

Wilpinjong Mod 3 – Pit 8 Extension:
Peer review of Social Impact Assessment

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Executive Summary

This Independent Peer Review impartially evaluates the Social Impact Assessment (SIA) Report prepared by Square Peg Social Performance (SPSP) as part of the Modification Application for the proposed *Wilpinjong Mod 3 – Pit 8 Extension*, SSD-6764-Mod-3. The review seeks to identify any significant methodological errors, any omissions or misrepresentations, as well as considering the likely social impacts and the adequacy of proposed responses (mitigations and enhancements).

The author is an independent social scientist, and was DPHI's SIA Specialist from 2016-2022. He is also a Certified SIA Practitioner through the CEnvP scheme. The review has been undertaken in line with the SIA guideline, and in consideration of the *EIANZ Guidance note for ethical practice in undertaking peer reviews*.

This review finds that the balance of negative and positive social impacts of the Modification do not warrant approval, on the basis that:

- The use of a 'basic' level of assessment in the SIA Report may be inappropriate and means that many social impacts have been overlooked, especially as the Applicant clearly has plans to expand further and these are not assessed.
- The definition of social locality in the SIA Report excludes potential for considering negative impacts beyond this area (i.e. the global community exposed to harm from every fossil-fuel project).
- The Modification would further entrench the distress and trauma caused by the progressive displacement of the Wollar community, with associated loss of community cohesion and sense of place, and would inhibit people's ability to plan for repopulation.
- The Modification would extend operations in such a way that disturbance to people's amenity from dust, noise, and lighting is likely to be exacerbated.
- The assessment of magnitude for impacts on Aboriginal culture in the SIA Report as 'minor' is likely to be understated because it restricts the definition of culture to physical artefacts, overlooking intangible dimensions of culture that may be significant.
- By facilitating ongoing mining and burning of fossil fuels, the Modification presents a material risk to people's surroundings in the locality, as well as a quantifiable risk of exposing additional people globally to an unliveable climate.
- The Modification would have significant negative impacts on people's ability to determine their futures, for existing residents, for previous residents who retain a strong connection to place, and potentially for lower-income residents of Mudgee and other places from securing more affordable housing. The use of a Modification as a planning pathway also denies community members procedural justice by removing independent review and appeal rights.
- The Modification would exacerbate social inequities both between generations and among present generations.
- The claimed positive social impacts appear to be overstated. The overall impact on people's livelihoods may be neutral or negative in the medium-to-long term because any extension to the closure date would prolong employees' dependence on mining for their livelihoods, rather than encouraging long-term resilience through skills transfer. Meanwhile, avoiding mining the Cumbo Creek corridor and Rocky Hill complex is neutral – i.e. not a positive impact – because it presents no change to existing circumstances.
- The proposed mitigation and management measures are unlikely to be effective at addressing the negative social impacts that they purport to address, and do not address additional impacts identified here.

1. Context

1.1. Social impact assessment (SIA) in NSW

Proposed State significant projects are required to consider how they may affect people – both positively and negatively – whether directly, indirectly, and/or cumulatively. Identifying and analysing these social impacts helps to inform responses that aim to avoid, mitigate or reduce negative impacts and to enhance positive impacts (SIA Guideline, 2023¹, p.7).

The consent authority is required to consider social impacts in the locality, and to consider the public interest. The public interest includes the object of promoting the social and economic welfare of the community, and the object of ecologically sustainable development, which requires effective integration of social, economic, and environmental considerations in decision-making (*Environmental Planning and Assessment Act 1979 No 203, S4.15(1)(e)*).

The Wilpinjong Extension Project submitted an SIA in 2015, predating any SIA guidelines in NSW (the first guideline being released in 2017). To that extent, the mine’s social impacts have not yet been scrutinised against the guideline requirements. The SIA report prepared by Square Peg Social Performance (SPSP) for this modification “has been prepared to meet the requirements of SIA Guideline” (SIA Report, p.1), although it is self-defined as a ‘basic’ report, as opposed to ‘comprehensive’ or ‘detailed’.

1.2. Purpose of this review

This peer review is not another SIA; rather, it evaluates the SIA Report as part of the Modification Application for the proposed *Wilpinjong Mod 3 – Pit 8 Extension*, SSD-6764-Mod-3, in relation to requirements of the SIA guideline. Where necessary to better understand likely social impacts, and to cross-reference with other aspects of the project, the review has referred to other documents.

To provide deeper insight beyond desktop research, six telephone interviews were conducted with community members. Interviewees were referred from Wollar Progress Association. While any small sample cannot be representative of the whole community, discussions suggested that the interviewees held a range of views towards the proposal. *Since engagement for the SIA Report occurred in March-May 2024, these new interviews also provide an opportunity to elicit updated and timely information on how people expect to experience the modification, reflecting current community sentiment.*

This review focuses on both the adequacy of the SIA process and methods in applying the provisions of the guideline, and the content of the SIA relative to the likely social impacts of the proposal, including social impacts that may flow on from other relevant matters.

