL 7091;
- approximately 800 ha of open cut extensions including:
  - approximately 500 ha of incremental extensions to the existing open cut pits in areas of ML 1573 and EL 6169;
  - development of a new open cut pit of approximately 300 ha in EL 7091 (Pit 8);
- production of approximately 16 Mtpa of ROM coal;
- continued use of the Wilpinjong Coal Mine Coal Handling and Preparation Plant (CHPP) and general coal handling and rail loading facilities and other existing and approved supporting mine infrastructure;



LEGEND

- Mining Lease Boundary
- Exploration Licence Boundary
- Approved/Existing Open Cut and Contained Infrastructure Area
- Approved Block Bank and Cumbo Creek Relocation Disturbance Area
- Approved Elevated In-Pit Waste Rock Emplacement Area
- Existing TransGrid 330 kV ETL
- Enhancement and Conservation Area
- Moolarben Stage 2 (Proposed)

Source: WCPL - Orthophoto (June 2014)

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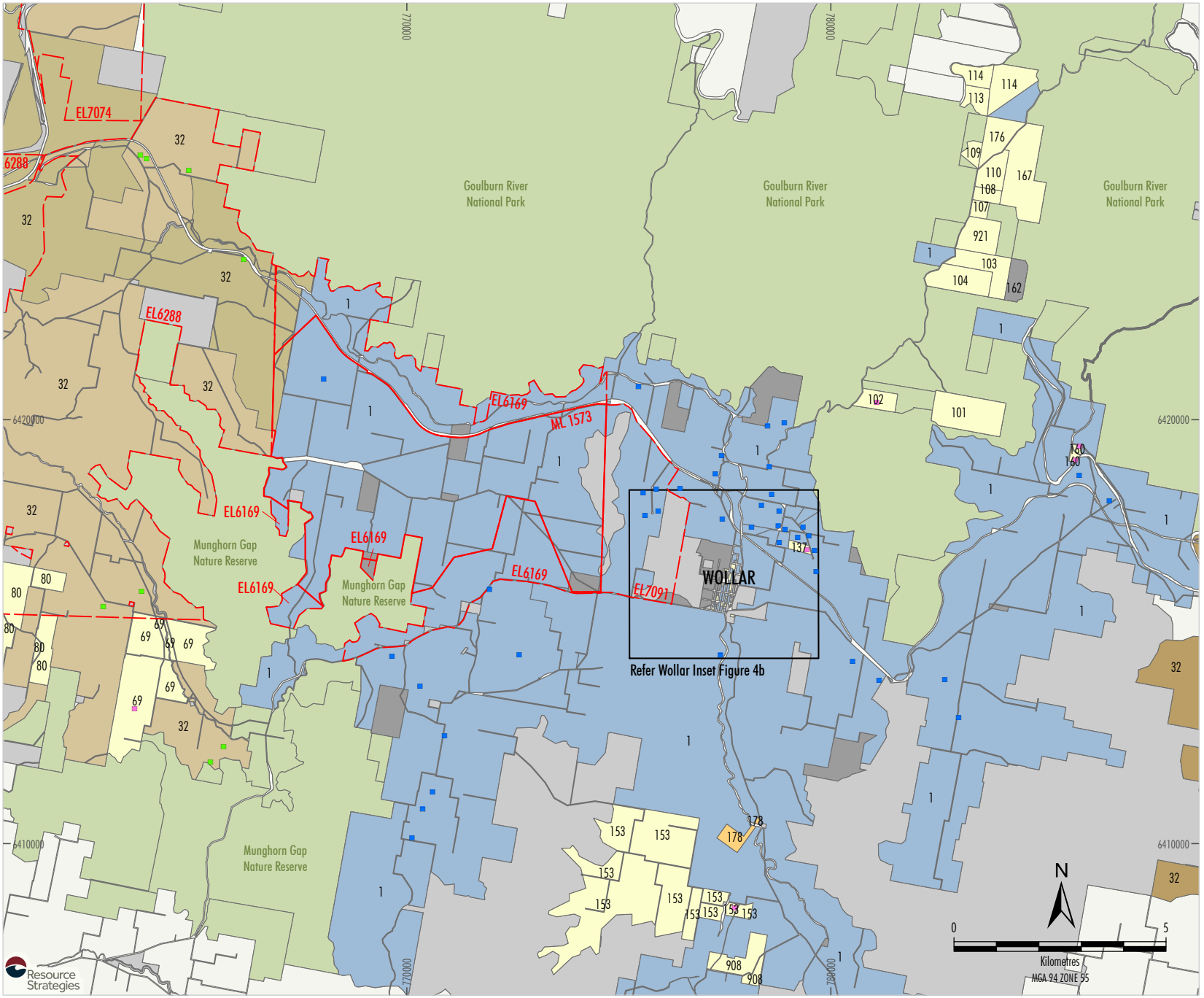
WILPINJONG EXTENSION PROJECT

General Arrangement of the Approved Wilpinjong Coal Mine

Figure 3

WIL-12-12_WEP_PEA_203A



LEGEND

- Mining Lease Boundary
- Exploration Licence Boundary
- Crown Land
- Crown Land (Licence/Special Lease/Reserve)
- National Parks and Wildlife Service
- TransGrid
- Relevant Private Landholders
- Peabody Energy
- Ulan Coal Mine
- Moolarben Coal Mine
- Other Land (Ownership not identified)
- Private Dwelling
- Peabody Energy Dwelling
- Ulan/Moolarben Dwelling

Source: WCPL, 2014; NSW Trade & Investment, 2013; Land & Property Information, 2013

* Refer to Figure 4b for Land Ownership List.

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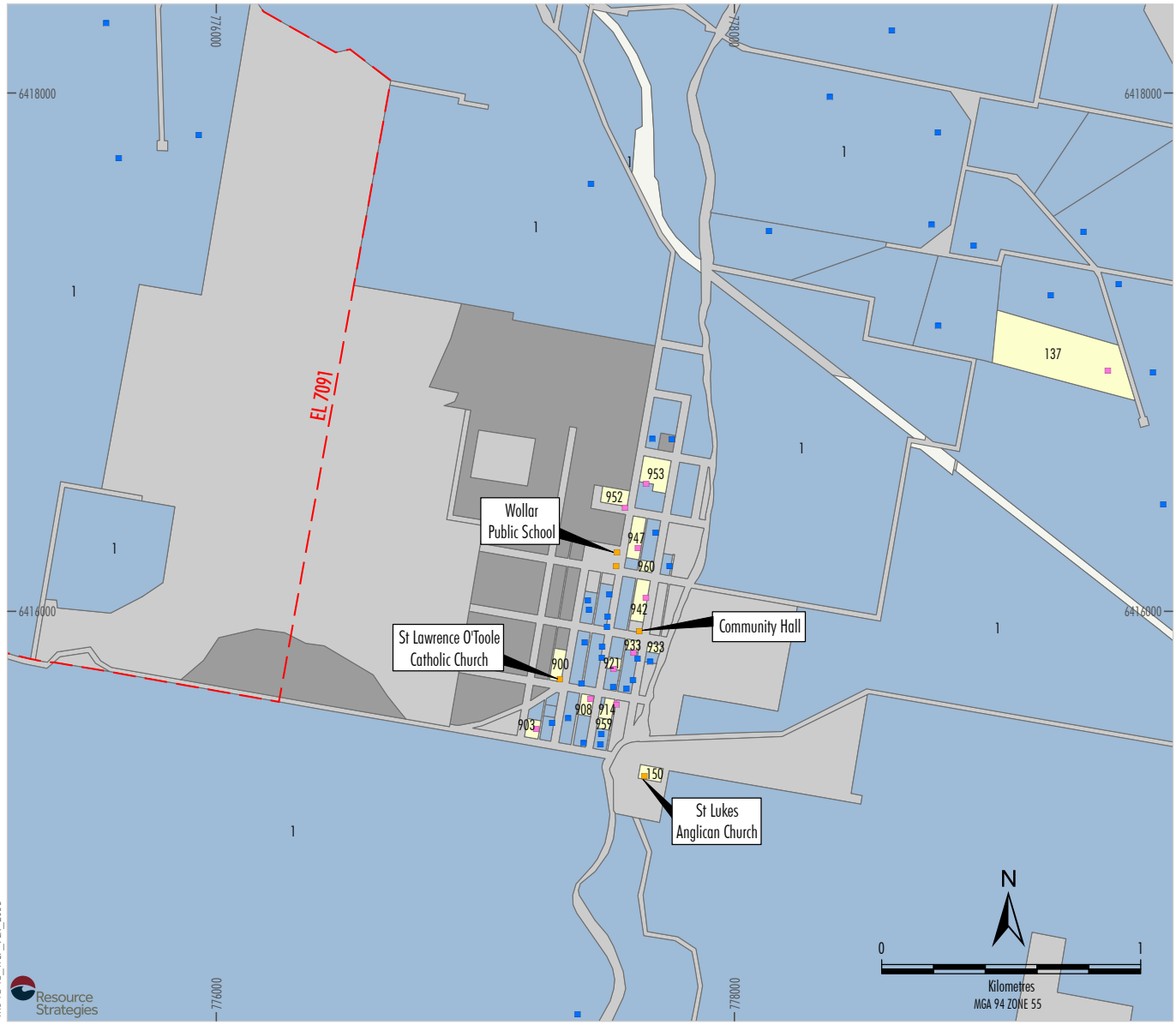
WILPINJONG EXTENSION PROJECT

Relevant Land Ownership Plan*

Figure 4a

WIL-12-12_WEP_PEA_204D



REF No	LANDHOLDER
1	Peabody Energy
32	Ulan/Moolarben/Cascade Coal Controlled Land
69	DJ & JG Stokes
80	RB Cox
101	NAB Pierce
102	W Filipczyk
103	MR Molloy
104	J & I Hartig
107	RJ Lee
108	Crosse
109	MO Vaisey
110	PA Crosse

REF No	LANDHOLDER
113	AJ Brett & S & D Hilt
114	C Ware & N Parker
137	A & C Chetcuti
150	E Tindale, A McDonald, W Wilson
153	TW Marskell
160	B Smiles & A Smiles-Schmidt
162	Special lease 1969/7 Daniel Ponton
167	G Jaques
176	S Rayner
178	TransGrid
900	Catholic Church

REF No	LANDHOLDER
903	M Hardiman & D Hogan
908	A & A Lynch
914	PW Nicod & PJ Slade
921	EH Toombs
933	CR Faulkner
942	R & S Schneider
947	S & J Lillis
952	B & D O'Hara
953	B Marshall & R Muller
959	CJ Clarke
960	S Lillis

* Refer to Figure 4a for Land Ownership Plan.

