

4 October 2024

ARTC REF# 6-0000-260-EEC-00-LT-0317

Alexander Scott
Director, Freight Team
Department of Planning, Housing and Infrastructure
4 Paramatta Square
12 Darcy Street
Paramatta, NSW, 2150

Email: alexander.scott@planning.nsw.gov.au

Dear Alex

CSSI 7474 Narrabri to North Star, Phase 1 (N2NS) Project

Request to Extend the Permitted Time to Meet Biodiversity Offset Obligations Ministers Condition of Approval E18 and A6

I refer to the Ministers Conditions of Approval (**MCoA**) issued for the Critical State Significant Infrastructure (**CSSI**) Project No 7474 Narrabri to North Star, Phase 1 on 13 August 2020 (**N2NS Planning Approval**), and specifically MCoA E18 requiring ARTC (now Inland Rail (**IRPL**)) to meet the biodiversity offset obligations within two (2) years of the **CSSI** approval.

I also refer to **IRPL's** letter (Ref. 6-0000-260-EEC-00-LT-0185) of 28 July 2022 seeking the then Department of Planning and Environment's (the **Department**) agreement to extend the timeframe to meet the N2NS Phase 1 (the **Project**) offset obligations, and the **Department's** correspondence (Ref. SSI-PA-7474_PA-180) dated 3 August 2022 approving an extension of two (2) years to the original date of 13 August 2022 ie., 13 August 2024.

I further refer to **IRPL's** letter (Ref. 6-0000-260-EEC-00-LT-0306) of 14 June 2024 seeking the Department of Planning, Housing and Infrastructure (formerly the Department of Planning and Environment) agreement to further extend the timeframe to meet the **Project** offset obligations, and the **Department's** correspondence (Ref. SSI-PA-7474-PA-259) dated 5 July 2024 approving an extension of two (2) additional months to 13 October 2024.

Since the last approved extension, **IRPL** is pleased to advise that it has continued to make significant progress with sourcing and securing biodiversity credits for the **Project** and achieving a number of important milestones as outlined below.

Australian Rail Track Corporation Limited (**ARTC**) on behalf of **IRPL** paid \$3,776,573.91 on the 26 July 2024 to the NSW Biodiversity Conservation Trust under section 6.33 of the *Biodiversity Conservation Act 2016* for biodiversity offset credits we have been unable to secure in the market for *Digitaria porrecta* (Finger Panic

Inland Rail

Inland Rail Pty Ltd
ACN 094 819 520
ABN 73 094 819 520
Inland Rail is a subsidiary of
Australian Rail Track Corporation

Level 16, 180 Ann Street, Brisbane, QLD
4000
GPO Box 2462, Queen Street, Brisbane,
QLD 4000

1800 732 761
inlandrailenquiries@artc.com.au
inlandrail.com.au

Grass), *Desmodium campylocaulon* (Creeping Tick-trefoil) and *Homopholis belsonii* (Belson's Panic) refer to Attachment 2 for more information.

As previously identified in **IRPL's** letter (Ref. 6-0000-260-EEC-00-LT-0302) of 15 May 2024 to the **Department**, providing the required Six Month Biodiversity Offset Retirement update, several Biodiversity Stewardship Applications (**BSA**) are required to be approved and credits released in order for **IRPL** to meet its biodiversity credits retirement obligations, and as such **ARTC** on behalf of **IRPL** has been successfully able to settle the following **BSAs**:

- "Dandry" on 6 August 2024;
- 'Luckenough' on 3 September 2024; and
- 'Woodend' on 3 September 2024.

For the two remaining **BSA's** **IRPL** has also made considerable progress since July 2024. The 'Keewong' **BSA** is currently ready for signature with the landowner. The 'Strayleaves' **BSA** was signed by the landowner on 5 September 2024 and scheduled for settlement on 29 October 2024.

In parallel to securing the required biodiversity offsets, Revision 10 of the **Project** Biodiversity Development Assessment Report (**BDAR**) was approved by the **Department** on 2 August 2024 (Ref. SSI-7474-PA-260) under **MCoA** E19. **IRPL** on behalf of **ARTC** received an updated Statement of Equivalence for the **Project** based on Revision 10 of the **BDAR** on 25 September 2024.

Once all of the remaining **BSA's** have been settled and the Statement of Equivalence has been received, **IRPL** can then retire the required biodiversity credits. This process is anticipated to commence mid to late November 2024 and take approximately four (4) to six (6) weeks. Due to the proximity to the Christmas / New Year holiday period during December 2024 / January 2025 and the reliance on third parties to undertake the remaining activities to complete the retirement of the remaining biodiversity credits for the **Project**, it is anticipated these works will now not be completed before the middle of February 2025.