1.3. Authorship declaration

This review was prepared by Dr Richard Parsons CEnvP (SIA), an independent social scientist who was DPHI’s SIA Specialist from 2016-2022. During this time, Dr Parsons led the technical development and implementation of the SIA guidelines from 2016-2022. He was also the first person globally to achieve SIA certification,² in 2023, and currently is one of only two Certified SIA Practitioners in Australia.

This review is based on *impartial and independent* analysis of the project SIA. While social science analysis inevitably involves interpretations that can be contested, the findings have not been unduly influenced or altered by any third party.

To ensure methodological rigour combined with ethics, the review has also been conducted in accordance with the *EIANZ Guidance note for ethical practice in undertaking peer reviews*,³ endorsed by the EIANZ Board on 7th May 2025. Importantly, this guidance notes that peer reviews should “give honest and fair professional criticism.” Consistent with procedural fairness, therefore, the author of the SPSP SIA

¹ While the SIA guideline was updated in 2025, the SIA for this modification was prepared in accordance with the previous (2023) version.

² <https://www.cenvp.org/social-impact-assessment/>

³ <https://www.eianz.org/document/item/8079>

Report was invited to discuss the project, but was contractually unable to do so. Any critique of the SIA is therefore based on the author's professional judgement of the evidence available.

2. Findings

The peer review findings focus on providing an independent view of the likely social impacts. Some findings support those of the SIA Report, while others identify material issues that should be (re)considered.

2.1. Overall level of assessment

The SIA guideline (p.15) states that a 'basic' assessment may be appropriate for a "modification to an approved project that proposes no material change to the impacts identified in the original SIA for the development." It is important to consider, therefore, whether any 'material change' is involved.

The SIA Report appears to justify this 'basic' level of assessment by designating the impacts as largely representing "continuations of current experiences" (p.26). However, a continuation of impacts is not the same as no impact – rather, it represents a *further accumulation of impacts*, which may threaten to surpass a tipping point in people's resilience, meaning their capacity to cope with stressors.

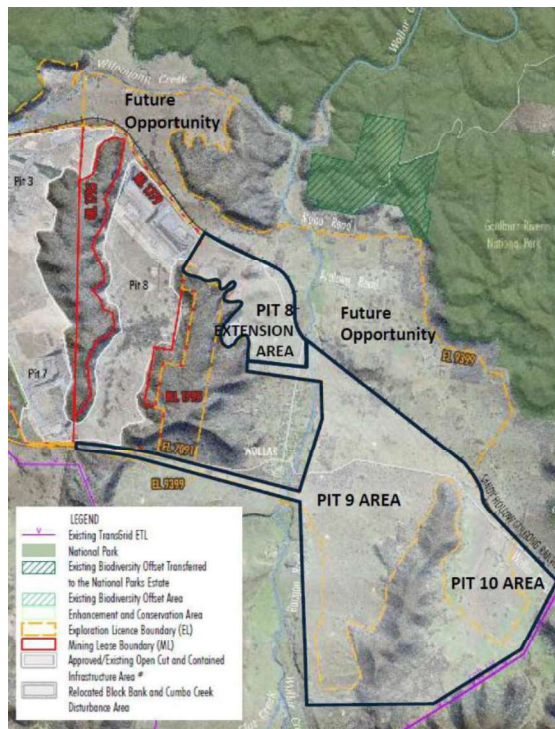


Figure 1: location of Mod 3 (Pit 8) and prospective expansions in relation to Wollar

impacts appear lesser through incremental development, rather than through honestly presenting and assessing longer-term project intentions. A more appropriate planning approach would be to combine assessment of the impacts from this Modification with assessment of Pits 9 and 10 in an EIS, including a *comprehensive SIA*.

While the SIA guideline does not clearly outline the scope of a 'basic' SIA, it does suggest that it might entail desktop work only. The present SIA Report goes beyond that interpretation by including primary

The modification is clearly not of the same order as the Extension Project proposed in 2015.

Nevertheless, it still encroaches into a new area, extending Pit 8 by approximately 115 ha and comprising new land disturbance of 150 ha. It is also understood that the applicant has plans to expand to the east and south-east of Wollar village, which if undertaken would almost completely surround the village (see Figure 1).

Indeed, the project website clearly identifies 'Our Future Plans' as a *combined two-stage expansion*, with this Modification being Stage 1 and expansion to Pits 9 and 10 being Stage 2.⁴

The SIA Report (p.21) notes that some local residents consider that, by enabling ongoing expansion, the Modification represents "an existential threat to the village of Wollar."

Given the modification would facilitate this further expansion by diminishing the magnitude of change at that subsequent stage, it is not clear that the impacts – when we include reasonably foreseeable impacts of future projects as cumulative impacts – will not present a material change to the impacts that people will experience. In other words, it is reasonable to interpret the application for a modification at this point as a strategy whereby

⁴ <https://wilpinjongmine.com.au/future-plans/>

research, but is considerably less detailed than a comprehensive SIA would be. **The implication is that some impacts have been overlooked and analysis is inadequate.**

2.2. Extent of social locality

For SIA in NSW, the social locality should be a reasonable representation of the spatial distribution of likely social impacts. The SIA Report proposes primary and secondary social localities, and these appear reasonable. However, recent judicial findings suggest that any fossil fuel project should also consider social impacts beyond these boundaries, indicating a ‘tertiary’ social locality.