LEGEND

- Exploration Licence Boundary
- Crown Land
- Crown Land (Licence/Special Lease/Reserve)
- Relevant Private Landholder
- Peabody Energy
- Private Dwelling
- Peabody Energy Dwelling
- Community

Source: WCPL, 2014; NSW Trade & Investment, 2013 and Land & Property Information, 2013

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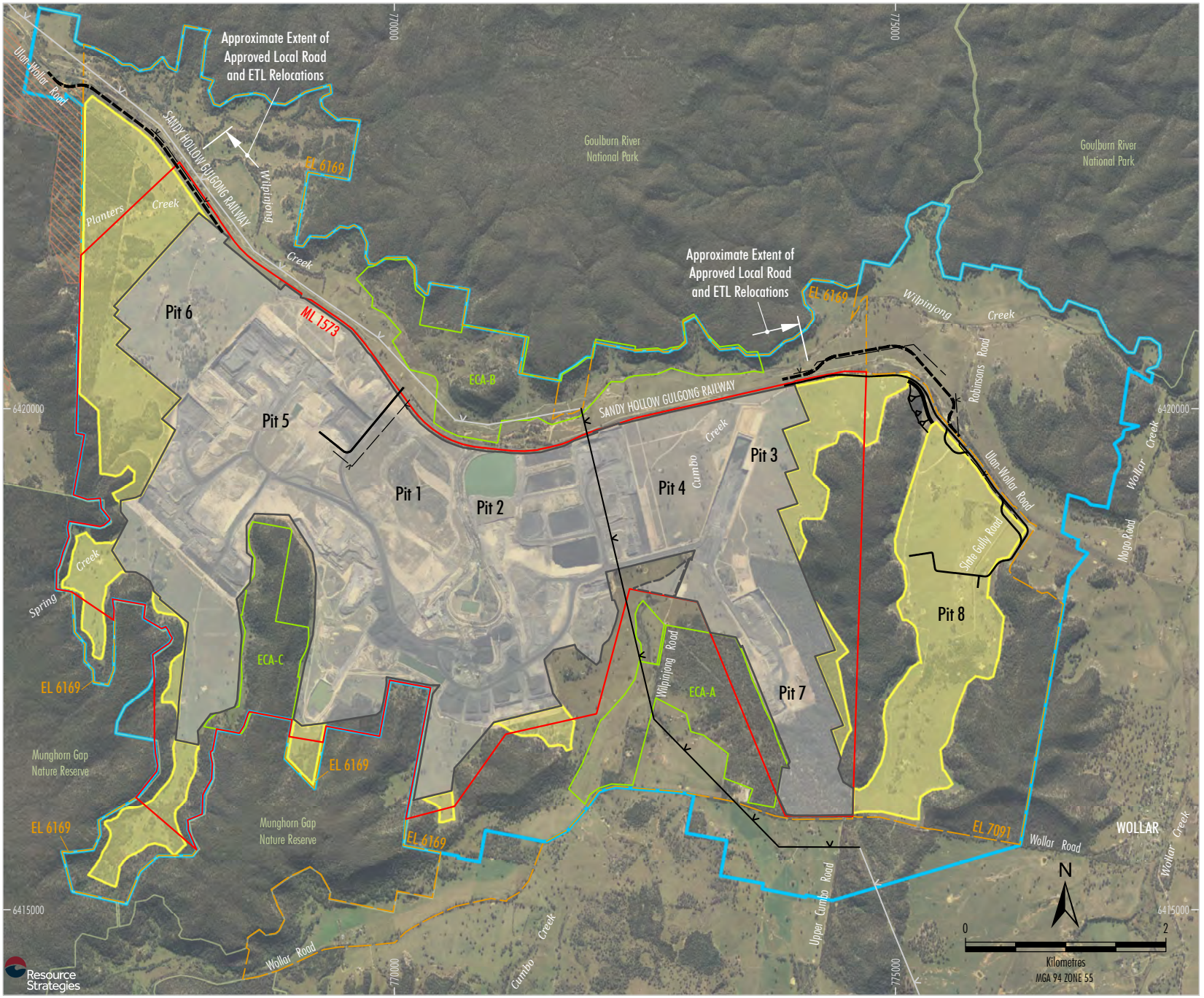
WILPINJONG EXTENSION PROJECT

Wollar Inset and Relevant Land Ownership List*

Figure 4b



LEGEND

- Mining Lease Boundary
- Exploration Licence Boundary
- Provisional Development Application Area
- Approved/Existing Open Cut and Contained Infrastructure Area
- Approved Block Bank and Cumbo Creek Relocation Disturbance Area
- Proposed Open Cut Extension Area
- Proposed Public Road Realignment
- Proposed Pit 3/8 Haul Road
- Proposed Service Road
- Proposed Local ETL Realignment/Relocation
- Existing TransGrid 330 kV ETL
- Proposed Relocated TransGrid 330 kV ETL
- Enhancement and Conservation Area
- Moolarben Stage 2 (Proposed)

Source: WCPL (2014); WCPL - Orthophoto (June 2014)

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WILPINJONG EXTENSION PROJECT

Project General Arrangement

Figure 5

WIL-12-12_WEP_PEA_206C

- production and rail transport of approximately 13 Mtpa of thermal product coal to domestic and export customers (within existing maximum and annual average daily rail limits);
- relocation of a section of the TransGrid Wollar to Wellington 330 kilovolt (kV) electricity transmission line (ETL) to facilitate mining in Pit 8;
- various local infrastructure relocations to facilitate the mining extensions (e.g. realignment of Ulan-Wollar Road and associated rail level crossings, relocation of local ETLs and services);
- construction and operation of additional mine access roads from Ulan-Wollar Road to service new mining facilities located in Pits 5 and 8;
- construction and operation of new ancillary infrastructure in support of mining including mine infrastructure areas, ROM pads, haul roads, electricity supply, light vehicle roads, access tracks, remote crib huts, upslope diversions, dams, pipelines and other water management structures;
- extension of the approved mine life by approximately seven years;
- a peak operational workforce of approximately 625 people;
- ongoing exploration activities; and
- other associated minor infrastructure, plant and activities.

An indicative Project general arrangement, showing the open cut extension areas and key infrastructure relocations is provided on Figure 5.

Additional summary details on the main Project components are provided in Section 3.

2 LOCAL AND REGIONAL CONTEXT

2.1 LOCATION

The Project is located in the Western Coalfield (Figure 1), some 40 km north-east of Mudgee between the Munghorn Gap Nature Reserve and the Goulburn River National Park (Figure 2).

The Project open cut extensions are located within ML 1573, EL 6169 and EL 7091 (Figure 5).

Peabody Energy owns the freehold land within ML 1573 and EL 7091 and the vast majority of freehold land within EL 6169. A number of large areas of crown land are also located within ML 1573 and EL 7091 and are typically located on elevated ridgelines separating largely cleared valley floors (Figures 3, 4a and 4b).

A preliminary Schedule of Lands for the Project Development Application Area[1] (Figure 5) is provided in Attachment A. The Development Application Area is wholly within the Mid-Western Regional LGA.

2.2 LAND USE

The Development Application Area is located in a rural area characterised by existing mining development and low intensity grazing on native and improved pastures.

Additional land uses in the vicinity of the Project include rural residential development, National Park and Nature Reserve to the north and south of ML 1573 and the village of Wollar.

The majority of the valley floors within the Development Application Area have been cleared as part of past land use practices.

Existing and/or approved/proposed development in and immediately surrounding the Development Application Area includes (Figures 2 and 3):

- electrical transmission infrastructure (including the Wollar to Wellington 330 kV line located in Slate Gully and to the north of the site);
- the approved Wilpinjong Coal Mine;
- the Moolarben Coal Complex incorporating the proposed mining development associated with the Moolarben Coal Project Stage 2 proposal;
- the Sandy Hollow-Gulgong Railway; and
- Wollar Road, Ulan-Wollar Road and other minor roads including Slate Gully Road.