Noting the timeframes above for the residual biodiversity offset transactions in accordance with the provisions of **MCoA** A6, **IRPL** formally seeks the agreement from the Planning Secretary to extend the timeframe to meet **IRPL's** offset obligations by an additional 4-month period to the current approved retirement date under **MCoA** E18 through to 13 February 2025.

In the mean time, **IRPL** continues to prioritise finalisation of the remaining **Project BSA** applications, revised Statement and Equivalence and retiring the required biodiversity credits. We will continue to keep the **Department** updated and will endeavour to retire the credits as soon as practical.

If you wish to discuss any of the above further, please contact Tina Stewart, Head of Environment on tstewart@inlandrail.com.au or 0438 339 075 or myself on pborrelli@inlandrail.com.au or 0407 254 363

Yours sincerely



Peter Borrelli
IRPL Project Director – N2NS
4 October 2024

Attachment 1: Summary of Progress Meeting Credit Obligations and Residual Credit Obligation Remaining

Attachment 2: Statement confirming payment into the Biodiversity Conservation Fund for an offset obligation

Attachment 1 Summary of Progress Meeting Credit Obligations and Residual Credit Obligation Remaining

OFFSET OBLIGATION (PCT & OTG)	CREDIT OBLIGATION		CREDIT GENERATING STEWARDSHIP SITE & SUBREGION	ALLOCATED CREDITS FOR RETIREMENT ¹	STATUS
Zone 1 - PCT 27 (BR233, NA219) Weeping Myall open woodland of the Darling Riverine Plains Bioregion and Brigalow Belt South Bioregion Myall Woodland in the Darling Riverine Plains, Brigalow Belt South, Cobar Peneplain, Murray-Darling Depression, Riverina and NSW South Western Slopes bioregions	9 Northern Basalts Does not contain HBT	Obligation Met	"Keewong" Castlereagh-Barwon	9	ARTC owned property. BSA with ARTC for signing.
	275 Northern Outwash Does not contain HBT	Obligation Met	"Keewong" Castlereagh-Barwon	275	
Zone 2 - PCT 35 (BR120, NA117) Brigalow - Belah open forest / woodland on alluvial often gilgaied clay from Pilliga Scrub to Goondiwindi, Brigalow Belt South Bioregion Brigalow within the Brigalow Belt South, Nandewar and Darling Riverine Plains Bioregions	345 Northern Outwash Contains HBT	Obligation Met	"Luckenough" Pilliga Outwash	58	Transaction settled, credits owned by ARTC.
			"North Prairie" Northern Outwash	59	Transaction settled, credits owned by ARTC.
			"Strayleaves" Northern Basalts	82	Landowner Partnership. BSA is signed and is pending settlement.
			"Woodend" Pilliga Outwash	146	Transaction settled, credits owned by ARTC.

¹ The allocated credits for retirement reflect the current trading allocations as at the time of writing this letter. Credits allocations may change on a need by needs basis (e.g. if credit obligations change or if the number of credits generated is different to what was anticipated). Credit allocations are finalised at the time of retirement.

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OFFSET OBLIGATION (PCT & OTG)	CREDIT OBLIGATION		CREDIT GENERATING STEWARDSHIP SITE & SUBREGION	ALLOCATED CREDITS FOR RETIREMENT ¹	STATUS
	10 Northern Basalts Contains HBT	Obligation Met	"Strayleaves" Northern Basalts	10	Landowner Partnership. BSA is signed and is pending settlement.
Zone 3 - PCT 39 (BR130, N129) Coolabah - River Coobah - Lignum woodland wetland of frequently flooded floodplains mainly in the Darling Riverine Plains Bioregion Coolibah-Black Box Woodland in the Darling Riverine Plains, Brigalow Belt South, Cobar Peneplain and Mulga Lands Bioregions	29 Northern Outwash Contains HBT	Obligation Met. No further action required.	"North Prairie" Northern Outwash	29	Transaction settled, credits owned by ARTC.
Zone 4 - PCT 52 (BR191, NA187) Queensland Bluegrass +/- Mitchell Grass grassland on cracking clay floodplains and alluvial plains mainly the northern-eastern Darling Riverine Plains Bioregion Natural grasslands on basalt and fine-textured alluvial plains of northern New South Wales and southern Queensland	522 Northern Basalts Does not contain HBT	Obligation Met. No further action required.	"Credit Supply Fund No. 2" Northern Outwash	522	Transaction settled, credits owned by ARTC.
	8780 Northern Outwash Does not contain HBT	Obligation Met. No further action required.	"Credit Supply Fund No. 2" Northern Outwash	5734	Transaction settled, credits owned by ARTC.
			"Credit Supply Fund_PCT52_No1" Northern Outwash	3046	Transaction settled, credits owned by ARTC.
Zone 5 - PCT 56 (NA182& Poplar Box - Belah woodland on clay- loam soils on alluvial plains of north- central NSW	22 Liverpool Plains Contains HBT	Obligation Met. No further action required.	"Munna Munna" Castlereagh-Barwon	22	Transaction settled, credits owned by ARTC.
Poplar Box Grassy Woodland on Alluvial Plains	161 Liverpool Plains	Obligation Met	"Keewong" Castlereagh-Barwon	27	ARTC owned property. BSA with ARTC for signing.