The International Court of Justice⁵ recently found that states are *legally obliged* to prevent harms caused by climate change, both inside and outside their boundaries. From a social impact perspective, the relevant consideration is the increasing exposure – particularly for vulnerable communities – presented by climate change to extreme weather events such as cyclones, flooding rain, extreme heat, and drought.

On this basis, for any project that involves extraction of fossil fuels, regardless of the scale of the development, or whether those fuels are burned locally or overseas, it could be reasonably argued that the definition of social locality should include communities *globally* that are particularly exposed to harm, for example low-lying Pacific Islands. **By excluding this broader social locality, the SIA Report downplays overall negative social impacts.**

2.3. Sense of place, displacement, and community cohesion

The Wollar community is one with a strong sense of place and community, despite its fragmentation in recent times. Interview participants spoke about the strong connections they feel with the community and the locality, with its beautiful surroundings of Goulburn River National Park. While many have left since mining started, those remaining cling tenaciously to the wellbeing benefits that community can bring. For example, Wollar Community Hall is still used for events, even if they are typically less well attended nowadays (see Figure 2 and Figure 3).



Figure 2: Wollar Community Hall event, 2012

⁵ <https://www.icj-cij.org/sites/default/files/case-related/187/187-20250723-adv-01-00-en.pdf>



Figure 3: Wollar Community Hall event, 2025

Nevertheless, the history of the relationship between Wilpinjong mine and the local community is one of progressive displacement, as Peabody has acquired properties and community members have moved away. One interview participant described this process as “picking people off, offering lots of money, and turning some against others.” The SIA Report (p.36) notes that these experiences, combined with the loss of key social infrastructure such as Wollar General Store (Figure 4) and the Wollar Public School (Figure 5), has had “profound impacts on their lives, their wellbeing and their sense of place.”



Figure 4: Wollar General Store, now closed



Figure 5: Wollar Public School, now closed

The SIA Report (p.19) documents engagement outcomes in which local residents report considerable loss in their sense of place, along with related psychosocial impacts such as solastalgia and diminished subjective wellbeing. According to the SIA guideline, sense of place is part of the ‘community’ category that includes related concepts such as community composition, character, cohesion, and generally how a community functions. In other words, there are both individual and collective (social) dimensions in operation. When change occurs, it can affect people both individually and as a community – either positively or negatively.

In practice, these types of impacts are often dismissed because they are intangible, or not ‘objective’, and/or not easily measurable against a regulatory threshold. However, for the people experiencing them, they can be immeasurably ‘real’. This is where SIA steps in to consider impacts not included in other ‘technical’ reports.



Figure 6: Site of demolished house, Wollar

The SIA Report (p.19) acknowledges the social impacts on sense of place and quality of life that have already occurred, noting residents' experiences of how "environmental change associated with the mine had affected their personal and community wellbeing," adding that the "ongoing demolition of houses in Wollar ... compounded their feeling of distress" (see Figure 6). However, the SIA Report then overlooks important research that sheds further light on the significance of these impacts.

Psychosocial impacts of mining for the Wollar community are extensively documented and researched in social science literature, and in previous work (e.g. public submissions) on the Wilpinjong project. There are at least four peer-reviewed journal articles on this topic in whole or in part, including an article examining the psychosocial impacts of mining on the Wollar community specifically.⁶ Given the SIA guideline (p.20) specifies that SIA studies should include published research, it is curious that the SIA Report overlooks this extensive body of evidence.

According to the research, psychosocial impacts of mining among communities in the Wollar area

derive directly from Peabody's incremental practices of

acquisition, displacement, and project expansion. Importantly, displacement has occurred in two ways:

- residents being obliged to move out of Wollar or away from the locality because of the mine;
- residents experiencing a loss of sense of place because of changes to their locality, even if they are still living there.

This latter form of displacement caused by the incremental expansion led to one resident describing the experience back in 2017 as:

"I don't have a life here but I am living. Life has become a living hell. Everything has changed...yet I'm stuck, I can't get out of here!"⁷

Similarly, one of the present review's interview participants, who had moved away pre-mining but recently returned, reported:

"When we came back, we could palpably feel the trauma that people had been through."

These themes of distress and trauma induced by environmental change are indicators of the psychosocial concept of solastalgia, and its related concept of eritalgia. Solastalgia refers to a sense of loss and longing for a home that is no longer, especially as a result of environmental transformation.⁸ Eritalgia builds on the solastalgia concept by referring to the sense of deception and betrayal for *the loss of an imagined future*, as well as a lost past and present.⁹

Sentiments expressed by interview participants for this review indicate that they are experiencing both solastalgia and eritalgia. Solastalgia is evident in their perceived powerlessness having lost their homes and sense of community. Eritalgia is evident in their visions for their futures in the Wollar community, and

⁶ Askland, H. H. 2018. A dying village: Mining and the experiential condition of displacement. *The Extractive Industries and Society*, 5(2), 230–236. <https://doi.org/10.1016/j.exis.2018.02.007>

⁷ Askland, H. 2017. Submission to the Planning Assessment Commission – Wilpinjong Extension Project.