Other operational and approved mining and energy resource developments in the vicinity of the Development Application Area also include:

- the existing approved Ulan Mine Complex (Figure 2); and
- the Cobbora Coal Project that is located approximately 65 km north-west of Mudgee and is yet to be developed.

Kingsgate Consolidated Limited has also obtained Director General's Requirements for preparation of an Environmental Impact Statement (EIS) for the proposed Bowdens Silver Project that is located approximately 25 km east of Mudgee (Figure 2).

In addition, KEPCO Bylong Australia has obtained Secretary's Environmental Assessment Requirements for preparation of an EIS for the proposed Bylong Coal Project that is located at Bylong, approximately 55 km north-east of Mudgee (Figure 2).

2.3 TOPOGRAPHY AND WATER RESOURCES

The topography of the Development Application Area is dominated by narrow gently undulating valley floors, separated by elevated landforms associated with vegetated ridges, escarpments and the dissected landforms of the adjoining Goulburn River National Park and Munghorn Gap Nature Reserve.

The topography of the Project open cut extension areas ranges in elevation from approximately 360 metres (m) in the north of Pit 8 to approximately 510 m Australian Height Datum in the south of Pit 5. The topography of ML 1573 has been modified by the approved operations of the Wilpinjong Coal Mine, including the development waste rock emplacement landforms and the open cuts.

The Wilpinjong Coal Mine is located in the greater Wollar Creek catchment, which drains to the Goulburn River approximately 10 km to the north-east of EL 7091.

[1] The Development Application Area may be subject to change following detailed engineering and mine planning, environmental assessment and consideration of alternatives conducted for the EIS.

Wilpinjong Creek is located to the north of the approved open cuts and flows into Wollar Creek approximately 4 km downstream of the confluence of Cumbo and Wilpinjong Creeks. The approved Wilpinjong Coal Mine includes the relocation of Cumbo Creek, a tributary of Wilpinjong Creek.

The Wilpinjong Coal Mine area and surrounds contain sedimentary rocks, including coal measures, of Permian and Triassic age.

Two distinct groundwater systems have been identified at the Wilpinjong Coal Mine (HydroSimulations, 2014):

- Alluvial groundwater system – associated primarily with Wilpinjong Creek.
- Porous rock groundwater system - the Narrabeen Group sandstones and the Illawarra Coal Measures, consisting of coal seams, conglomerate, mudstones and siltstones.

The NSW Office of Water has identified a portion of the alluvial aquifer associated with Wilpinjong Creek and downstream of the Wilpinjong Coal Mine as 'highly productive'.

2.4 STRATEGIC AGRICULTURAL LAND STATUS

Based on NSW Government mapping (2014) provided in the *State Environmental Planning Policy (Mining, Petroleum Production and Extractive Industries) 2007* (Mining SEPP) no regionally mapped Biophysical Strategic Agricultural Land (BSAL) or Critical Industry Clusters are located in the vicinity of the Wilpinjong Coal Mine.

Clause 50A (2) of the EP&A Regulation and Part 4AA of the Mining SEPP require that for any proposed mining areas where a new ML is required, the Development Application for the Project must be accompanied by either a current Gateway Certificate or a Site Verification Certificate (that certifies that the land on which the proposed development is to be carried out is not BSAL).

WCPL lodged an application for a Site Verification Certificate with the Department of Planning & Environment in August 2014 for potential future mining areas within EL 6169 and EL 7091 in accordance with Division 3 of the Mining SEPP.

A Site Verification Certificate for the Wilpinjong Coal Mine was subsequently issued by the Secretary of the Department of Planning & Environment on 17 October 2014, certifying that the land within the application area is not BSAL.

2.5 ENVIRONMENTALLY SENSITIVE AREAS

A preliminary investigation of environmentally sensitive areas of State significance (as defined in the *State Environmental Planning Policy (State and Regional Development) 2011* [State and Regional Development SEPP]) with respect to the Project has identified the following:

- The Development Application Area is not within coastal waters of the State.
- No lands protected or preserved under *State Environmental Planning Policy No. 14 - Coastal Wetlands* or *State Environmental Planning Policy No. 26 - Littoral Rainforests* occur within the Development Application Area.
- No lands reserved as an aquatic reserve under the NSW *Fisheries Management Act, 1994* or as a marine park under the NSW *Marine Parks Act, 1997* occur within the Development Application Area.
- No lands within a wetland of international significance declared under the Ramsar Convention on Wetlands or lands within a World Heritage area declared under the World Heritage Convention occur in or near the Development Application Area.
- No part of the Development Application Area is mapped as "Moderate or High Biodiversity Sensitivity" under the *Mid-Western Regional Local Environmental Plan 2012* (Mid-Western Regional LEP). No lands identified in an Environmental Planning Instrument as being of high Aboriginal cultural significance have been identified within the Development Application Area at this stage.
- No lands, places, buildings or structures listed on the State Heritage Register under the *Heritage Act, 1977* occur within the Development Application Area.
- No lands declared as critical habitat under the NSW *Threatened Species Conservation Act, 1995* or *Fisheries Management Act, 1994* occur within the Development Application Area.

The Development Application Area adjoins the Goulburn River National Park in the north and the Munghorn Gap Nature Reserve in the south (Figure 5). These lands are reserved under the *National Parks and Wildlife Act, 1974.*

Three Enhancement and Conservation Areas (ECAs) under a voluntary conservation agreement with the NSW Minister administering the *National Parks and Wildlife Act, 1974* are also located in the Development Application Area for the Project (Figure 5).

3 PROJECT SUMMARY AND JUSTIFICATION

The Project is a proposed continuation and extension of open cut mining operations at the Wilpinjong Coal Mine for an additional operational life of approximately seven years.

WCPL is seeking approval from the NSW Minister for Planning for Development Consent under Division 4.1 of Part 4 of the EP&A Act for the Project. It is proposed to surrender the existing Wilpinjong Coal Mine Project Approval 05-0021 if the Project is approved with conditions satisfactory to the Proponent.

Table 1 provides a comparative summary of activities associated with the Project compared to the existing approved Wilpinjong Coal Mine, and the proposed Modification 6 that is currently being assessed by the Planning Assessment Commission.

Additional descriptions of key Project components are provided below.

3.1 PROPONENT

WCPL (ABN 87 104 594 694) is the proponent for the Project. The contact details for WCPL are:

Wilpinjong Coal Pty Limited
100 Melbourne Street
SOUTH BRISBANE QLD 4101

The Wilpinjong Coal Mine website is:

http://www.peabodyenergy.com/content/405/Australia-Mining/New-South-Wales/Wilpinjong-Mine

The Wilpinjong Coal Mine is located at 1434 Ulan-Wollar Road, Wilpinjong NSW 2850.

3.2 EXPLORATION ACTIVITIES, GEOLOGICAL FEATURES AND COAL RESOURCE

Exploration at Wilpinjong has occurred since the early 1950s when the Joint Coal Board first developed cored boreholes in the area. Since acquiring the Wilpinjong Coal Mine in 2006 Peabody Energy have completed over 330 boreholes (including a series of boreholes in the proposed open cut extension areas).

Geological exploration activities would continue to be undertaken over the life of the Project as input to detailed mine planning and engineering studies to refine the understanding of geological structures and coal quality.

The Project is located in the north-western part of the Sydney Basin (Figure 1) in the Western Coalfield. The Illawarra Coal Measures, consisting of conglomerate, mudstones, siltstones and coal seams, contain the coal seams mined by the Wilpinjong Coal Mine.

The Wilpinjong Coal Mine primarily mines the Ulan Coal Seam, however, the overlying Moolarben Seam M4 ply is also mined as ROM coal where it occurs and is economic to do so. Both of these seams would also be mined by the Project.

The Ulan Coal Seam typically ranges from 14 to 16 m thick. The Ulan Coal Seam plies have an average raw ash content of 17 to 34 percent (Palaris, 2014) and are broken into five key working sections (A12, B, D, E, G) that are separated by recognised partings.

The various plies of the Ulan Coal Seam and the M4 ply of the Moolarben Coal Seam are either washed in the Wilpinjong Coal Mine CHPP or are crushed and report directly to product coal.

The Wilpinjong Coal Mine produces a range of domestic and export thermal coals with varying ash contents to meet product specifications and this would continue for the Project.

Coal Resource

As at 30 June 2014 the remaining proved and probable open cut ROM coal reserves in ML 1573, EL 7091 and EL 6169 were approximately 198 million tonnes (Mt) (Palaris, 2014).

3.3 PROJECT ACTIVITIES

Existing Wilpinjong Coal Mine Facilities and Infrastructure

The Project would include the continued use of the existing Wilpinjong Coal Mine infrastructure and facilities for handling, processing and transportation of coal by rail.

