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16 November 2012

Department of Planning and Infrastructure
GPO Box 39
SYDNEY NSW 2001

RE: Submission in response to the Environmental Assessment on the Cobbora Coal Project

Your Ref: Application Number 10_0001

Dear Sir/Madam

Council would like the Department to consider the following submission on the proposed Cobbora Coal Project which will be located almost exclusively within the Warrumbungle Shire Council (WSC) LGA approximately 22km south west from the town of Dunedoo.

Council believes the proposal has merit for the WSC (Council) and its residents provided the negative impacts of the proposal are satisfactorily mitigated. Support for the project is subject to prior agreement between Council and Cobbora Holding Company Ltd (CHC) on key issues being:

- (a) That any consent contains sufficient mechanisms to ensure that Council and the local community are appropriately consulted in relation to the numerous management plans proposed to mitigate adverse effects.
- (b) That more workforce modelling work is undertaken to confirm with more certainty the source of labour and resultant impacts on many of the assumptions concluded in relation to traffic, roads, accommodation and housing.
- (c) That the safeguards to be included in any planning consent are sufficiently comprehensive, robust and transparent to protect Council's residents from adverse environmental, social and economic impacts: and
- (d) That the CHC enters into a fair and equitable planning agreement with Council reflective of the impacts of the development on local infrastructure and services.
- (e) The projects detrimental effects on the operation of the Siding Spring Observatory is minimised through effective lighting that does not allow upward light spill and effective dust control.

Submission in detail

A. Traffic and Road Impacts

Golden Highway-Access through Dunedoo

The assessment does not address the number of oversize vehicles traveling through Dunedoo. More information is required, however in the absence of that information it would be reasonable to assume that mining equipment will be sourced via road from the existing mining areas of the Hunter Valley and Mudgee. All this equipment will be forced to travel down the main street of Dunedoo which is a busy service centre on the golden highway. It is Council's opinion that the movement of those mining related wide loads will need to be restricted to travel through Dunedoo outside the normal retail hours of 8.00am to 6.00pm Monday to Saturday or that the proponents be required to significantly upgrade the existing basic wide load bypass of the main street of Dunedoo.

Truck Access along Lahey's Creek Road, Tucklan Rd and Brooklyn Road

The assessment indicates that trucks associated with the project will be not be permitted access along Lahey's Creek Road, Tucklan Road and presumably Brooklyn Road. Council requests further information on how this will be regulated and at least requires the installation of traffic counters at appropriate locations to enable monitoring of compliance. Regular traffic counts information will be provided to Council.

Upgrade of Spring Ridge Road from Golden Highway to Main Infrastructure and Coal Handling and Processing Plant

The following design standards are required for the upgrade of the first 8.2 kilometres:-
Improvements to the existing roadway will require widening the existing formation to 9.5 metres (edge of shoulder to edge of shoulder). The new seal width will be 7.5 metres with marked 3.5 metre traffic lanes
The seal will consist of a 2 coat 14mm/7mm bitumen chip seal.

The formation batters will have a slope not exceeding 1 vertically to 3 horizontally
The table drains, where required will have a minimum depth of 300 mm below the edge of the shoulder.

All culverts will be extended to accommodate the formation widening
Curves at Ch 0.2, Ch 2.3, Ch 3.19, Ch 4.66, Ch 8.75 and Ch 9.05 will be widened on the inside to improve safety.

Where the radius of any curve or superelevation is deficient advisory speed signs will be installed.

Cobbora Road-Cobbora through to Dunedoo-Mendooran Rd

The report is mute on the additional traffic on the Cobbora Road. The road is the preferred access from the Spring Ridge Road Realignment through to Mendooran, Coonabarabran and Gilgandra. Current traffic volume on the road is approximately 150 AADT and it is envisaged there could be up to a 20% increase in traffic on this road during the construction phase. Council requests consideration of a contribution towards the maintenance of this road which has 15km of unsealed surface.

Intersections

Intersection with Golden Highway

The RMS have advised that there is no requirement to upgrade the intersection with the exception that the entry of the intersection on Spring Ridge Road will need widening to facilitate the movement of heavy vehicles including B-Doubles.

The design will be carried out in accordance with Austroads Road Design Guidelines.