⁸ Albrecht, G. 2005. 'Solastalgia'. A new concept in health and identity. *PAN: Philosophy Activism Nature* 3: 41-55.

⁹ Askland, H. 2024. Lost futures: Eritalgia, sacrifice and suffering at the New South Wales coal frontier. *Science & Technology Studies*, 37(2). <https://doi.org/10.23987/sts.120924>

for the connections to place that such imagined futures would bring, having been severely disrupted by the mine's ongoing expansions and by the uncertainty created by Peabody's conflicting messages regarding its intentions.

Should the Modification proceed, these impacts may be considered as **almost certain** to continue, with **major** magnitude, leading to **very high significance**.

Nevertheless, interview participants alluded to a latent strength in the community's cohesion, which could be reinvigorated if the mine closes as currently planned on 31st December 2033, reducing uncertainty and enabling planning for repopulation.

2.4. Amenity – dust, noise, and lighting

The SIA Report (p.19) notes concern from near neighbours regarding dust, noise, and lighting. It is reasonable to assume that, with operations moving closer to dwellings, these experiences are likely to be exacerbated. It also appears that there is low trust among residents in current monitoring processes.

From a technical modelling perspective, the Air Quality Impact Assessment (Appendix B of the Modification Application) models the likely exceedances in air quality criteria. Figure 17 (p.19) shows the extent of the modelled maximum 24-hour average PM_{2.5} total concentration above 25 µg/m³ (the EPA's assessment criterion for requiring mitigation) from the Mine (including the Modification) and other sources. According to the Assessment, the results indicate that this level would not be exceeded at any private sensitive receptor.

There are two problems with this finding, both of which the SIA Report omits to consider. Firstly, the notion of 'sensitive receptors' is not the same as the need to consider 'vulnerable groups' in SIA. The NSW Environment Protection Authority (2022, p.10) defines a 'sensitive receptor' or 'sensitive receiver' as "a location where people are likely to work or live, such as a home, school, hospital, office or public recreation area".¹⁰ This is a technical measure that defines sensitivity according to location only, regardless of differences in people's health or resilience. Conversely, the SIA guideline requires proponents to assess the *differing* ways in which people may experience impacts, in particular to consider vulnerabilities.¹¹ For example, children, older people, and those with pre-existing health conditions, are more susceptible to poor air quality.

Secondly, closer inspection of Figure 17 suggests that, on some occasions, 25 µg/m³ *would be exceeded* within Wollar village, including at a community facility, by 2030, should the Modification proceed. The Air Quality Impact Assessment downplays this impact by representing most of Wollar village as Peabody-owned dwellings. This overlooks:

- the use of Wollar Recreation Grounds as a community facility;
- the use of Wollar Community Hall for community events (currently occurring approximately once per month according to one of this review's interview participants);
- the designation of Wollar Community Hall as a Safe Neighbourhood Place in times of emergency evacuation;
- the potential to repopulate Wollar village in the future.

Section 6.6 (p.40) of the Air Quality Impact Assessment suggests that the contribution of the mine to any exceedance would be only up to 2 µg/m³. However, from the perspective of those experiencing dust, what matters is the *cumulative* level. On this basis, there is a plausible risk that the mine's additional 2 µg/m³ would constitute the difference between compliance and exceedance. If the remaining particulate matter is background concentration and therefore unavoidable, and allowing for the presence of varying levels of vulnerability to dust, then **a logical mitigation measure would be to avoid proceeding with the Modification**.

Another key matter in relation to amenity is noise. The Modification Report (Fig.14, p.63) shows that noise has triggered the majority of complaints over the last five years. It notes (p.71) that noise monitoring

¹⁰ NSW Environment Protection Authority, 2022. Guidance on using the risk assessment tool: Risk-based licensing. <https://www.epa.nsw.gov.au/sites/default/files/22p3589-risk-assessment-tool-guidance.pdf>

¹¹ The SIA guideline (p.19) requires attention to "whether any vulnerable or marginalised people may be affected by the project, including people ... living with disabilities, chronic medical conditions or in poor health ... or other vulnerable people such as elderly people, children or single-parent households."

results indicate only two exceedances of compliance with relevant criteria from 2020-2024. However, as with dust, technical measures may not equate with the actual experience of noise. As Chief Judge Preston notes in the Rocky Hill judgement:

“...residential receivers with very low background noise levels will not be placated by being told that the mine noise levels comply with the applicable criteria in the Noise Policy for Industry and are therefore considered to be acceptable. The residents will continue to have annoyance reactions to the mine’s intrusiveness noise levels and cumulative amenity noise levels. This persistent annoyance is likely to have social impacts.”¹²

Even where modelling and measurements comply with relevant standards, there may be social impacts that must be considered. For example, if people have reasonable concerns regarding the impacts air quality on the health of themselves and their families, they may decide to leave the area, exacerbating the recent historical trend of depopulation.¹³

The annoyance dimension of noise arose during the interviews for this review. One reported that they regularly have to contact the site to complain about noise (it is not clear whether each contact is reported separately in the complaints register). Another described the experience of making noise complaints as “such a rigmarole to have to keep ringing.” They added that, upon reporting, typically the noise stops initially, but then starts again sometime later, requiring a follow-up contact. This type of experience is very likely to cause annoyance. Similarly, some interview participants reported light disturbance from the site affecting the rural character of the locality. One participant, who lives 16km away, reported that the sky is noticeably brightened by the site’s lighting.