Table 1
Summary Comparison of the Wilpinjong Coal Mine and Wilpinjong Extension Project

Component	Approved Wilpinjong Coal Mine	Modification 6 (Proposed)	Wilpinjong Extension Project
Mining Method	• Open cut mining operation extracting ROM coal.	• Unchanged.	• Unchanged.
Open Cut Extent	• Six open cut pits and associated contained infrastructure area comprising approximately 1,990 ha.[2]	• Unchanged.	• Eight open cut pits[2], including a new open cut pit in Slate Gully (Pit 8). • Approximately 800 ha of total open cut extensions.
Annual ROM Coal Production	• Up to 15 Mtpa of ROM coal.	• Approximately 16 Mtpa.	• Unchanged (assuming Modification 6 is approved).
Waste Rock Management	• Waste rock deposited predominantly within mined-out voids.	• Unchanged.	• Unchanged.
Annual Waste Rock Production	• Annual waste rock production 33.3 million bank cubic metres (Mbcm).	• Approximately 34.1 Mbcm.	• Approximately 43 Mbcm.
Coal Washing and Handling	• Beneficiation of ROM coal in the CHPP. • Facilities for the handling and stockpiling of both washed and unwashed (bypass) coal.	• Unchanged.	• Unchanged.
Product Coal	• 12.5 Mtpa of thermal product coal for domestic electricity generation and export.	• Approximately 12.6 Mtpa.	• Approximately 13 Mtpa.
Product Coal Transport	• 12.5 Mtpa railed in any calendar year.	• Unchanged.	• Approximately 13 Mtpa[3].
	• An average of six and a maximum of 10 laden trains per day leaving the mine.		• Unchanged.
	• Transport via the Sandy Hollow-Gulgong Railway.		• Unchanged.
Coal Rejects (tailings and coarse rejects)	• Coal rejects placed predominantly within mined-out voids. • Tailings belt press filter to be installed to allow co-disposal of tailings with coarse rejects.	• Unchanged.	• Unchanged.
Water Supply	• 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 a borefield. • Recovery of water from tailings via belt press filter.	• Unchanged.	• Water supply requirements subject to water balance study.
Water Disposal	• Mine water treated in a reverse osmosis plant/water treatment facility and discharged to Wilpinjong Creek in accordance with Environment Protection Licence (EPL) 12425.	• Unchanged.	• Water release requirements subject to water balance study.
Mine Life	• 21 years (from the date of grant of ML1573).	• Unchanged.	• 28 year mine life (seven year extension).
Operational Workforce	• Approximately 550 people.	• Unchanged.	• Approximately 625 people at peak.

[2] Note that for the purposes of WCPL internal mine planning Pit 3 has been divided into two separate pits (Pit 3 in the north and Pit 7 in the south) (Figure 3).

[3] WCPL will maintain existing approved daily train movements and seek removal of the annual product coal railing limit.

The Project would include all activities approved pursuant to the existing Wilpinjong Coal Mine Project Approval (05-0021) and the continued use of all relevant existing or approved supporting infrastructure and facilities.

Development Activities

The Project would largely comprise open cut extensions that would extend the life of the Wilpinjong Coal Mine by seven years. These open cut extensions would require the relocation of some existing public and private infrastructure and the development of general facilities and infrastructure in support of mining.

While construction would occur at a number of stages over the life of the operation, the major construction period would be in the first 12 to 18 months of the Project.

The following provides a summary of the main construction activities associated with the Project.

Extension of Ulan-Wollar Road Relocations

The approved Wilpinjong Coal Mine includes the relocation of Ulan-Wollar Road in both the east and west of the mine and the relocation of two associated road/rail level crossings.

As the Project would further extend the open cuts including the development of Pit 8, additional local road relocations would be required (Figure 5).

To maintain public road access ahead of mining, it is anticipated that the road relocations would be undertaken in stages. This would involve the sealing of a remaining un-sealed section of Ulan-Wollar Road and provision of a replacement sealed causeway crossing of Cumbo Creek.

Extension to Relocations of Local Electricity Transmission Lines and Services

The approved Wilpinjong Coal Mine includes the relocation of local 22 kV ETLs in both the east and west of the mine. The mine also required the development of an additional 66 kV ETL to supply power to the site.

As the Project would further extend the open cuts including the development of Pit 8, sections of these local ETLs would also require relocation and/or extension (Figure 5).

Additional services that are associated with the ETLs or Ulan-Wollar Road corridor (e.g. Telstra fibre optical cables) would also be relocated as a component of the Project in advance of mining.

Relocation of the Wollar to Wellington TransGrid 330 kV ETL

Since approval of the Wilpinjong Coal Mine, TransGrid has constructed the Wollar to Wellington 330 kV ETL that is located in Slate Gully and to the north of the Sandy Hollow-Gulgong Railway (Figure 3).

As the Project would include the development of an open cut in Slate Gully (Pit 8), this ETL requires relocation (Figure 5).

In order to minimise the potential land disturbance associated with the relocation it is proposed to realign the 330 kV ETL over the backfilled waste rock emplacement of the Wilpinjong Coal Mine (Figure 5).

Pit 3/8 Haul Road

The existing Pit 3 haul road would be extended to access the north-west corner of Pit 8 at the commencement of mining in Slate Gully.

Due to local topography and the open cut design construction of this road would involve development of a cutting on the northern point of the ridgeline separating Pits 3 and 8 (Figure 5).

Satellite ROM Coal Stockpiles

To reduce the size of the central ROM coal stockpile and to manage haul truck travel distances the Project would utilise a number of satellite ROM pads to service the more distant open cut areas. These satellite ROM pads would be located within the proposed open cut limits and would be detailed in the EIS.

Mine Infrastructure Areas and Mobile Plant

Additional satellite mine infrastructure areas would be developed to service mining activities in Pit 8 and Pits 5 and 6. These areas would be accessed from sealed service roads with associated intersections with Ulan-Wollar Road and would reduce the number of staff accessing the central mine facilities area.

Delivery and assembly of Project additional mobile plant would be undertaken on site hardstand areas.

Other development activities that would occur over the life of the Project would include:

- Progressive development and augmentation of dams, pumps, pipelines, upslope diversions, drains, storages and other water management equipment and structures.

- Progressive development of haul roads, light vehicle access roads and services.
- Relocation of public infrastructure and services.
- Construction and installation of ancillary infrastructure (e.g. internal roads, electrical infrastructure, potable water supply, sewage treatment, site communications, remote crib huts and security).
- Replacement and/or upgrades to open cut mining and coal handling and processing machinery.

The expected location of infrastructure would be determined through detailed mine planning, environmental assessment outcomes and consideration of alternatives, and would be documented in the EIS.

Open Cut Mining Operations

The Project would involve mining ROM coal from the Ulan Coal Seam and Moolarben Coal Seam using open cut mining methods.

As described in Section 1.3, the open cut mining operation would produce approximately 16 Mtpa of ROM coal and would also require the mining of approximately 43 Mbcm of waste rock (Table 1).

The longer haul distances to the central mine facilities area and the increased rate of waste rock production associated with the Project would require increases to the current mobile fleet (i.e. an additional excavator, up to approximately 10 additional haul trucks and associated ancillary equipment).

Open cut mining activities would continue to be undertaken 24 hours per day, seven days per week.

During the development of the EIS and over the life of the Project, the proposed open cut mining parameters may vary to account for factors that include: localised geological features; mine economics; coal market demand; detailed mine design considerations; technical advances; and adaptive management.

Coal Reject Management

At the Wilpinjong Coal Mine coarse coal reject material is hauled back to the mining operation and deposited below the natural surface in the mined-out voids. A tailings belt press filter will also be installed at the CHPP to allow the co-disposal of tailings with coarse reject as a component of general ROM waste emplacement operations.

Consistent with the approved Wilpinjong Coal Mine both coarse and fine CHPP reject material would continue to be emplaced within the open cut voids before being progressively capped with overburden material to a minimum depth of cover of 2 m prior to final profiling and rehabilitation.

Water Management

The existing site water balance model would be updated for the Project as part of the EIS.

The Project water management strategy would be developed as part of the detailed site water balance model and would be based on the following:

- separation of undisturbed area runoff from disturbed area runoff;
- collection and reuse of surface runoff from disturbed areas;
- capture of pit inflows and reuse as process water;
- storage of water on-site;
- licensed water extraction to supplement water supply; and
- treatment of water in the Wilpinjong Coal Mine water treatment plant and release to Wilpinjong Creek in accordance with the site EPL.

Power Supply

Power supply infrastructure for the Project open cut extensions and ancillary infrastructure would be extended as required from the existing 66 kV and 22 kV electricity lines already located at the site.

Enhancement and Conservation Areas

The three existing ECA areas (Figure 3) are not proposed to be mined as part of the Project.

Two of the ECAs (i.e. ECA-A and ECA-B) would need to be modified slightly to accommodate the proposed relocation of the TransGrid 330 kV ETL (Figure 5) (i.e. short sections of ETL easement through these areas would be required and some clearing and land disturbance would be required for ETL construction within the easement).

Compensatory ECA areas would be identified for these easements, so the total area of the Wilpinjong Coal Mine ECAs would be maintained in accordance with the existing Project Approval.

Other Activities

Other activities that would be conducted as a component of the Project include environmental monitoring, communications, and development of other associated minor infrastructure, plant, equipment and activities.

3.4 EMPLOYMENT

The existing Wilpinjong Coal Mine operational workforce of approximately 550 WCPL employees and full-time equivalent on-site contractors would require augmentation with approximately 75 additional people (i.e. total of approximately 625 people in peak periods).

During specific activities over the life of the Project additional contract construction and maintenance workforces would also be required. It is currently estimated that this may require approximately 100 people at peak times in the first 12 to 18 months of the Project.