OFFSET OBLIGATION (PCT & OTG)	CREDIT OBLIGATION		CREDIT GENERATING STEWARDSHIP SITE & SUBREGION	ALLOCATED CREDITS FOR RETIREMENT ¹	STATUS
	Does not contain HBT		"Munna Munna" Castlereagh-Barwon	62	Transaction settled, credits owned by ARTC.
			"Strayleaves" Northern Basalts	72	Landowner Partnership. BSA is signed and is pending settlement.
	199 Northern Basalts Contains HBT	Obligation Met	"Keewong" Castlereagh-Barwon	104	ARTC owned property. BSA with ARTC for signing.
			"Munna Munna" Castlereagh-Barwon	95	Transaction settled, credits owned by ARTC.
	432 Northern Basalts Does not contain HBT	Obligation Met	"Keewong" Castlereagh-Barwon	208	ARTC owned property. BSA with ARTC for signing.
			"Munna Munna" Castlereagh-Barwon	184	Transaction settled, credits owned by ARTC.
			"Strayleaves" Northern Basalts	40	Landowner Partnership. BSA is signed and is pending settlement.
	2221 Northern Outwash Does not contain HBT	Obligation Met	"Keewong" Castlereagh-Barwon	437	ARTC owned property. BSA with ARTC for signing.
			"Munna Munna" Castlereagh-Barwon	823	Transaction settled, credits owned by ARTC.
				961	

OFFSET OBLIGATION (PCT & OTG)	CREDIT OBLIGATION		CREDIT GENERATING STEWARDSHIP SITE & SUBREGION	ALLOCATED CREDITS FOR RETIREMENT ¹	STATUS
	2615 Northern Outwash Contains HBT	Obligation Met. No further action required.	"Munna Munna"	762	Transaction settled, credits owned by ARTC.
			Castlereagh-Barwon	1350	
			"North Prairie" Northern Outwash	503	Transaction settled, credits owned by ARTC.
Zone 8 - PCT 78 River Red Gum riparian tall woodland / open forest wetland in the Nandewar Bioregion and Brigalow Belt South Bioregion Inland Riverine Forests; >=50%-<70%	11 Liverpool Plains Contains HBT	Obligation Met. No further action required.	"Ellerslea" Northern Basalts	11	Transaction settled, credits owned by ARTC.
	133 Northern Outwash Contains HBT	Obligation Met. No further action required.	"Ellerslea" Northern Basalts	24	
				109	
	2 Northern Basalts Contains HBT	Obligation Met. No further action required.	"Ellerslea" Northern Basalts	2	
Zone 9 - PCT 135 Coobah - Western Rosewood low open tall shrubland or woodland mainly on outwash areas in the Brigalow Belt South Bioregion. Western Peneplain Woodlands; >=70%-<90%	25 Liverpool Plains Contains HBT	Obligation Met	"Keewong" Castlereagh-Barwon	25	ARTC owned property. BSA with ARTC for signing.
	1 Northern Basalts Contains HBT	Obligation Met	"Keewong" Castlereagh-Barwon	1	
	76 Northern Outwash Contains HBT	Obligation Met	"Keewong" Castlereagh-Barwon	76	
Zone 10 - PCT 413 Silver-leaved Ironbark - White Cypress Pine - box dry shrub grass		Obligation Met. No further action required.	"Ellerslea" Northern Basalts	5	Transaction settled, credits owned by ARTC.
				4	

OFFSET OBLIGATION (PCT & OTG)	CREDIT OBLIGATION		CREDIT GENERATING STEWARDSHIP SITE & SUBREGION	ALLOCATED CREDITS FOR RETIREMENT ¹	STATUS
woodland of the Pilliga Scrub - Warialda region, Brigalow Belt South Bioregion North-West Slopes Dry Sclerophyll Woodlands; <50%	18 ² Northern Basalts Does not contain HBT		"Nardoola" Northern Basalts	9	
	11 ¹ Northern Outwash Does not contain HBT	Obligation Met. No further action required.	"Kiriwinna" Northern Basalts	11	Transaction settled, credits owned by ARTC.
	8 ¹ Liverpool Plains Does not contain HBT	Obligation Met. No further action required.	"Ellerslea" Northern Basalts	5	Transaction settled, credits owned by ARTC.
			"Kiriwinna" Northern Basalts	3	

² The BBAM credit obligation has been updated in the approved Biodiversity Assessment Report V10 dated October 2023 (BAR V10). Only the credit amounts for PCT413 (NA348, BR346) have been updated by BAR V10. A **draft** statement of reasonable equivalence has been issued to reflect changes made in BAR V10. The obligation shown in this table are as per the **draft** statement of reasonable equivalence issued by the Department.