2.5. First Nations culture

Section 5.2.3 of the SIA Report discusses impacts on culture. However, it misconstrues the intended focus of ‘culture’ in SIA. As the SIA guideline (p.19) notes, to distinguish it from cultural heritage assessment, culture in SIA is about “shared beliefs, customs, practices, obligations, values and stories, and connections to Country, land, waterways, places and buildings.” Instead, the SIA Report considers First Nations culture only in terms of impacts to cultural heritage ‘sites’ and ‘artefacts’. This is a significant omission, since a focus on physical objects alone reflects a western colonial view of Indigenous culture, potentially missing material information about impacts on *intangible* dimensions of culture.

Given the fundamental attachment that First Nations people experience between landscapes, water and culture, it is important to understand how Wiradjuri people locally have experienced the mine, and how they expect to experience continued mining activity, not only in relation to disturbance of artefacts but also in relation to its impacts on their ability to experience cultural connection. Danièle Hromek (2021), who provided input for the NSW Connecting with Country framework, explains:

“Yet colonial processes...have never respected our holistic ways of viewing the landscape. Many special places have been disrespected, causing deep trauma to both land and people... Country has a relational methodology, by which I mean that we, people, are related to all things through Country, including flora, fauna, earth, rocks, winds, elements – from the most diminutive microbe to the amorphous ocean.”¹⁴

Consequently, **the assessment of magnitude for impacts on Aboriginal culture in the SIA Report as ‘minor’ is likely to be understated.**

¹² Gloucester Resources Limited v Minister for Planning [2019] NSWLEC 7. Available at: <https://www.caselaw.nsw.gov.au/decision/5c59012ce4b02a5a800be47f>, paragraph 261.

¹³ Gloucester Resources Limited v Minister for Planning [2019] NSWLEC 7. Available at: <https://www.caselaw.nsw.gov.au/decision/5c59012ce4b02a5a800be47f>, paragraphs 267-269.

¹⁴ Hromek, D. 2021, 27 May. ‘Reading Country: Seeing deep into the bush,’ *Architecture Australia*. <https://architectureau.com/articles/reading-country-seeing-deep-into-the-bush/>

2.6. Social impacts of the Modification's contribution to climate change

The SIA Report (p.19) notes that some people discussed the impacts of the modification on climate change, but then is silent on this matter in its assessment, making no mention of how people might experience climate change-related impacts. Even if the Modification represents a relatively small change to current operations, this is a significant oversight. It is reasonable to propose that extending any fossil fuel project imposes adverse social impacts by adding to greenhouse gas emissions that exacerbate the impacts of extreme weather on people – this is a required consideration in the SIA guideline (p.17). The question is more about the *magnitude* of these impacts, not their actuality.

While it is not the task of SIA to interpret climate science, SIA performs the unique and important role of assessing the *social* dimensions (today and into the future) of climate change-related impacts. A Greenhouse Gas Assessment alone does not suffice.

Quantitative assessment of social harm

Historically, fossil-fuel project proponents have claimed that any harms caused by their projects' greenhouse-gas emissions are negligible compared to global emissions. In the absence of any methodology to counter this claim quantitatively, we have had to rely on ethical arguments about the acceptability of causing any harm.

However, very recent research from UNSW, the University of Melbourne, and the Australian National University on the link between fossil fuels and society and nature enables us, for the first time, to model the likely number of *additional heat-related deaths* that can be attributed to an *individual project*.¹⁵ As the researchers state, this methodological breakthrough “means decision-makers can properly assess the range of risks a project poses to humanity and the planet, before deciding if it should proceed.”

Using the Scarborough gas project as an example, the authors note that the project is expected to emit 876 million tonnes of CO₂ over its lifetime. According to their modelling, these emissions will cause 0.00039°C of additional global warming, leading to an additional 516,000 people globally being exposed to a local climate beyond the hot extreme of the ‘human climate niche’. They then focus on climate-related impacts of the Scarborough gas project in Europe, where health data is available for 854 cities, and estimate that the project would cause *an additional 484 heat-related deaths* in Europe by the end of this century. (Note this excludes deaths elsewhere in the world because of insufficient data.)

If we extrapolate this methodology to Wilpinjong Mod 3, based on the Modification Report (p.125) prediction that the modification scenario entails a total (Scope 1, 2 and 3) of 90.222 million tonnes of CO₂-e (i.e. 0.10299 of the emissions of the Scarborough project), we would calculate that, if the modification were to proceed:

- **53,444** additional people globally would be exposed to a local climate beyond the hot extreme of the ‘human climate niche’, and
- **50** additional heat-related deaths in Europe would occur by the end of this century.

