



Office of
Environment
& Heritage

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SSD 7142

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Dear Megan

United Wambo Open Cut Coal Mine Project (SSD 7142) – Response to IPC Review

I refer to your e-mail dated 25 July 2018 in which the Department of Planning and Environment (DPE) invited the Office of Environment and Heritage (OEH) to review the proponent's response to the Independent Planning Commission's (IPC's) Review of the project. Further, DPE asked for recommended conditions of consent for this project.

The IPC Review raised nine matters in relation to biodiversity and none in relation to flood risk or threatened biodiversity (Recommendation 22 to Recommendation 30, inclusive). OEH's recommendations in relation to each of nine biodiversity matters of the IPC report are provided in **Attachment A** and detailed comments are provided in **Attachment B**. If you require any further information regarding this matter, please contact Steven Cox, Senior Team Leader Planning, on 4927 3140.

Yours sincerely

SHARON MOLLOY
Director Hunter Central Coast Branch
Regional Operations Division

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Enclosure: Attachments A and B

OEH's recommendations

United Wambo Open Cut Coal Mine Project (SSD 7142) – Response to Independent Planning Commission Review

1. OEH recommends that conditions for pre-clearance surveys for this project, if approved, are based on the 'Guidelines for the mitigation of coal mining impacts on biodiversity' (OEH, 2015).
2. The Department of Industry Water assesses impacts to groundwater dependent ecosystems and therefore OEH has no comment on the proposed monitoring program.
3. OEH is satisfied that the proponent has demonstrated the offset obligations for each of the three stages for this project.
4. OEH is satisfied that the proponent has clarified the project's total offset requirement as 26,625 ecosystem credits and 562 species credits
5. OEH recommends that the 'score with management' value for 'native ground cover (shrubs)' for Vegetation Zone 3 for the Jerrys Plains offset is set to 1.5 and the credit calculator is re-run.
6. OEH recommends that the proponent reviews the mapping of vegetation zones 3 and 4 and considers mapping the areas shown in figure 1 as additional areas of zone 4. Any change to the area of vegetation zones will require the credit calculator to be re-run.
7. OEH is satisfied that the proponent will be able to meet its biodiversity offset obligations using the NSW biodiversity offsetting policy for major projects for stage 1 of the project. The proponent has not provided details of how they will meet the offset obligations for Stages 2 and 3.
8. The proponent has demonstrated it has more the 878 hectares available for ecological restoration.
9. OEH is preparing detailed comment on Umwelt's report on post-mine rehabilitation and the Central Hunter Valley Eucalypt forest and Woodland CEEC, to be provided to the Department of Planning and Environment.

OEH's detailed comments

United Wambo Open Cut Coal Mine Project (SSD 7142) – Response to Independent Planning Commission Review

Biodiversity

1. OEH is satisfied with the proposed approach for pre-clearance surveys

IPC Recommendation - 22 *The commission supports the Department's position regarding pre-clearance surveys and would recommend the development of appropriate conditions of consent.*

OEH notes that the proponent will follow the 'Guidelines for the mitigation of coal mining impacts on biodiversity' (OEH, 2015). OEH supports this approach.

Recommendation 1

OEH recommends that conditions for pre-clearance surveys for this project, if approved, are based on the 'Guidelines for the mitigation of coal mining impacts on biodiversity' (OEH, 2015).

2. Impacts to groundwater dependent ecosystems are regulated by the Department of Industry Water

IPC Recommendation 23 - *The applicant should clearly demonstrate its commitment to monitoring of all GDEs in a manner consistent with what is currently required on the site.*

The Department of Industry Water assesses impacts to groundwater dependent ecosystems and therefore OEH has no comment on the proposed groundwater dependent ecosystem monitoring program.

Recommendation 2

The Department of Industry Water assesses impacts to groundwater dependent ecosystems and therefore OEH has no comment on the proposed monitoring program.

3. OEH is satisfied that the proponent has provided details on the project staging and its offset obligations.

IPC Recommendation 24 - *The applicant must provide further details on project staging accompanied by accurate mapping. The staging must correspond with the project's biodiversity offsetting obligations. The information should include, but not be limited to, a detailed description of each project stage, what it represents and approximate timing, the specific biodiversity offset requirements for each project stage and staging of rehabilitation commitments.*

The project is planned to be constructed in three stages. The offset obligation for each stage has been provided in Table 3.10, and extent of each stage is shown in a map in Figure 3.3 in the response to the IPC Report.

Recommendation 3

OEH is satisfied that the proponent has demonstrated the offset obligations for each of the three stages for this project.