Attachment 2: Statement confirming payment into the Biodiversity Conservation Fund for an offset obligation

SPECIES	CREDIT OBLIGATION		CREDIT GENERATING STEWARDSHIP SITE & SUBREGION	ALLOCATED CREDITS FOR RETIREMENT	STATUS
Belson's Panic	561 Northern Outwash	Obligation Met. No further action required.		0	ARTC made paid \$1,543,254.90 (Exc. GST) into the Biodiversity Conservation Fund on 26/07/2024.
Creeping Tick-Trefoil	811 Northern Outwash	Obligation Met. No further action required.		0	ARTC paid \$1,697,431.11 (Exc. GST) into the Biodiversity Conservation Fund on 26/07/2024.
Finger Panic Grass	70 Northern Outwash	Obligation Met. No further action required.		0	ARTC paid \$192,563.00 (Exc. GST) into the Biodiversity Conservation Fund on 26/07/2024.
Koala	4556 Northern Basalts	Obligation Met. No further action required.	"Ellerslea"	1797	Transaction settled, credits owned by ARTC.
			Northern Basalts		
			"Kiriwinna"	2759	Transaction settled, credits owned by ARTC.
			Northern Basalts		

Statement confirming payment into the Biodiversity Conservation Fund for an offset obligation

Pursuant to section 6.33 of the *Biodiversity Conservation Act 2016*, the NSW Biodiversity Conservation Trust confirms that the following payments have been made into the Biodiversity Conservation Fund under section 6.30(1) of the Act to satisfy an obligation to retire biodiversity credits.

Payment made by		Australian Rail Track Corporation Limited			
Date received		26/07/2024			
NSW statutory obligation reference ¹		SSI-7474			
Commonwealth EPBC Act controlled action reference (if applicable) ²		2016/7729			
BCT Reference		BCF743			
Biodiversity credit retirement obligations satisfied by payment to the Biodiversity Conservation Fund:					
Biodiversity credit type (Credit ID and name)	Offset trading group	EPBC Act Controlled Action offset obligation (Y / N)	Number of credits	Cost per credit (Exc. GST)	Total payment per credit type (Exc. GST)
10222 - <i>Digitaria porrecta</i> (Finger Panic Grass)	<i>Digitaria porrecta</i> (Finger Panic Grass)	N	70	\$2,750.90	\$192,563.00
10219 - <i>Desmodium campylocaulon</i> (Creeping Tick-trefoil)	<i>Desmodium campylocaulon</i> (Creeping Tick-trefoil)	N	811	\$2,093.01	\$1,697,431.11
10925 - <i>Homopholis belsonii</i> (Belson's Panic)	<i>Homopholis belsonii</i> (Belson's Panic)	Y	561	\$2,750.90	\$1,543,254.90
Total (Exc. GST)					\$3,433,249.01
GST					\$343,324.90
Total (Inc. GST)					\$3,776,573.91



Emily McCosker

Director Strategy & Finance

1/08/2024

¹ This refers to either; a development application number for a development consent under Part 4 of the *Environmental Planning and Assessment Act 1979* (**EP&A Act**), a State significant infrastructure approval under the previous Part 5.1 (now Part 5, Division 5.2) of the EP&A Act, a decision of a determining authority to carry out or approve the carrying out of an activity under Part 5 of the EP&A Act, or a biobank statement number or biodiversity certification number.

² This refers to a controlled action under the Commonwealth *Environmental Protection and Biodiversity Conservation Act 1999* for which a biodiversity offset obligation has been met through payment into the BCF.

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Final Audit Report

2024-10-04

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By:	Matt Mulcahy (mmulcahy@artc.com.au)
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-  Document created by Matt Mulcahy (mmulcahy@artc.com.au)
2024-10-04 - 6:18:20 AM GMT- IP address: 203.121.198.69
-  Document emailed to Peter Borrelli (pborrelli@artc.com.au) for signature
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-  Peter Borrelli (pborrelli@artc.com.au) has explicitly agreed to the terms of use and to do business electronically with Australian Rail Track Corporation
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