3.5 PROJECT JUSTIFICATION OVERVIEW

Alternatives Considered

Alternatives to the proposed Project including the location, scale, mining methods, mining and processing rates have been considered by WCPL along with the option of not proceeding with the Project. An overview of some considerations is provided below:

- **Project Location** – the presence of coal seams able to be economically mined in the vicinity of the Wilpinjong Coal Mine and within WCPL's mining tenements determines the location of the Project. The Project maximises the use of WCPL's existing CHPP and other supporting facilities and provides new mining areas that are largely contiguous with approved mining areas (i.e. thereby potentially minimising new disturbance areas).
- **Scale** – the Project open cut extensions are estimated to provide access to approximately 96 Mt of additional ROM coal. Resource definition and exploration drilling conducted by WCPL to date indicates that this is the optimum scale of the Project within WCPL's existing mining tenements.
- **Mining Method** – the shallow coal seams relative to the land surface and the relatively low strip ratios means that the coal resource is highly amenable to open cut mining methods and not well suited to underground methods.
- **Mining and Processing Rate** – WCPL has considered employing a range of mining and processing rates for the Project. However, in consideration of existing coal handling and processing facilities, coal quality and the physical locations of the open cut extension areas, WCPL has opted to continue to target ROM coal production of approximately 16 Mtpa, and approximately 13 Mtpa of product coal would be railed off-site.

As a component of comprehensive assessment undertaken for the EIS, further analysis and consideration of a range of alternatives would be undertaken (including not proceeding with the Project, the extent of the mine and coal transport options).

Project Justification

The Project would facilitate the continued employment of some 550 employees and full-time equivalent contractors and the direct employment of an additional 75 people during peak operational periods.

The Project would also result in the continued payment of developer contributions to the Mid-Western Regional Council, as well as royalty payments to the State of NSW and other tax payments.

WCPL is a positive contributor to the local and regional community and this would continue to 2033 under the Project.

Further justification of the Project on social and economic grounds, including consideration of the principles of Ecologically Sustainable Development and consideration of the significance of the resource, will be included in the EIS.

4 PLANNING CONSIDERATIONS

4.1 APPLICABILITY OF DIVISION 4.1 OF PART 4 OF ENVIRONMENTAL PLANNING AND ASSESSMENT ACT 1979

Development Consent for the Project will be sought under the State Significant Development provisions (Division 4.1) under Part 4 of the EP&A Act. It is proposed to surrender the existing Wilpinjong Coal Mine Project Approval 05-0021 if the Project is approved with conditions satisfactory to the Proponent.

The EP&A Act and EP&A Regulation set the framework for planning and environmental assessment in NSW.

Under section 89C of the EP&A Act a class of development such as mining may be declared as State Significant Development. Clause 8 of the State and Regional Development SEPP provides that the development is declared to be State Significant Development for the purposes of the EP&A Act if:

- the development on the land concerned is, by the operation of an environmental planning instrument, not permissible without development consent under Part 4 of the EP&A Act, and
- the development is specified in Schedule 1 or 2.

Pursuant to Clause 7 of the Mining SEPP the Project is permissible with development consent under Part 4 of the EP&A Act.

Item 5 of Schedule 1 of the State and Regional Development SEPP provides:

> ***5 Mining***
>
> *(1) Development for the purpose of mining that:*
>
> *(a) is coal or mineral sands mining …*

is State Significant Development for the purposes of the EP&A Act.

The Project is development for the purpose of coal mining (Section 3.2) and therefore will be State Significant Development. Development Consent will be sought from the NSW Minister for Planning.

4.2 PLANNING PROVISIONS

State Environmental Planning Policies

The following State Environmental Planning Policies (SEPPs) may potentially be relevant to the Project:

- Mining SEPP;
- *State Environmental Planning Policy (Infrastructure) 2007*;
- *State Environmental Planning Policy No. 33 (Hazardous and Offensive Development)* (SEPP 33);
- *State Environmental Planning Policy No. 44 - Koala Habitat Protection*; and
- *State Environmental Planning Policy No. 55 (Remediation of Land)*.

Relevant provisions and objectives of the above SEPPs would be considered in the preparation of the EIS.

Local Environmental Plans

The Development Application Area is within the Mid-Western Regional LGA (Figure 2), which is covered by the Mid-Western Regional LEP.

The Mid-Western Regional LEP is discussed further in Section 4.4.

Mining Act, 1992

WCPL will lodge Mining Lease Applications separately with the NSW Division of Resources and Energy (DRE) (within the NSW Department of Trade and Investment, Regional Infrastructure and Services [NSW Trade & Investment]) for the Project.

Under the NSW *Mining Act, 1992*, environmental protection and rehabilitation are regulated by conditions included in all MLs, including requirements for the submission of a Mining Operations Plan prior to the commencement of operations, and subsequent Annual Environmental Management Reports.

Under section 89K(1)(c) of the EP&A Act, if the Project is approved as State Significant Development, MLs granted under the *Mining Act, 1992* that are required for carrying out the Project cannot be refused and are to be substantially consistent with any Development Consent granted under Division 4.1 of Part 4 of the EP&A Act.

Protection of the Environment Operations Act, 1997

The NSW *Protection of the Environment Operations Act, 1997* (PoEO Act) and the NSW *Protection of the Environment Operations (General) Regulation, 2009* set out the general obligations for environmental regulation in NSW.

The Wilpinjong Coal Mine currently operates under EPL 12425 granted under the PoEO Act. The EPL contains conditions which relate to emission and discharge limits, environmental monitoring and reporting. It is expected that the Project would, if approved, necessitate a variation of EPL 12425.

Roads Act, 1993

If the Project is approved, WCPL would apply for the necessary consents under section 138 of the NSW *Roads Act, 1993* associated with road relocations and development of new mine access road intersections with Ulan-Wollar Road.

Under section 89K(1)(f) of the EP&A Act, if the Project is approved as State Significant Development, consent under section 138 of the *Roads Act, 1993* that is required for the Project, cannot be refused and is to be substantially consistent with any Development Consent granted under Division 4.1 of Part 4 of the EP&A Act.

It would also be necessary to close public access to Slate Gully Road and purchase the underlying land from Mid-Western Regional Council in accordance with the requirements of the *Roads Act, 1993*.

Commonwealth Environment Protection and Biodiversity Conservation Act, 1999

The Project will be referred to the Commonwealth Minister for the Environment for consideration as to whether the Project is a 'Controlled Action' and requires approval under the EPBC Act.

Commonwealth Native Title Act, 1993

The Commonwealth *Native Title Act, 1993* (CNTA) provides for the recognition and protection of Native Title rights in Australia. The CNTA provides a mechanism to determine whether Native Title exists and what the rights and interests are that comprise that Native Title. The process is designed to ensure that indigenous people who profess an interest in the land (or any part thereof) have the opportunity to express this interest formally, and to negotiate with the Government and the applicant about the proposed grant or renewal, or consent to access Native Title land.

The *Mining Act, 1992* must be administered in accordance with the CNTA. The primary effect of the CNTA on exploration and mining approvals is to provide Native Title parties with 'Rights to Negotiate' about the grant and some renewals by governments of exploration and mining titles.

The CNTA, where applicable, would be complied with in relation to the granting of any necessary mining tenements for the Project.

4.3 PLANNING STRATEGIES

The following strategic planning documents would be considered in the planning of the Project and the preparation of the EIS:

- *Upper Hunter Strategic Regional Land Use Plan* (NSW Government, 2012a) (and the *Central West Strategic Regional Land Use Plan*, when finalised);
- *Central Tablelands Local Land Services Transitional Catchment Action Plan* (Local Land Services, 2013); and
- *Mid-Western Regional Comprehensive Land Use Strategy* (Mid-Western Regional Council, 2010).

4.4 PERMISSIBILITY OF THE PROJECT

Section 89E of the EP&A Act provides that development consent may not be granted under Division 4.1 of Part 4 if the development is *wholly* prohibited by an environmental planning instrument, but may be granted despite the development being *partly* prohibited by an environmental planning instrument.

Clause 4 of the Mining SEPP relevantly provides that the policy applies to the State, and Clause 5(3) of the Mining SEPP gives it primacy where there is any inconsistency between the provisions in the SEPP and the provisions in any other environmental planning instrument (subject to limited exceptions).

Clause 5(3) relevantly provides:

> ***5 Relationship with other environmental planning policies***
>
> *(3) …if this Policy is inconsistent with any other environmental planning instrument, whether made before or after this Policy, this Policy prevails to the extent of the inconsistency.*

The practical effect of Clause 5(3) for the Project is that if there is any inconsistency between the provisions of the Mining SEPP and those contained in the Mid-Western Regional LEP, the provisions of the Mining SEPP will prevail.

Clauses 6 and 7 of the Mining SEPP provide what types of mining development are permissible without development consent and what types are permissible only with development consent.

In this regard, Clause 7(1) states:

> ***7 Development permissible with consent***
>
> *(1) Mining*
>
> *Development for any of the following purposes may be carried out only with development consent:*
>
> *(a) underground mining carried out on any land,*
>
> *(b) mining carried out:*
>
> *(i) on land where development for the purposes of agriculture or industry may be carried out (with or without development consent), or*
>
> *(ii) on land that is, immediately before the commencement of this clause, the subject of a mining lease under the Mining Act 1992 or a mining licence under the Offshore Minerals Act 1999*,
>
> *(c) mining in any part of a waterway, an estuary in the coastal zone or coastal waters of the State that is not an environmental conservation zone,*
>
> *(d) facilities for the processing or transportation of minerals or mineral bearing ores on land on which mining may be carried out (with or without development consent), but only if they were mined from that land or adjoining land,*
>
> ...