While this methodology may be challenged and refined over time, currently it appears to be the only way to quantify the climate-related risk to people that the project presents.

Non-quantitative assessment of social harm

Even if modelling is not sufficiently advanced to be universally reliable, legal precedent requires us to consider this matter. While the magnitude of emissions from the Modification, relative to global emissions, is relatively small, nonetheless they make a contribution. The Rocky Hill judgement states:

“The global problem of climate change needs to be addressed by multiple local actions to mitigate emissions... climate change is caused by cumulative emissions from a myriad of individual sources, each proportionally small relative to the global total of GHG emissions, and will be solved by abatement of the GHG emissions from these myriad of individual sources.”¹⁶

¹⁵ <https://theconversation.com/for-the-first-time-we-linked-a-new-fossil-fuel-project-to-hundreds-of-deaths-heres-the-impact-of-woodsides-scarborough-gas-project-266060>

¹⁶ Gloucester Resources Limited v Minister for Planning [2019] NSWLEC 7. <https://>

This matter was reinforced recently by the decision in the NSW Court of Appeal to rule the Independent Planning Commission's approval of the Mount Pleasant Optimisation Project invalid,¹⁷ on the basis that the IPC approval failed to consider the impact of all of the project's greenhouse gas emissions on the *local* environment. While this decision is now subject to a review in the Land and Environment Court, the relevance for SIA is that *the local environment* is a material matter for consideration in terms of it constituting people's surroundings (one of the eight categories in the SIA guideline).

Given the scientific basis for a causal relationship between fossil fuel use and increasing intensity and frequency of extreme weather, it is reasonable to propose that the Modification presents a **material risk to people's surroundings in the locality**. It also presents a **quantifiable risk of exposing additional people globally to an unliveable climate**.

2.7. Decision-making systems

The SIA Report (p.41) assigns a **high** significance rating to the impacts of the modification on "a feeling of uncertainty about the future of Wollar." Given the prospect (but not certainty) of expansion to Pits 9 and 10, it is not surprising that residents in the locality feel uncertain about the future. While the present Modification excludes that further expansion, its effect is to cast doubt on the eventual closure date and the possibility or timing of repopulating the locality.

Closer inspection suggests that the SIA Report understates the significance of this impact. It assumes a **moderate** consequence (or magnitude in the SIA guideline), whereas the extent, duration, intensity and sensitivity arguably suggest that the magnitude is either **major** or **transformational** – either way, the significance would be **very high**. (The SIA guideline Technical Supplement (p.17) defines a major magnitude as "Substantial deterioration/improvement to something that people value highly, either lasting for an indefinite time, or affecting many people in a widespread area.")

The SIA Report (p.24) notes that the project area is located within the Central-West Orana Renewable Energy Zone (REZ), in which a number of renewable energy projects already have been proposed. It notes further (p.45) that these projects are likely to present cumulative impacts, including a forecast of close to 10,000 additional residents in the shire.

Of the many impacts that this transition presents regionally, one implication is that, should the Modification *not* proceed, Wollar village and surrounds could again become appealing as a place to live. Indeed, the prospect of repopulation was a strong topic of the community interviews.

Interview participants¹⁸ noted that, prior to this proposed Modification, they were hoping that they could begin planning for repopulation from around now, based on the provisions of the Social Impact Management Plan (SIMP). Indeed, two participants did return fairly recently, and now feel betrayed, an experiential impact affecting residents' sense of place and community cohesion (see Section 2.3). The SIMP (Peabody Energy, 2021, p.20) refers to the "potential for former or new residents to return to the Village after mining ceases" in 2033, with the workforce ramping down from 2025. Participants clearly felt that Peabody cannot be trusted and that they are unable to rely on the company's public statements of its plans.

However, at present the potential ongoing expansion – of which the Modification would form part in practice – precludes this possibility, preventing existing residents from planning their futures, preventing previous residents who have moved away from returning to a place where they feel a strong connection to their identity, and preventing lower-income residents of Mudgee and other places from securing potentially more affordable housing.

Finally, the use of a Modification as a planning pathway – as opposed to integrating it with the broader expansion plans to Pits 9 and 10 – presents additional impacts on decision-making systems that are not discussed in the SIA Report. That is, community members are denied any independent review or merits appeal, thereby losing an important component of procedural justice.

www.caselaw.nsw.gov.au/decision/5c59012ce4b02a5a800be47f, paragraph 515-516.

¹⁷ Denman Aberdeen Muswellbrook Scone Healthy Environment Group Inc v MACH Energy Australia Pty Ltd [2025] NSWCA 163. <https://www.caselaw.nsw.gov.au/decision/198358b0f4e9e10f2b50c718>

¹⁸ Four of the six participants live within the primary social locality, while the other two lived there previously and would like to return.

In summary, **the Modification would have negative impacts of very high significance on people's ability to determine their futures**, as well as potentially having negative impacts on housing availability in the locality.