4. OEH is satisfied that the proponent has clarified the project's total offset requirement.

IPC Recommendation 25 - *The applicant and the Department must clarify what the project's total offset requirement is alongside what has been secured at the time of any final determination.*

The proponent has summarised the projects total offset requirements in Tables 3.11 and 3.12 as 26,625 ecosystem credits and 562 species credits.

Recommendation 4

OEH is satisfied that the proponent has clarified the project's total offset requirement as 26,625 ecosystem credits and 562 species credits.

5. Review of the Jerrys Plains Offset Site and the Brosi offset site

IPC Recommendation 26 - *The applicant must provide an assessment of recently secured offset sites (or sites secured subsequent to this report) and update its Biodiversity Offset Strategy. The Department and OEH shall assess the adequacy of any such acquired sites.*

IPC Recommendation 28 - *The Department should confirm the current status of discussions with the Department of Environment and Energy (DoEE) and OEH regarding offset requirements and give consideration to appropriate conditions of consent to reflect agency requirements.*

The two recently-secured additional offset sites, Jerrys Plains Offset Site and the Brosi offset site are described in Appendix 9 of the response to the IPC report. OEH has the two following comments on the proposed additional offset sites that have not yet been resolved with the proponent.

a. A native shrub cover with management setting should be increased

Vegetation Zone 3 of the Jerrys Plains Offset (Slaty Box – Grey Gum shrubby woodland on footslopes of the upper Hunter Valley, Sydney Basin Bioregion) in its current state scores zero (out of three) due to a lack of native shrub cover. The 'score with management' value in the credit calculator for shrub cover increases, by default, to a value of 1.0 for an offset site based on assumed natural recruitment.

However, with active planting, as proposed for this vegetation zone, the 'score with management' should be increased to a default of 1.5. Instead it has been set to zero. Correcting this 'score with management' value will generate some extra ecosystem credits for this vegetation zone when the credit calculator is re-run.

Recommendation 5

OEH recommends that the 'score with management' value for 'native ground cover (shrubs)' for Vegetation Zone 3 for the Jerrys Plains offset is set to 1.5 and the credit calculator is re-run.

b. Some areas of vegetation zone 3 should be mapped as vegetation zone 4

Vegetation Zones 3 (HU818 Moderate/Good condition) and 4 (HU818 Moderate/Good_other) on the Brosi offset have contrasting woody vegetation cover, with Vegetation Zone 3 covering relatively intact forest whereas Vegetation Zone 4 is a derived grassy woodland that has been heavily modified by human activity. OEH has identified about five hectares along the lower margin of vegetation Zone 3 that appear more appropriately mapped as Vegetation Zone 4 (See **Figure 1**, below).