The word "mining" in the Mining SEPP is given an extended definition in Clause 3(2) as follows:

> ***mining** means the winning or removal of materials by methods such as excavating, dredging, or tunnelling for the purpose of obtaining minerals, and includes:*
>
> *(a) the construction, operation and decommissioning of associated works; and*
>
> *(b) the stockpiling, processing, treatment and transportation of materials extracted, and*
>
> *(c) the rehabilitation of land affected by mining.*

The permissibility of the Project under the Mid-Western Regional LEP is described below.

The majority of the land within the provisional Project Development Application Area is within the RU1 Primary Production zone. Under the Land Use Table for this zone, “open cut mining” is permissible with consent on lands zoned RU1 Primary Production.

Within ML 1573 and EL 7091 there are also a number of areas that are zoned E3 Environmental Management. Under the Land Use Table for this zone, “open cut mining” is also permissible with consent on lands zoned E3 Environmental Management.

Within EL 7091 there is an area along Slate Gully Road that is zoned R5 Large Lot Residential and along the Sandy Hollow-Gulgong Railway there is an area zoned SP2 Infrastructure (Rail Infrastructure Facilities) where open cut mining is taken to be prohibited under the Mid-Western Regional LEP.

However, under the Mid-Western Regional LEP Land Use Table “extensive agriculture” is permissible without consent in both the R5 Large Lot Residential and SP2 Infrastructure zones.

Clause 7(1)(b)(i) of the Mining SEPP provides that development for the purposes of "mining" may be carried out with development consent on land where development for the purposes of agriculture may be carried out with or without development consent. Therefore while open cut mining in these zones is taken to be prohibited under the Mid-Western Regional LEP, the Mining SEPP provides that mining can be carried out with consent on these lands.

Accordingly, the Minister would not be precluded from granting development consent under section 89E of the EP&A Act for the Project in respect of those parts of the Project land where open cut mining is prohibited under the Mid-Western Regional LEP.

5 PRELIMINARY ENVIRONMENTAL ASSESSMENT

5.1 OVERVIEW

The following preliminary environmental assessment has been prepared to identify the key potential environmental issues associated with the construction and operation of the Project. This information has been prepared to assist the Department of Planning & Environment with issuing of the SEARs for the Project under Clause 3 of Schedule 2 of the EP&A Regulation.

This preliminary environmental assessment has drawn on:

- understanding of the local and regional context (Section 2) and the Project (Section 3);
- feedback from stakeholder consultation undertaken to date;
- baseline environmental data;
- experience from the existing Wilpinjong Coal Mine and previous environmental management and approvals processes throughout NSW; and
- a preliminary risk assessment.

The preliminary environmental assessment involved the following steps:

1. **Identification of Potential Issues –** Consideration of how the Project is likely to affect the physical or biological aspects of the environment; natural or community resources; environmentally sensitive areas; areas allocated for conservation purposes; and areas sensitive because of community factors.
2. **Identification of Key Potential Environmental Issues –** Based on the results of the preliminary risk assessment, what are the priority issues, considering the extent of the potential impacts; the nature of the potential impacts; and the potential impacts on environmentally sensitive areas.
3. **Preliminary Consideration of the Study Requirements** – Each of the key environmental issues identified above were considered with respect to the level and scope of assessment that would be required for the EIS. Preliminary strategies to address the key impacts were also identified.

The key environmental issues identified are provided in Table 2 with a preliminary list of study requirements to address these issues.

Recognised specialists will be commissioned to conduct the studies outlined in Table 2, and independent peer review will be conducted for select key studies.

5.2 LEVEL AND SCOPE OF ASSESSMENT

In addition to consideration of the key potential environmental issues (Table 2), the following environmental aspects would also be addressed as a component of the EIS to consider other potential issues:

- road transport;
- agricultural resources;
- land contamination;
- visual amenity;
- geochemistry;
- rehabilitation; and
- preliminary hazard analysis in accordance with SEPP 33.

Assessment of the key potential environmental issues (Table 2) and the other potential impacts identified above would include consideration of:

- existing environment using sufficient baseline data;
- potential impacts of all stages of the Project including relevant cumulative impacts;
- measures that could be implemented to avoid, mitigate, rehabilitate/remediate, monitor and/or offset the potential impacts of the Project; and
- contingency plans and/or adaptive management for managing any potentially significant residual risks to the environment.

Some preliminary strategies to address each of the key environmental issues are presented in Table 2. These strategies would be developed and refined through the assessment process. Detail on the proposed measures would be presented in the EIS.

Assessments for the EIS would consider applicable policies, guidelines and plans included in contemporary SEARs for major mining projects. Therefore, these policies, guidelines and plans have not been repeated within this document.

Table 2
Key Potential Environmental Issues, Required Level and Scope of Environmental Assessment and Preliminary Strategies to Address Potential Impacts

Key Potential Environmental Issue	Likely Extent and Nature of Potential Impacts	Proposed Level and Scope of Environmental Assessment	Preliminary Strategies to Address Potential Impacts (To be refined during detailed Impact Assessment)
Noise and blasting impacts on the surrounding community and proximal infrastructure.	• Potential noise and blasting impacts resulting from Project mining activities, including on private residences located in the village of Wollar. • Potential blasting impacts from Project mining activities, including on proximal public and private infrastructure.	• Modelling and assessment of potential noise impacts as a result of mining operations, including consideration of road and rail traffic noise. • Modelling of blasting impacts, based on the expanded extent of the open cuts. • Assessment of potential cumulative impacts resulting from the Project and nearby mines. • Investigation of measures to avoid, mitigate and/or monitor the potential impacts of the Project.	• Reasonable and feasible mitigation measures on-site to minimise noise generation during construction and operation. • Implementation of the Noise Management Plan and associated real-time noise monitoring network and operational controls. • Acquisition of some properties and negotiated agreements with some landowners. • Acoustical mitigation at receivers where required (which may include measures such as enhanced glazing, insulation and/or air-conditioning), in consultation with the relevant landowner. • Blast management measures in accordance with the Blast Management Plan, including the alteration of blast designs to meet applicable criteria.
Air quality impacts on the surrounding community.	• Potential air quality impacts resulting from Project mining activities, including on private residences located in the village of Wollar. • Potential spontaneous combustion emissions (odour) resulting from the self heating of Project ROM coal or carbonaceous waste rock materials.	• Modelling and assessment of potential particulate matter impacts as a result of Project activities. • Assessment of potential cumulative impacts resulting from the Project and nearby mines. • Consideration of the propensity of carbonaceous materials to self heat. • Investigation of measures to avoid, mitigate and/or monitor the potential impacts of the Project.	• Best practice mitigation measures to minimise dust generation during construction and operation. • Implementation of the Air Quality Management Plan and associated real-time particulate matter monitoring network and operational controls. • Implementation of a Spontaneous Combustion Management Plan and associated measures for the management of coal and carbonaceous waste rock materials.
Impacts on groundwater resources.	• Increased depressurisation of aquifers as a result of the expansion of open cut mining. • Potential cumulative reduction in baseflow contributions to local watercourses or increased leakage from local watercourses. • Potential impacts of final voids.	• Groundwater assessment, including numerical modelling of potential impacts on groundwater users and baseflow contributions to local watercourses, and consideration of the Aquifer Interference Policy (NSW Government, 2012b). • Investigation of measures to avoid, mitigate, monitor and/or offset the potential impacts of the Project.	• Implementation of the Groundwater Monitoring Program and Surface and Groundwater Response Plan to mitigate, monitor and manage potential impacts on groundwater resources. • Appropriate licensing in accordance with the legislative requirements of the *Water Management Act, 2000* and the *Water Act, 1912*.

Table 2 (Continued)
Key Potential Environmental Issues, Required Level and Scope of Environmental Assessment and Preliminary Strategies to Address Potential Impacts

Key Potential Environmental Issue	Likely Extent and Nature of Potential Impacts	Proposed Level and Scope of Environmental Assessment	Preliminary Strategies to Address Potential Impacts (To be refined during detailed Impact Assessment)
Impacts on surface water resources.	• Potential impacts on hydrology and surface drainage regimes, including localised effects on water quality and/or persistence of low flows. • Potential impacts associated with increased excision of catchment reporting to Wilpinjong Creek and associated downstream watercourses. • Potential impacts associated with the ongoing release of treated mine water to Wilpinjong Creek and associated downstream watercourses. • Potential impacts of final voids.	• Detailed site water balance for the Project, including a salinity budget. • Development of a water management strategy for the life of the Project and assessment of potential impacts as a result of site water management. • Groundwater assessment, including numerical modelling of potential impacts on baseflow contributions to local watercourses. • Surface water assessment of potential impacts of predicted catchment excision and changes in baseflow contribution. • Investigation of measures to avoid, mitigate, monitor and/or offset the potential impacts of the Project.	• Ongoing development of upslope diversions to minimise the catchment area reporting to mine storages. • Investigation of opportunities for reuse or beneficial use of site water as well as off-site discharge. • Water management strategy for the Project based on regular reviews of the site water balance. • Erosion and sediment control during construction and operation. • Implementation of the Surface Water Monitoring Program and Surface Water and Groundwater Response Plan to mitigate, monitor and manage potential impacts on surface water resources. • Appropriate licensing in accordance with the legislative requirements of the *Water Management Act, 2000* and the *Water Act, 1912*. • Appropriate licensing in accordance with the legislative requirements of the PoEO Act.
Impacts on biodiversity.	• Potential impacts resulting from additional vegetation and fauna habitat clearance and further alteration to local streamflow regimes. • Potential indirect effects on adjoining reserves.	• Assessment of potential impacts on critical habitats, threatened species, populations, ecological communities, and aquatic ecology. • Investigation of measures to avoid, mitigate, monitor and/or offset the potential impacts of the Project.	• Development of an offset strategy in accordance with the *NSW Biodiversity Offsets Policy for Major Projects* (Office of Environment and Heritage, 2014). • Progressive rehabilitation of site disturbance areas, including the establishment of native vegetation. • Implementation of the Biodiversity Management Plan to mitigate, monitor and manage potential impacts on biodiversity.