Intersection with northern access road to Temporary Construction Accommodation Village

As a minimum the intersection will be provided with an auxillary left turn entry to the camp site as well as an auxillary right turn entrance in accordance with Austroads design guidelines.

Intersection with northern access road to Temporary Construction Accommodation Village

As a minimum the intersection will be provided with an auxillary left turn entry to the camp site as well as an auxillary right turn entrance in accordance with Austroads design guidelines.

Intersection with Danabar Road-Ch 4.66

As a minimum the intersection will be provided with an auxillary right turn entry on Spring Ridge Road to facilitate right turning traffic into Danabar road in accordance with Austroad design guidelines.

Intersection with Main Infrastructure Area (MIA)

As a minimum the intersection will be provided with an auxillary right turn entry on Spring Ridge Road to facilitate right turning traffic into the MIA in accordance with Austroad design guidelines. Depending on the eventual relationship between the locations of the MIA and CHPP intersections and speed of vehicles an acceleration lane on Spring Ridge road may be considered for traffic exiting the MIA in a northerly direction.

Intersection with Coal Handling and Processing Plant (CHPP)

As a minimum the intersection will be provided with an auxillary left turn entry to the CHPP site in accordance with Austroads design guidelines.

Operations Traffic

Golden Highway-Access through Dunedoo

The assessment does not address the number of oversize vehicles traveling through Dunedoo .More information is required, however in the absence of that information it would be reasonable to assume that mining equipment will be sourced via road from the existing mining areas of the Hunter Valley and Mudgee. All this equipment will be forced to travel down the main street of Dunedoo which is a busy service centre on the golden highway. It is Council's opinion that the movement of those mining related wide loads will need to be restricted to travel through Dunedoo outside the normal retail hours of 8.00am to 6.00pm Monday to Saturday or that the proponents be required to significantly upgrade the existing basic wide load bypass of the main street of Dunedoo.

Spring Ridge Road

THE FIRST 8.13 KM OF SPRING RIDGE ROAD HAS A CURRENT ASSET VALUE OF \$1.4 M IN COUNCIL'S ADOPTED ASSET MANAGEMENT PLAN AND THOUGH IT WILL BE RECONSTRUCTED AT THE PROPONENTS EXPENSE THE NEW ASSET WILL BE WITHIN THE WELLINGTON LGA AND COUNCIL WILL HAVE LOST AN ASSET. COUNCIL REQUIRES THE ASSET TO BE ACQUIRED BY CHC AT ITS CURRENT VALUE.

The first 8.13 km of Spring Ridge Road south of the Golden Highway will be closed as a public road when the Spring Ridge Road Realignment is completed. The applicant shall apply for and pay all costs associated with the closure.

When the Spring Ridge Road Realignment is opened and the construction traffic has essentially stopped the intersection with the Golden Highway will be removed and the section of Spring Ridge Road back to the highway easement fence line restored to blend with the surrounding environment. All signage associated with the intersection shall be removed.

Consideration should be given to the removal and restoration of that section of Spring Ridge Road not within the mine footprint.

Spring Ridge Road Realignment

Design

That section of the Spring Ridge Road within the Warrumbungle Council Area is to be designed in accordance with Austroads road design guidelines and with a design life of 50 years and a design speed of 100kph. The formation width of the road is to be 9.5metres with marked traffic lanes 3.5 metres wide and a seal width of 7.5 metres. Batters will have a slope not exceeding a slope of one vertical to four horizontal.

The bridge over Sandy Creek will be designed to allow a one in one hundred year flood to pass under it. The design life of the bridge will be 100 years and all works are required to be completed at the full cost of the proponent.

Maintenance

Given that the majority of heavy traffic on the road will be mine related Council requires the proponent to pay for all necessary maintenance during the life of the mine and at the end of the mine operation the Council will require the road to be in good condition before resuming responsibility for meeting the cost of maintenance.

Sandy Creek Road

The section of Sandy Creek Road between the Golden Highway and the Spring Ridge Road Realignment will be closed as a public road when the Spring Ridge Road Realignment is completed. The applicant shall apply for and pay all costs associated with the closure.

When the Spring Ridge Road Realignment is opened and the construction traffic has essentially stopped the intersection with the Golden Highway will be removed and the section of Spring Ridge Road back to the highway easement fence line restored to blend with the surrounding environment. All signage associated with the intersection shall be removed.

