

## **DIVISION OF RESOURCES & GEOSCIENCE ADVICE RESPONSE**

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Dear Melissa

**Project: Chain Valley Colliery Modification 3 & Mannering Colliery Modification 5**  
**Stage: Review Statement of Environmental Effects**  
**Development Application: SSD 5465 MOD 3 & MP 06\_0311 MOD 5**

I refer to your advice request dated 14 June 2019 inviting the Division of Resources & Geoscience (the Division) to provide comments on the *Chain Valley Colliery Modification 3 & Mannering Colliery Modification 5* (the Project or Modifications) Statement of Environmental Effects (SEE).

The relevant units of the Division have been consulted in generating this advice. The Department of Planning and Environment - Planning Services Division and the Proponent should be aware that matters pertaining to rehabilitation, final landform, environmental impacts of subsidence, subsidence management, mine operator and safety are not assessed by the Division. Reference should be made to the response from the Resources Regulator on these matters.

### **Advice overview**

Due to interdependencies, the Division has considered the Chain Valley Colliery Modification 3 and the Mannering Colliery Modification 5 together. The Division has determined the modifications collectively will:

- support continued operations at Chain Valley Colliery until 2027
- improve resource recovery and be an efficient use of resources
- ensure an appropriate return to the NSW Government including:
  - > \$74 million in royalties (current dollars)
  - > \$1048 million total revenue (current dollars)
- support 249 jobs
- require capital expenditure of around \$65 million; and
- support energy security by contributing 50% of the coal supply to the Vales Point Power Station until 2027.

#### **NSW Department of Planning, Industry and Environment**

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## **Resource and Economic Assessment**

The Division has reviewed and assessed the information supplied. In view of the constraints outlined in the Proponent's SEE, the Division considers the Project satisfies section 3A objects of the *Mining Act 1992* (NSW) (the Act) and the requirements of cl 15 of the State Environmental Planning Policy (Mining, Petroleum Production and Extractive Industries) 2007.

The proposed Modifications represent an efficient development and utilisation of coal resources which will foster significant social and economic benefits. The Division is satisfied the proposed mine design and mining method submissions, adequately recovers coal resources and provides an appropriate return to the state.

The resource utilisation and economic benefits assessment undertaken by the Division is addressed in Attachment A.

## **Application of section 380AA of the *Mining Act 1992* – restrictions on planning applications for coal mining and titles required to undertake mining**

Coal is a prescribed mineral under the Act and the proponent is required to hold appropriate mining titles from the Division to undertake mining.

Section 380AA(1) states:

*An application for development consent, or for the modification of a development consent, to mine for coal cannot be made or determined unless (at the time it is made or determined) the applicant is the holder of an authority that is in force in respect of coal and the land where mining for coal is proposed to be carried out, or the applicant has the written consent of the holder of such an authority to make the application.*

Based on current title information the Division advises that the Proponent holds the appropriate titles as required for mining operations as relating to the Project and satisfies the requirements of section 380AA.

## **Biodiversity offset assessment**

The Division notes that potential environmental and social impacts from the proposed modification were assessed as generally consistent with the existing approved operations. The Division further notes that the proposed modification has been assessed to not result in any change to biodiversity impacts and is not required to be accompanied by a biodiversity development assessment report.

## **Summary of review**

The Division has determined that identified risks or opportunities can be effectively regulated through the conditions of mining authorities issued under the *Mining Act 1992*. The Division requests to review the draft conditions of approval before finalisation and any granting of development consent.

For further enquiries regarding this matter, please contact the Assessment Coordination Unit on 02 4063 6534 or [assessment.coordination@planning.nsw.gov.au](mailto:assessment.coordination@planning.nsw.gov.au).

Yours sincerely



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**Manager Assessment Coordination**  
**Resource Operations**  
**Division of Resources & Geoscience**  
4 July 2019

for  
Dr David P.T. Blackmore  
**A/Executive Director Resource Operations**  
**Division of Resources & Geoscience**  
**Department of Planning, Industry and Environment**

Encl.  
Attachment A – Chain Valley Colliery (MOD 3) and Mannering Colliery (MOD 5) - Resource & Economic Assessment (DOC19/519685)