2.8. Distributive equity

Distributive equity is one of the principles in the SIA guideline, and relates to how different groups may be disproportionately affected by a project. More comprehensively, distributive equity or justice:

“concerns the just distribution of environmental benefits and environmental burdens of economic activity. Distributive justice is promoted by giving substantive rights to members of the community of justice to share in environmental benefits (such as clean air, water and land, a quiet acoustic environment, scenic landscapes and a healthy ecology) and to prevent, mitigate, remediate or be compensated for environmental burdens (such as air, water, land and noise pollution and loss of amenity, scenic landscapes, biological diversity or ecological integrity). Issues of distributive justice not only apply within generations (intra-generational equity) but also extend across generations (inter-generational equity).”¹⁹

In SIA, therefore, we must consider both *intergenerational* and *intragenerational* impacts as dual components of distributive equity.

Intergenerational equity

In relation to intergenerational equity, the SIA Report (p.46) claims that there are no impacts. However, more careful consideration of the social dimensions of climate change (Section 2.6 above) suggests otherwise. In short, it is clear that any continuation of a fossil-fuel project imposes disproportionate burdens on subsequent generations, who cannot speak for themselves.

Intergenerational impacts are not restricted to consideration of the social dimensions of climate change. As the Rocky Hill judgement noted, “The extraction of finite natural resources for the economic benefit of people today necessarily implies a burden on future generations, for the simple reason that the resource has been used, and the social and environmental legacies will remain for future generations.”²⁰ Furthermore, prolonging an industry in decline is inconsistent with the notion of a just transition, because delaying transitional planning and action places a disproportionate burden on future generations to act and adapt more quickly at a later date.²¹

Intragenerational equity

As noted above, intragenerational equity refers to distribution among current generations. This can be further disaggregated into *spatial* distribution (between different places or geographies) and *social* distribution (between different groups, with a particular focus on vulnerable groups).

Spatially, those living near coal mines commonly experience the negative social impacts disproportionately, compared to the regional population. Localised impacts often include adverse and ongoing physical and psychological health conditions, and diminished community cohesion and sense of place (see 2.3 above). The evidence suggests that the mine has caused and continues to cause these kinds of impacts, and that the Modification would only exacerbate them.

In terms of *social* distribution, experience suggests that the benefits of mining projects have tended to flow largely to private interests such as the company owners, investors, financiers, employees, contractors, suppliers, and state and local governments, while vulnerable groups disproportionately experience negative impacts. One accepted form of vulnerability is living in insecure housing, and it is reasonable to assess that many people in the locality experience insecure housing while ever there is uncertainty about the mine's expansion plans. Interviewees for this review suggested that Wollar might be an appealing place for people to settle if they cannot afford to live in Mudgee or other regional towns,

¹⁹ Gloucester Resources Limited v Minister for Planning [2019] NSWLEC 7. Available at: <https://www.caselaw.nsw.gov.au/decision/5c59012ce4b02a5a800be47f>, paragraph 398.

²⁰ *Ibid.*, paragraph 404.

²¹ Edwards, G.A.S. et al. 2022. ‘Towards a just transition from coal in Australia?’ Sydney Environment Institute and Global Environmental justice Group.

suggesting that the locality is likely to remain a place with disproportionate levels of vulnerability. Indeed, the SIA Report (p.31) reports a “strained housing market” in the LGA and in Mudgee particularly.

The SIA Report (p.46) dismisses any intragenerational equity impact on the basis that some people employed by the mine might be vulnerable, and that the benefits of employment to these people implicitly offsets negative impacts on amenity and sense of place to current residents. However, we cannot say that the harm to one group of people is acceptable (or mitigated) simply because someone else is benefiting – indeed, that itself exemplifies the inequity. It would only be a valid argument if the beneficiaries of employment were *the same people* as those experiencing loss of amenity and sense of place (i.e. long-term residents in the locality).

In summary, the Modification would exacerbate social inequities both between generations (through climate change-related impacts and non-renewable resource use) and among present generations (through continuing to burden local residents while benefiting mine employees).

2.9. Positive impacts?

The SIA guideline requires assessment of positive as well as negative social impacts. In mining projects, it is unfortunately common for an SIA to misconstrue positive social impacts in economic terms – that is, in terms of jobs and business opportunities (which principally benefit individuals), even if the community might prefer investment in social infrastructure or other *shared* benefits.²² The project website similarly defines “Our contributions to the community” as jobs, wages, and economic payments to the state of NSW.²³ This framing of positive social impacts in largely economic terms makes it difficult to identify any meaningful *social* benefit from many projects, including the Modification.

The SIA Report assigns a **high** positive impact significance to the ongoing employment that the Modification would enable for an additional six months. Regardless of the veracity of this prediction, it should be weighed against the negative impacts of prolonging a declining industry. More specifically, any extension of the status quo, by reinforcing dependence on mining employment, could actually harm the prospects for skilled workers transferring to the emerging opportunities in renewable energy projects in the region. It is likely that many workers would view the Modification as a precursor to ongoing expansion, diminishing the perceived need to retrain and potentially missing opportunities in the growing renewable energy sector. When balanced in this way, the **overall impact of ongoing employment may be neutral or negative** in the medium-to-long term.