Consideration should be given to the removal and restoration of that section of Sandy Creek Road not within the mine footprint.

Lahey's Creek Road (North)

Council requires a rail overpass not a road underpass to accommodate the rail spur line .Details are to be submitted to Council for approval.

Cobbora Road-Cobbora through to Dunedoo-Mendooran Rd

The report is mute on the additional traffic on the Cobbora Road. The road is the preferred access from the Spring Ridge Road Realignment through to Mendooran, Coonabarabran and Gilgandra. Current traffic volume on the road is approximately 150 AADT and it is envisaged there could be up to a 20% increase in traffic on this road during the operation phase. Council requests consideration of a contribution towards the maintenance of this road which has 15km of unsealed surface.

Traffic Volumes

It is Council's opinion that during construction the daily traffic flows is likely to be:

- (a) 155 mine worker cars
- (b) 60 cars associated with the accommodation facility
- (c) 35 visitor cars
- (d) 100 trucks

This equates to 350 vehicles per day including 100 trucks impacting on local roads.

During the operational phase there will be 291 vehicles per day including 41 trucks impacting local roads.

It is Council's view that the traffic impacts are understated in the EA and therefore this work needs review.

B. Workforce Modelling and Training

Council notes that the EA predicts that 15% of the locally sourced operations workforce will originate in the WSC LGA. It is also noted that the EA predicts that with effective training programs 65% of the operations workforce will be locally sourced by 2020 and 70% by 2027. However without effective training only 20% of mine employees will be locals. This places major importance on the need for the implementation of the training programs that will deliver a large number of workers and avoid the need for unsatisfactory mining camp accommodation and its associated negative social aspects.

As a result of this Council seeks more information as to the consequences on labour supply, housing and transport systems if training locals does not occur.

Council has serious concerns about the EA workforce modelling and does not believe that it is sufficiently robust to be used with any confidence to predict:

- (a) Source of construction and operation staff
- (b) The likely domicile of the workforce across the surrounding LGAs
- (c) The labour capacity of both Mid-Western and Dubbo LGAs to provide workers given those areas being at or close to full employment.

C. Environmental Impacts on Properties near the Mine.

Council is concerned about the likely health impacts upon residents in the vicinity of the mine. Considerable community anxiety about this issue has been expressed within the village of Cobbora and the town of Dunedoo. Council considers that the proponents should be required to have systems in place to be required to acquire properties upon request or mitigate negative effects where safe limits are exceeded.

Dust

Council would like a condition of consent that requires the proponents to fully fund the cost of dust pollution monitoring carried out under the supervision of Council with monitoring sites at the village of Cobbora and in the town of Dunedoo. Council would expect a condition of consent requiring the 24Hr PM10 assessment criterion of 50ug/m³ to not be exceeded at any of the monitoring sites. Council expects the proponents to develop a Air Quality Management Plan and that Council will be given opportunity to comment on the plan before implementation and inspect results at regular intervals.

Noise

Council would like a condition of consent that requires the proponents to fully fund the cost of noise pollution monitoring to be carried out at the nearest effected receptors not owned by CHC and that any such residences that experience noise levels that are in excess of L Aeq (15 min) 35 for day/evening/night or night time figures of L A 1 (1 Min) 45 that those residences be provided with mitigation measures or the right to request compulsory acquisition.

All plant operated on the site should be provided with attenuation and the proponent should test the equipment for noise levels annually and place the results on its website.

Blasting

Blasting should only be carried out between the hours of 9.00am to 5.00pm Monday to Saturday and not on Sunday's or public holidays at anytime with one blast per day permitted only in relation to mine activity. A Blast Management Plan needs to be developed and submitted to Council for comment before operations begin.

Agricultural Production

Council notes the mine is not proposed to effect Class 1 and 2 soils however the importance of agriculture to the local economy should require the proponents to maintain the agricultural productivity of all land owned by CHC in relation to the project except the actual mine site and biodiversity offset lands.

Social Impact Management Plan

Council notes in the EA that the proponent proposes to develop a social impact management plan which Council supports however Council would expect an opportunity to comment on the contents of the plan prior to it being approved by the determining authority. Child care and medical services in particular are at capacity in Dunedoo with the existing not for profit childcare centre currently being expanded and whilst the EA states that Dunedoo has two doctors they are not two full time equivalents and the introduction of such a large workforce in close proximity to the town will only increase demands on what is already straining services.

