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10 March 2015

Minister for Planning
c/-Director, Major Project Assessment
Department of Planning and Environment
GPO Box 39
Sydney NSW 2001

Attention: Mr Stephen O'Donoghue

Dear Stephen

SUBMISSION: WILPINJONG EXTENSION PROJECT (SSD 6764)

1 INTRODUCTION

KEPCO Bylong Australia (KEPCO) proposes to develop the Bylong Coal Project (the Project), located approximately 55 km north-east of Mudgee and 53 km from Denman in New South Wales, Australia. The project life is approximately 25 years, comprising a two year construction period and a 23 year operational period. Subject to government approvals, construction is proposed to commence in 2017 and underground mining operations are expected to commence in year 7. KEPCO is seeking State Significant Development Consent under Division 4.1 of Part 4 of the *Environmental Planning and Assessment Act 1979* (EP&A Act) for the construction and operation of the Project. The State Significant Development Application is supported by an Environmental Impact Statement (EIS).

2 WILPINJONG EXTENSION PROJECT

KEPCO has reviewed key areas of the Wilpinjong Extension Project (WEP) Environmental Impact Statement (EIS) that is currently on exhibition and provides support for the Project. KEPCO has identified the following items for the Department's consideration.

3 COAL TRANSPORT

In accordance with Wilpinjong Coal Mine Project Approval 05_0021, the mine can currently dispatch an average of six laden trains each day and a maximum of 10 laden trains on any day for railing east on the Sandy Hollow-Gulgong Railway. KEPCO understands that the proposed WEP intends to retain current daily train movements however remove the current annual limit for total product coal railed. Coal train capacity on the Sandy Hollow – Gulgong Railway may vary over the life of the project due to progressive rail capacity upgrades.

During preparation of the Bylong Project EIS, consultation between KEPCO and the Australian Rail Track Corporation (ARTC) and Hunter Valley Coal Chain Coordinator confirmed that the rail network will be capable of servicing the needs of the other mines in the region which rely upon the Sandy Hollow – Gulgong Railway Line. Based on ARTC's advice, KEPCO views that the WEP will not have a material adverse effect upon future rail capacity.

4 ROAD TRANSPORT

The peak construction phase of the WEP is expected to occur in 2017 and employ a peak of approximately 100 contractors with a minimum of 80 percent of the construction workforce on site on any one day. There is also expected to be an average of 42 deliveries by heavy vehicles each day and 5 visitors or deliveries by light vehicles per day. Following development consent, construction of the Bylong Coal Project would expect to occur in mid-2017. KEPCO requests that the Department seeks clarification from Wilpinjong Coal Mine that the WEP will not have adverse cumulative road traffic impacts on Ulan – Cassilis Road.

5 SOCIAL AND COMMUNITY IMPACTS

KEPCO has been engaging Mid-Western Regional Council in regard to a 'no Workforce Accommodation Facility (WAF)' option for the Bylong Coal Project. As such, KEPCO is currently investigating the potential for the construction workforce to be accommodated in private rentals / short term accommodation facilities in the local area. We request that the Department seek clarification from the Wilpinjong Coal Mine regarding the potential cumulative impacts that a 'no WAF option' for the Bylong Coal Project may have on the local housing market (specifically Mudgee), should the construction periods for the WEP and Bylong Coal Project coincide.

6 CONCLUSION

In summary, KEPCO supports the proposed Wilpinjong Extension Project and maintains the position of supporting other mines in the region. KEPCO requests that, should the Wilpinjong Extension Project be approved, it would be on the condition that it causes no cumulative restrictions and or impacts to road and rail transport and the community.

Should you have any queries in relation to this letter, please do not hesitate to contact myself on (02) 8904 9508.

Yours faithfully



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Bill Vatovec
Chief Operating Officer
KEPCO Australia Pty Ltd