Table 2 (Continued)
Key Potential Environmental Issues, Required Level and Scope of Environmental Assessment and Preliminary Strategies to Address Potential Impacts

Key Potential Environmental Issue	Likely Extent and Nature of Potential Impacts	Proposed Level and Scope of Environmental Assessment	Preliminary Strategies to Address Potential Impacts (To be refined during detailed Impact Assessment)
Impacts on Aboriginal and non-Aboriginal heritage.	• Direct impacts on items of Aboriginal heritage or Aboriginal cultural values or on items of non-Aboriginal heritage. • Potential indirect effects (e.g. blasting vibration) on items of Aboriginal heritage or non-Aboriginal heritage.	• Assessment of significance and impacts on items of Aboriginal heritage and Aboriginal cultural values in accordance with NSW Department of Environment, Climate Change and Water (DECCW) (2010a; 2010b) and NSW Department of Environment and Conservation (2005). • Assessment of impacts on items of non-Aboriginal heritage, including a Statement of Heritage Impact, in accordance with relevant Heritage Branch guidelines. • Investigation of measures to avoid, mitigate, remediate, monitor and/or offset the potential impacts of the Project.	• Consideration of assessment outcomes during detailed mine planning (e.g. locations of Aboriginal and non-Aboriginal heritage sites). • Involvement of Aboriginal stakeholders during the assessment and operational phase. • Surface disturbance protocols (including salvage or demarcation of sites where applicable). • Development and implementation of management plans to mitigate, monitor and manage potential impacts on Aboriginal and non-Aboriginal heritage.
Social and community infrastructure impacts.	• Potential impacts on amenity, noise, air quality and transport and proximity of mining to Wollar village.	• Assessment of potential impacts on air quality, noise and traffic. • Completion of a Social Impact Assessment, including interviews with participating proximal private landholders and assessment of potential impacts on community infrastructure. • Investigation of measures to avoid, mitigate, remediate, monitor and/or offset the potential impacts of the Project.	• Reasonable and feasible mitigation measures on-site to minimise noise and dust generation during construction and operation. • Development and implementation of reasonable and feasible management and mitigation measures for social and amenity issues. • Continued community contributions of the Wilpinjong Coal Mine.
Cost-benefit analysis and impacts on the regional and NSW economy.	• Employment of a peak of approximately 75 additional personnel during the operational phase (approximately 625 total), plus flow-on effects to the regional and NSW economy. Additional contractor employment associated with Project construction activities. • Ongoing payment of royalties to the State and other tax payments. • Environmental externalities.	• Economic assessment of potential impacts on the regional and NSW economy and a cost-benefit analysis. • Project justification, including consideration of alternatives, principles of ecologically sustainable development and the objects of the EP&A Act. • Consideration of the significance of the coal resource.	• Strategies to increase local employment and support of local businesses. • Continued community contributions of the Wilpinjong Coal Mine.

6 STAKEHOLDER CONSULTATION

6.1 CONSULTATION UNDERTAKEN TO DATE

Consultation undertaken to date in relation to the Project has included:

- Consultation with proximal local landholders regarding the Project, either specifically or when consulting on other operational matters (and where relevant, access for exploration and environmental baseline studies).
- Consultation with representatives of the DRE regarding ongoing exploration activities in ML 1573, EL 7091 and EL 6169.
- Ongoing consultation with the Department of Planning & Environment regarding the status of the Project and the lodgement of this request for SEARs.
- A Conceptual Project Development Plan meeting with representatives of the DRE on 17 September 2014. In response to this meeting, the DRE wrote to the Department of Planning & Environment to state that the Project could progress to the development assessment and approvals stage.
- Overview briefings on the Project to a number of NSW Government agencies (e.g. Environment Protection Authority) when consulting on operational matters for the existing Wilpinjong Coal Mine.
- Briefings of representatives of the Mid-Western Regional Council on the Project when consulting on operational matters for the existing Wilpinjong Coal Mine.
- Ongoing consultation with the Aboriginal community regarding the Project Aboriginal cultural heritage assessment.
- Ongoing consultation with Ulan Coal Mines Limited, Moolarben Coal Mines Pty Limited and Mid-Western Regional Council on the implementation of the Ulan Road Strategy, that will result in significant upgrades to Ulan Road.
- Ongoing consultation with the Wilpinjong Coal Mine Community Consultative Committee.

6.2 STAKEHOLDER ENGAGEMENT PROGRAMME

A stakeholder engagement programme has been developed for the Project. Key objectives of this programme are to:

- inform government and public stakeholders about the progress and nature of the Project;
- recognise and respond to local interest or concerns regarding the Project; and
- continue the ongoing dialogue between the Wilpinjong Coal Mine, local landholders and the Community Consultative Committee.

The issues raised and outcomes of the stakeholder engagement programme will be reported in the EIS.

The EIS consultation programme will include the use of a variety of consultation mechanisms such as:

- public availability of key documents (e.g. this request for SEARs and the EIS);
- provision of Project information on the Wilpinjong Coal Mine website (Section 3.1);
- ongoing consultation with the local community, business owners and landowners, including through the existing Community Consultative Committee;
- meetings with the general community including Aboriginal groups and directly affected landowners;
- consultation with potentially affected infrastructure owners and relevant nearby resource companies;
- meetings with relevant government agencies; and
- community newsletters and community information session.

The consultation will include, but not necessarily be limited to, the following government agencies and authorities:

- Department of Planning & Environment;
- Office of Environment and Heritage (including the Heritage Branch);
- NSW Environment Protection Authority;
- NSW Trade & Investment (including the DRE);

- Department of Primary Industries (including the NSW Office of Water and Agriculture NSW);
- Transport for NSW (including the Roads and Maritime Services);
- Mid-Western Regional Council; and
- Commonwealth Department of the Environment.

Consultation with the Australian Rail Track Corporation and coal chain operators would be undertaken to discuss the continuation of approved Wilpinjong Coal Mine rail movements. Consultation would also be conducted with relevant port operators.

Consultation with the Aboriginal community would continue to be conducted in consideration of the requirements of the *Aboriginal Cultural Heritage Consultation Requirements for Proponents 2010* (DECCW, 2010b).

6.3 COMMUNITY CONTRIBUTIONS

WCPL makes financial and in-kind contributions to a number of non-government and community organisations in the region and this would continue for the Project.

Examples of recent financial contributions have included support for local emergency services (i.e. Rural Fire Brigades), contributions to regional schools, support to local health services and national medical research programs, promotion initiatives with the local tourism industry and disability services support.

7 REFERENCES

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NSW Government (2012a) *Upper Hunter Strategic Regional Land Use Plan.* Released September 2012.