The SIA Report (p.39) also claims that avoidance of mining the Cumbo Creek corridor and Rocky Hill complex, included as a provision of the Modification on the basis of being already approved under Development Consent SSD-6764, presents a positive impact of *high* significance. However, this framing is misleading, because what is proposed (not mining something that is currently not being mined) does not change people’s current experience of impact. It is also counterintuitive that refraining from mining is here portrayed as positive on the basis that it reduces the surface development footprint by approximately 50 ha (SIA Report, p.3) – by that logic, any reduction in mining disturbance is positive and an expansion is negative.

The overall implication is **that claimed positive social impacts appear to be overstated.**

2.10. SIA Report recommendations

The SIA guideline indicates that mitigation measures should be *tangible, deliverable* by the proponent, and *durably effective*. Preston adds that mitigation measures should be *enforceable commitments* rather than recommendations or aspirations, and that they should directly address the relevant impacts.²⁴

The SIA Report (Section 6, pp.47-48) makes four recommendations for social impact mitigation and management. These are evaluated below against the above criteria (Table 1). To augment this analytical process, each interview participant was asked to comment on the recommendations in relation to these

²² Ziller, A. 2025. Social impact assessment: Treacherous waters for local communities. Local Government Law Journal 25, 167-175.

²³ <https://wilpinjongmine.com.au/future-plans/>

²⁴ Gloucester Resources Limited v Minister for Planning [2019] NSWLEC 7. Available at: <https://www.caselaw.nsw.gov.au/decision/5c59012ce4b02a5a800be47f>, paragraph 418.

criteria. For example, in relation to recommendation 2, they were asked, “*To what extent do you think that pausing demolition of dwellings in Wollar would address the social impacts?*” This combination of experiential insights alongside technical-analytical examination provides a thorough evaluation of the proposed measures. One caveat to note is that the recommendations are just that, so for analysis purposes we must assume that these recommendations translate to commitments.

MEASURE	tangible?	deliverable by the proponent?	durably effective?	enforceable commitment?
1. Review and update management plans relating to noise, blasting, air quality and spontaneous combustion.	No, because plans are simply statements of intent.	Yes	No – experience suggests that compliance with technical amenity standards falls short of addressing the social dimensions.	Yes, to the limited extent that DPHI can require Peabody to submit revised plans.
2. Pause demolition of dwellings in Wollar.	Yes.	Yes, as long as further demolition is not a condition of consent.	Yes, if the pause were converted to a permanent commitment combined with ongoing maintenance of empty dwellings.	Yes, if converted to a condition of consent.
3. Ensure a fair process for affected pastoral licence holder.	No, because a process is not tangible and ‘fairness’ is subjective.	Yes, although both parties would need to agree that fairness has been achieved.	Yes, if both parties agree on licensing equivalent alternative agricultural land.	No, unless details of a ‘fair process’ are specified in conditions of consent.
4. Engage sensitively if and when progressing the application for development of EL 9399.	No, because engagement is not tangible and ‘sensitivity’ is subjective.	Yes, although interview participants were highly sceptical of Peabody’s capacity to be sensitive, based on experience.	No, because it appears that no amount of care or sensitivity would mitigate the impacts of ongoing expansion on the community, or on their ability to determine their futures.	No, because ‘sensitive engagement’ is too intangible to be enforceable.

Table 1: Analysis of mitigation and management measures

In short, only one of the four measures is tangible. All four are deliverable by the proponent, with caveats. Two of the four could be durably effective in certain circumstances. Finally, two of the four could be formed into enforceable commitments. However, it should be noted that – perhaps because of the ‘basic’ level of assessment adopted – none of these recommendations directly address the most significant impacts, namely:

- impacts of displacement, loss of community cohesion and sense of place
- impacts on amenity
- impacts on Aboriginal culture
- climate-related social impacts
- impacts on people’s ability to determine their futures
- distributive inequities both among and between generations.

In summary, the SIA Report recommendations, assuming they were converted into commitments, are largely a diversion. They are not proportionate to the scale of impact, as they are extremely limited in their potential to effectively mitigate the “existential threat to the village of Wollar” (SIA Report, p.21) presented by social impacts of the Modification.

3. Conclusion

Having reviewed the evidence available, it is not clear that the balance of negative and positive social impacts of the Modification warrant approval. The SIA Report points to several negative social impacts that are likely to occur, should the Modification be approved. Any positive social impacts are tenuous.

In addition, the SIA Report briefly presents an analysis of social impacts should the Modification not proceed. It identifies seven positive impacts, and three negative impacts. The three negative impacts are essentially the reverse of the supposed positive impacts of the Modification proceeding – i.e. employment opportunities and aspirations not being realised, and the potential non-disturbance of the Cumbo Creek corridor and the Rocky Hill complex. However, as noted above, in the approval scenario, there is considerable doubt as to whether these matters actually constitute social benefits. As a corollary, they may not present negative impacts should the Modification not proceed.

In addition, this independent peer review has found many negative social impacts that are omitted or overlooked in the SIA Report. The proposed mitigation and management measures do not relate to many of the likely impacts, and are unlikely to be effective at addressing the negative social impacts that they purport to address.