Financial Contributions to WSC

The population of the Dunedoo town is currently approximately 800 people with a largely aging demographic. The EA states that by the year 2027 and extra 135 people will reside in the WSC LGA area most of which Council assumes will be the Dunedoo town due to its proximity to the site. This increased population will amount to an increase of approximately 17% with most of the increase occurring between now and 2020.

Whilst Council would welcome entering into a planning agreement with the proponent as part of this project the following matters are considered infrastructure which is required outside such an agreement and to be included as a separate condition of consent given the projects impacts are the primary cause of the requirement for the works:

1. The Dunedoo Sewerage Treatment Plant (STP) is currently at capacity and is failing its EPL licencing requirements on a regular basis. Council has commenced the planning to increase the capacity of the plant to respond to the increased demand expected as a result of the mine. Council would expect the proponents to be required to fully fund the design and construction works necessary to increase the capacity of the STP by at least 50% in partnership with Council.
2. The Dunedoo Water Supply relies on one bore which is adequate to service the current population; however, concern is expressed that any draw down of aquifer levels resulting from the mine may affect the viability of the water supply system. Council also is of the opinion that the system will require further augmentation by the addition of a further bore and a potential new reservoir. It is Council's expectation that the proponent will be required as a condition of consent to enter into an agreement to assist in funding this work with WSC.
3. Council will be required to close 8.14km of Spring Ridge Rd as a result of the mining operations. The proponent does plan to reconstruct the road however the new road will be within the Wellington Shire LGA and as such the asset with a value of \$1.4 million (see asset register) will be lost from WSC LGA. Council expects compensation to the above value for the asset lost prior to any roads being closed.

4. Council understands the proponent will be required to offset land for environmental requirements and that this land will become unrateable state owned land when granted to the Office of Environment and heritage. This will result in a significant rating burden being placed on the remaining ratepayers due to those rates that have been lost being required to be made up from the other ratepayers. Council would expect the proponent and any subsequent owners to be required to provide a contribution to Council equal to the cost of those rates forgone as a result of the offset requirements. This requirement would be yearly for the life of the mine.

Voluntary Planning Agreement

In Appendix S the proponent makes comments regarding its desire to enter into a VPA with the four Council's in the area.

The EA also states that there will be separate funding for road upgrades and maintenance p68.

The EA doesn't specify the amount or means of calculating the financial contribution the proponent is to make however Council does not accept verbal proposals from the proponents based on a set figure per employee based on the number of employees residing in the LGA as a valid means of calculating the amounts required. Council has an existing Section 94A Contributions Plan which would levy this project a contribution to this Council of 13 million dollars if applied. It is council's view that the employee location formula being proposed is does not adequately recognise the fact that the costs associated project in the form of road maintenance and adverse environmental and social impacts will obviously be greatest the closer one lives to the mine site.

It is Council's understanding that recent VPA's negotiated within NSW would result in a total VPA amount for the life of the mine of \$40 million shared between the LGA areas and that this Council should be expect 25% of that some.

Council therefore seeks to establish a VPA with CHC whereby:

- (a) Financial contributions are agreed for the repair and maintenance of various roads and intersections for the operational life of the mine
- (b) Financial contributions for general community enhancement to address social amenity and community infrastructure requirements arising from the project.
- (c) Financial contributions appropriate to compensate for any shortening of the life of waste landfill site.
- (d) Financial contribution appropriate to compensate for increased administration and compliance costs.

The VPA shall also contain the following elements:

- (a) The agreement is strictly limited to the scope and intent of the proposal as outlined in the current EA.
- (b) Council reserves the right to amend the agreement in the event of ownership and would expect the agreement to be registered on the titles of the land forming the mining area.

Conclusion

As the Council whose area the mine is almost exclusively within and whose people will be most detrimentally affected we believe the proposal has merit provided Council can gain prior agreement with the proponent on the issues raised in this submission.

Should you require further information please contact Council's Acting General Manager Tony Meppem on 68492000.

Yours Faithfully

Tony Meppem
Acting General Manager
Warrumbungle Shire Council