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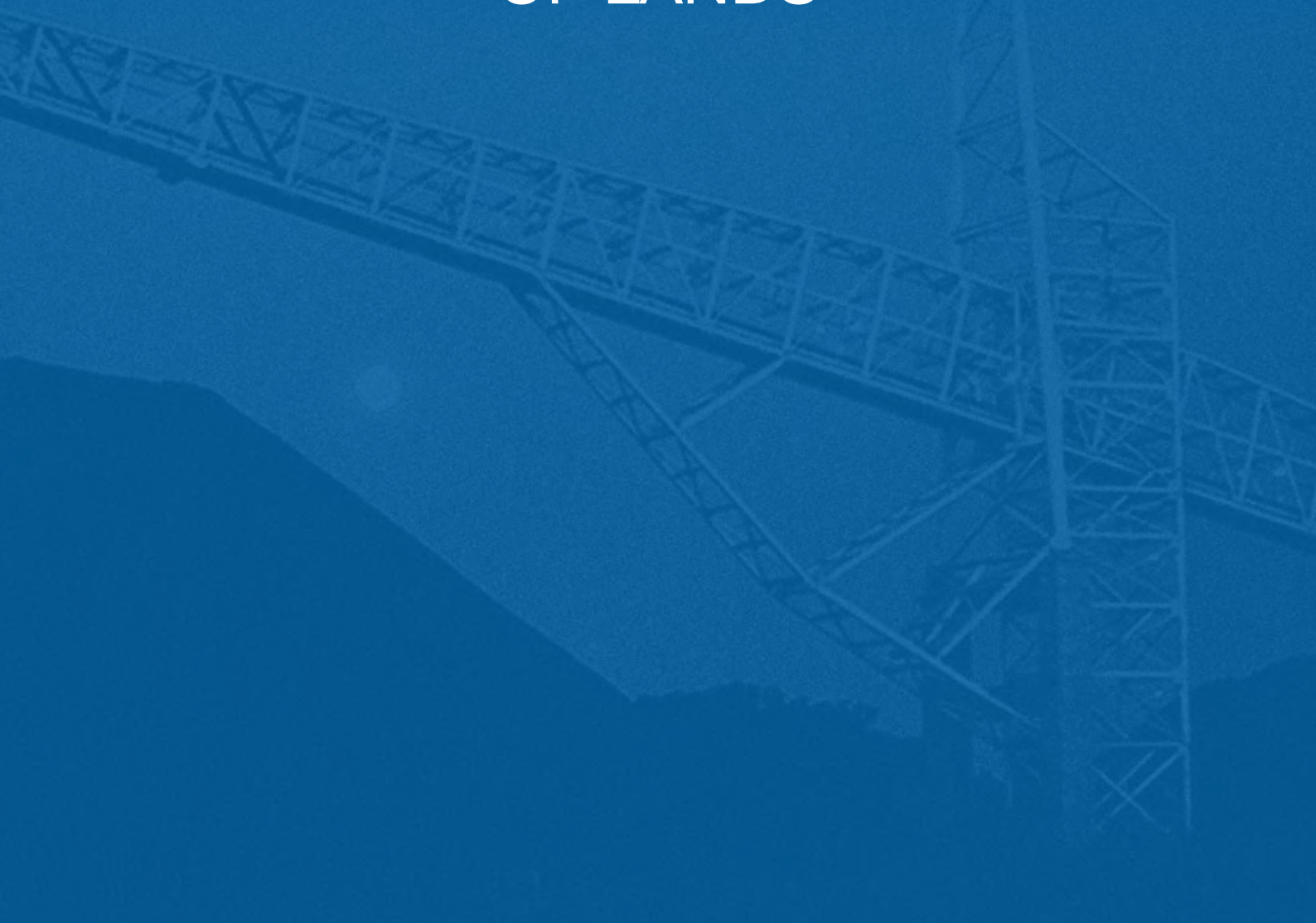
ATTACHMENT A
PRELIMINARY SCHEDULE OF LANDS



Tenure Type	Lot Number	Deposited Plan Number
Freehold	49	DP755454
Freehold	9	DP755454
Freehold	5	DP755454
Freehold	109	DP755454
Freehold	72	DP755454
Freehold	48	DP755454
Freehold	184	DP755425
Freehold	68	DP755454
Freehold	5	DP703225
Freehold	6	DP755454
Freehold	2	DP720305
Freehold	17	DP755454
Freehold	1	DP653565
Freehold	114	DP42127
Freehold	11	DP703223
Freehold	31	DP755454
Freehold	26	DP755454
Freehold	123	DP755425
Freehold	10	DP755454
Freehold	6	DP703225
Freehold	47	DP755454
Freehold	19	DP755454
Freehold	37	DP755454
Freehold	1	DP703224
Freehold	183	DP755425
Freehold	12	DP703223
Freehold	182	DP755425
Freehold	23	DP755454
Freehold	18	DP755454
Freehold	45	DP755454
Freehold	87	DP755425
Freehold	27	DP755454
Freehold	13	DP703223
Freehold	15	DP755454
Freehold	196	DP755425
Freehold	13	DP755454
Freehold	95	DP755425
Freehold	46	DP755454
Freehold	12	DP755454
Freehold	88	DP755425
Crown	91	DP755425
Freehold	1	DP112124
Freehold	90	DP755425
Freehold	122	DP755425
Freehold	24	DP755454
Freehold	124	DP755425
Freehold	3	DP755454
Freehold	14	DP755454
Freehold	156	DP755425

Tenure Type	Lot Number	Deposited Plan Number
Freehold	22	DP755454
Freehold	104	DP755454
Freehold	1	DP727117
Freehold	10	DP703223
Freehold	94	DP755425
Freehold	1	DP728756
Freehold	195	DP755425
Freehold	1	DP724617
Freehold	93	DP755425
Freehold	11	DP755454
Freehold	69	DP755454
Freehold	43	DP583255
Freehold	35	DP755454
Freehold	122	DP724655
Freehold	44	DP583255
Freehold	42	DP583255
Freehold	59	DP755454
Freehold	100	DP755454
Freehold	50	DP755454
Freehold	30	DP755454
Freehold	41	DP583255
Crown	123	DP724655
Freehold	92	DP755425
Crown	7302	DP1138926
Crown	115	DP42127
Freehold	3	DP583254
Freehold	71	DP755425
Freehold	55	DP755425
Freehold	56	DP755425
Freehold	4	DP122991
Freehold	6	DP250053
Freehold	58	DP755425
Freehold	125	DP755425
Freehold	139	DP755425
Freehold	34	DP755425
Freehold	187	DP755425
Freehold	57	DP755425
Freehold	146	DP755455
Freehold	141	DP755425
Freehold	7	DP122991
Freehold	116	DP755425
Freehold	54	DP755425
Freehold	11	DP122991
Freehold	5	DP122991
Freehold	149	DP755425
Freehold	83	DP755425
Freehold	188	DP755425
Freehold	161	DP755425
Freehold	78	DP755425

Tenure Type	Lot Number	Deposited Plan Number
Freehold	107	DP755425
Freehold	105	DP755425
Freehold	18	DP755425
Freehold	5	DP250053
Freehold	2	DP122991
Freehold	85	DP755455
Freehold	26	DP755425
Freehold	6	DP122991
Freehold	152	DP755425
Freehold	9	DP122991
Freehold	132	DP755425
Crown	233	DP723412
Freehold	79	DP755425
Freehold	138	DP755455
Freehold	160	DP723767
Freehold	14	DP755425
Freehold	3	DP122991
Freehold	53	DP755425
Freehold	7	DP250053
Freehold	40	DP755425
Freehold	151	DP755425
Freehold	8	DP122991
Freehold	153	DP755425
Freehold	4	DP250053
Freehold	1	DP431744
Freehold	150	DP755425
Freehold	106	DP755425
Freehold	13	DP755425
Freehold	3	DP250053
Freehold	49	DP755425
Freehold	157	DP755425
Freehold	80	DP755425
Freehold	148	DP755425
Freehold	25	DP755425
Freehold	52	DP755425
Freehold	76	DP755425
Freehold	27	DP755425
Freehold	10	DP122991
Freehold	2	DP250053
Freehold	46	DP755425
Freehold	50	DP755425
Freehold	75	DP755425
Freehold	9	DP755425
Freehold	59	DP755425
Freehold	144	DP755425
Freehold	73	DP755455
Freehold	35	DP755425
Freehold	1	DP250053
Freehold	136	DP755425

Tenure Type	Lot Number	Deposited Plan Number
Freehold	134	DP755425
Freehold	135	DP755425
Freehold	142	DP755425
Freehold	145	DP755425
Freehold	140	DP755425
Freehold	137	DP755425
Freehold	86	DP755455
Freehold	51	DP755455
Freehold	160	DP755425
Freehold	186	DP755425
Freehold	44	DP755425
Freehold	110	DP755454
Freehold	1	DP583254
Freehold	37	DP755425
Freehold	3	DP755425
Freehold	128	DP755425
Freehold	45	DP755425
Freehold	1	DP1078866
Crown	161	DP723767
Crown	147	DP755425
Crown	77	DP755425
Freehold	12	DP755425
Crown	234	DP723412
Crown	97	DP755425
Freehold	66	DP654143
Freehold	1	DP122991
Crown	235	DP723412
Freehold	70	DP755425
Crown	1	DP1139913
Freehold	140	DP755455
Crown	7318	DP1141391
Freehold	146	DP755425
Crown	7008	DP1095457
Freehold	143	DP755425
Freehold	69	DP755455
Freehold	89	DP755455
Freehold	138	DP755425
Freehold	52	DP755455
Crown	159	DP721237
Freehold	96	DP755455
Freehold	11	DP250053
Freehold	94	DP755455
Freehold	12	DP250053
Crown	151	DP755455
Freehold	97	DP755455
Freehold	12	DP122991
Freehold	95	DP755455
Freehold	3	DP430668
Freehold	13	DP122991

Tenure Type	Lot Number	Deposited Plan Number
Freehold	78	DP755455
Freehold	1	DP430668
Freehold	50	DP755455
Freehold	2	DP1071177
Freehold	4	DP755455
Freehold	116	DP755455
Freehold	10	DP250053
Freehold	57	DP755455
Freehold	2	DP430668
Freehold	59	DP755455
Freehold	133	DP755425
Freehold	194	DP755425
Freehold	237	DP724588
Freehold	130	DP755425
Freehold	158	DP755425
Freehold	8	DP755455
Crown	236	DP724588
Crown	63	DP755455
Freehold	99	DP755455
Freehold	9	DP250053

Tenure Type	Lot Number	Deposited Plan Number
Freehold	131	DP755425
Freehold	8	DP250053
Freehold	1	DP755455
Freehold	155	DP755425
Crown	158	DP721237
Crown	7304	DP1141384
Freehold	108	DP755425
Freehold	42	DP755425
Freehold	109	DP755425
Freehold	60	DP755425
Freehold	67	DP755454
Crown	52	DP755454
State Rail Authority (Crown)	Railway lands located between or adjacent to the above parcels of land	
Mid-Western Regional Council or Department of Lands (Crown)	Other roads located between or adjacent to the above parcels of land	
Crown	Creeks or streams located between or adjacent to the above parcels of land	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