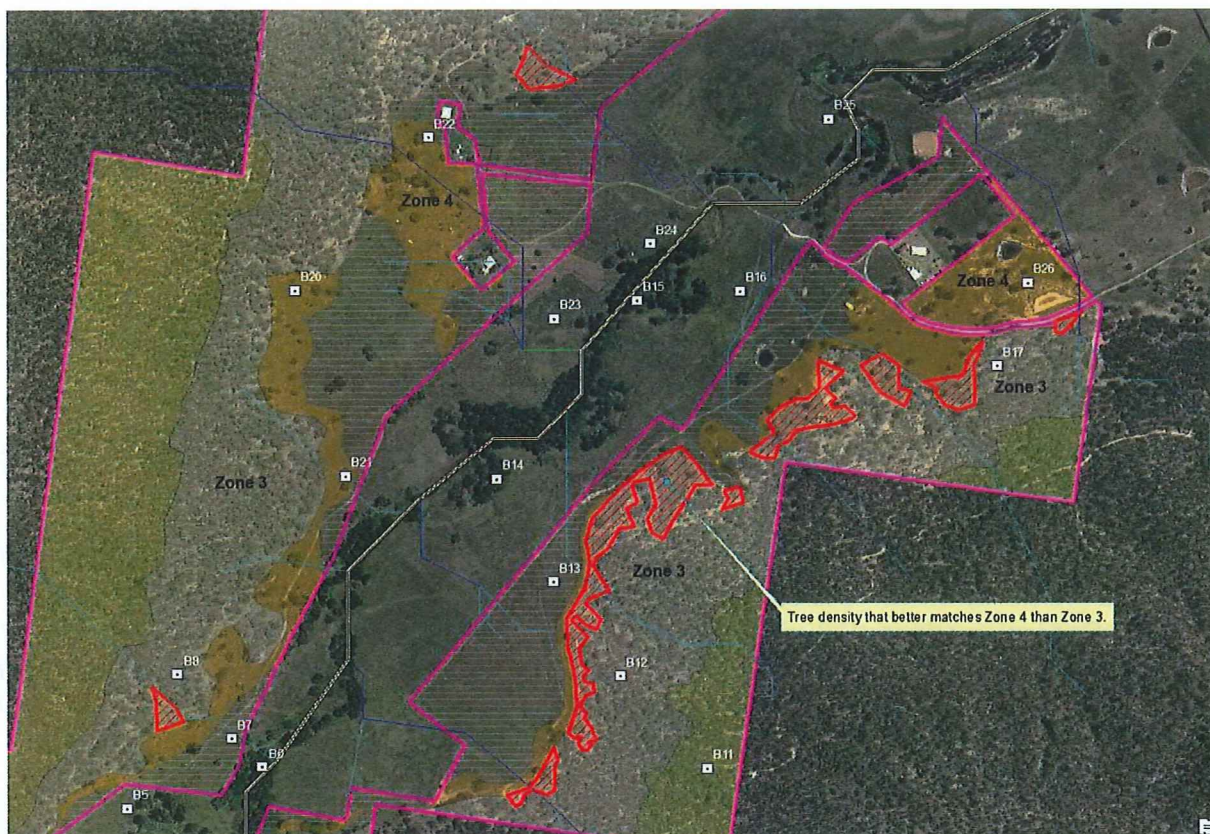


Figure 1. Screen shot of the Brosi offset with nine areas (red hatches outlined in red) where the boundary between Vegetation Zone 3 (pale brown) and Zone 4 (light chestnut brown) requires revision.

Recommendation 6

OEH recommends that the proponent reviews the mapping of vegetation zones 3 and 4 and considers mapping the areas shown in figure 1 as additional areas of zone 4. Any change to the area of vegetation zones will require the credit calculator to be re-run.

6. OEH is satisfied that the proponent will be able to meet its offset obligation for stage 1 of the project using the NSW biodiversity offsets policy for major projects

IPC Recommendation 27 - *The applicant shall demonstrate that it has sufficient offsets secured and/or identified for all stages of the project prior to final determination of the project and a clear and detailed strategy for meeting future unsecured offsetting obligations required under the project. Additionally, assumptions in relation to the probability of purchasing additional offset land based on offsets should be disclosed together with a reconciliation to any historical experience in undertaking such purchases.*

About ninety-two percent of the offset requirements for Stage 1 (21,752 ecosystem credits and 208 species credits) of the project have been secured by the five offset sites (15,902 ecosystem credits) and proposed ecological mine rehabilitation (4,230 ecosystem credits). The proponent states that the remaining eight percent of offset requirements for Stage 1 will be met by either securing other land-based offsets or paying the appropriate amount into the Biodiversity Conservation Fund. The proponent has not provided details of how they will meet the offset obligations for Stages 2 and 3.

Recommendation 7

OEH is satisfied that the proponent will be able to meet its biodiversity offset obligations using the NSW biodiversity offsetting policy for major projects for stage 1 of the project. The proponent has not provided details of how they will meet the offset obligations for Stages 2 and 3.

7. Additional land beyond the proposed 878 hectares of rehabilitation is capable of an equivalent outcome

IPC Recommendation 29 - *The applicant should demonstrate if additional land, beyond the proposed 878 ha of 'credit generating' rehabilitated woodland is capable of equivalent outcome.*

OEH notes that the proponent acknowledges that more land than the 878 hectares slated for ecological restoration is available for further similar rehabilitation. However, the project imposed a 25 per cent limit on the use of rehabilitation in the offset package to satisfy EPBC Act approval conditions.

Recommendation 8

The proponent has demonstrated it has more the 878 hectares available for ecological restoration.

8. The 'Assessment of Mine Rehabilitation against Central Hunter Valley Eucalypt Forest and Woodland (CHVEFW) CEEC' report has some relevance to this project

IPC Recommendation 30 - *The Department and OEH should review the 'Assessment of Mine Rehabilitation Against Central Hunter Valley Eucalypt Forest and Woodland (CHVEFW) CEEC', commissioned by the NSW Minerals Council and prepared by Umwelt and provide advice to the consent authority regarding the report's relevance to the assessment of the project.*

The 'Assessment of Rehabilitation Against Central Hunter Valley Eucalypt forest and Woodland (CHVEFW) CEEC' prepared by Umwelt (Australia) Pty Limited (Umwelt) is a pilot study commissioned by the NSW Minerals Council, that suggests that the CEEC can be recreated on a post-mine landscape. OEH is preparing more detailed comment on Umwelt's report on post-mine rehabilitation and the CHVEFW CEEC, to be provided to the Department of Planning and Environment.

Recommendation 9

OEH is preparing detailed comment on Umwelt's report on post-mine rehabilitation and the Central Hunter Valley Eucalypt forest and Woodland CEEC, to be provided to the Department of Planning and Environment.