NSW GOVERNMENT | Planning

ASSESSMENT REPORT

Moolarben Coal Mine
Section 75W Modification (MP 05_0117 MOD 8)

BACKGROUND

In September 2007, the Minister approved the Moolarben Coal Project – Stage 1, which is located between the Ulan and Wilpinjong Coal Mines, about 40 kilometres northeast of Mudgee (**Figure 1**).

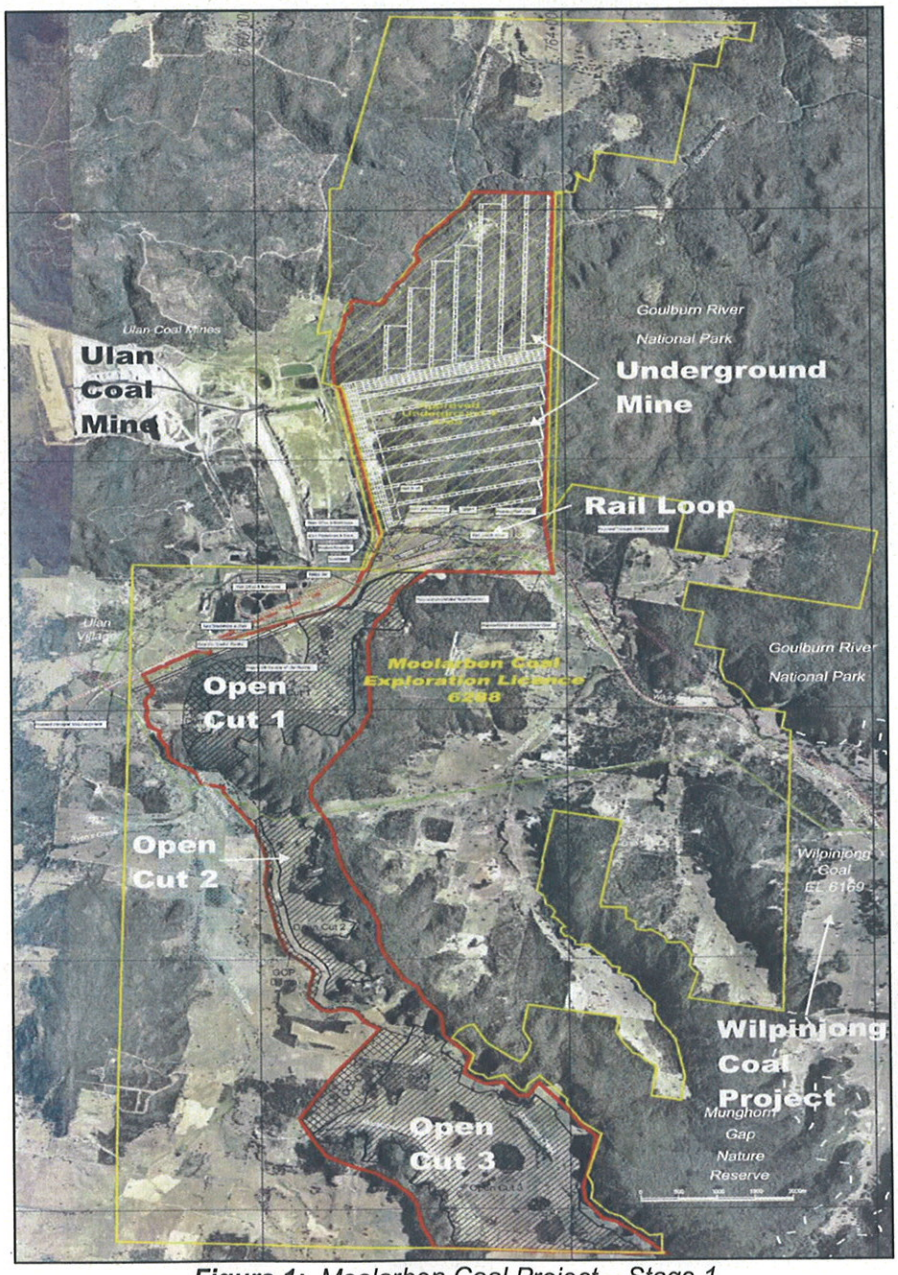

Figure 1: *Moolarben Coal Project – Stage 1*

Under this approval, Moolarben Coal Pty Limited (Moolarben) is allowed to:

- extract a coal resource of 127 million tonnes (Mt) over a period of 21 years from 3 open cut pits (up to 8Mt per annum) and 1 longwall mining domain (up to 4Mt per annum), at a combined rate of up to 12Mt per annum run-of-mine (ROM) coal;
- construct a range of associated infrastructure, including a coal handling and preparation plant (CHPP), which has the capacity to process all ROM coal extracted from both Stage 1 and Stage 2 (see below) of the mine; and
- develop a coal loader and rail loop to allow all coal produced from the mine to be railed to export and domestic markets.

This approval has subsequently been modified to:

- amend approval conditions relating to offsets and road works, and relocate and rearrange some items of infrastructure;
- allow preliminary construction activities to commence prior to the completion of the site access intersection;
- modify the design of the approved "figure 8" rail loop to a balloon loop;
- modify the layout of the approved surface infrastructure, develop a water sharing pipeline from the Ulan coal mine, extend construction hours and amend the Stage 1 project boundary; and
- relocate the coal rejects bin.

Moolarben commenced construction of the mine in December 2008 and commenced mining in April 2010.

Moolarben is also seeking approval for the construction of surface infrastructure for the water supply and dewatering borefield above the underground mine. This application forms a separate modification application (MOD 7) that is currently being assessed by the Department.

In addition, Moolarben has sought separate project approval for Stage 2 of the mine and additional modifications to Stage 1. This application is also currently being assessed by the Department.

PROPOSED MODIFICATIONS

The proposed modification seeks approval to establish a 100,000 tonne ROM coal stockpile adjacent to the ROM coal dump hopper, at the ROM coal facility (**Figures 2 & 3**).

ROM coal stockpiling is required to ensure that a continuous supply of ROM coal is available to the CHPP during potential interruptions in the delivery of ROM coal from open cut pits or the underground mine. The modification would also allow ROM coal to be stockpiled on the ROM coal facilities pad when direct dumping into the ROM coal dump hopper is not available.

In October 2009, the project approval was modified (MOD 5) to relocate the ROM coal facilities nearer to the CHPP and mine infrastructure area (**Figure 2**). At the time of this modification it was anticipated that the ROM stockpiling site proposed under the Stage 2 project application would be used for Stage 1. However, delays in the assessment process for Stage 2 have meant that there is no stockpiling area for the Stage 1 ROM coal.

STATUTORY CONTEXT

Approval Authority

The Minister was the approval authority for the original project application, and is consequently the approval authority for this modification application. However, as the proposed modification generated less than 10 submissions, the Director, Mining & Industry Projects, may determine the application under the Minister's delegation of 25 January 2010.

Modification

The proposed modification does not involve changes to any of the mine's operating functions or approved extraction volume. Consequently, the Department is satisfied that the proposed modification falls within the scope of Section 75W of the *Environmental Planning & Assessment Act, 1979* (EP&A Act) and may therefore be determined.

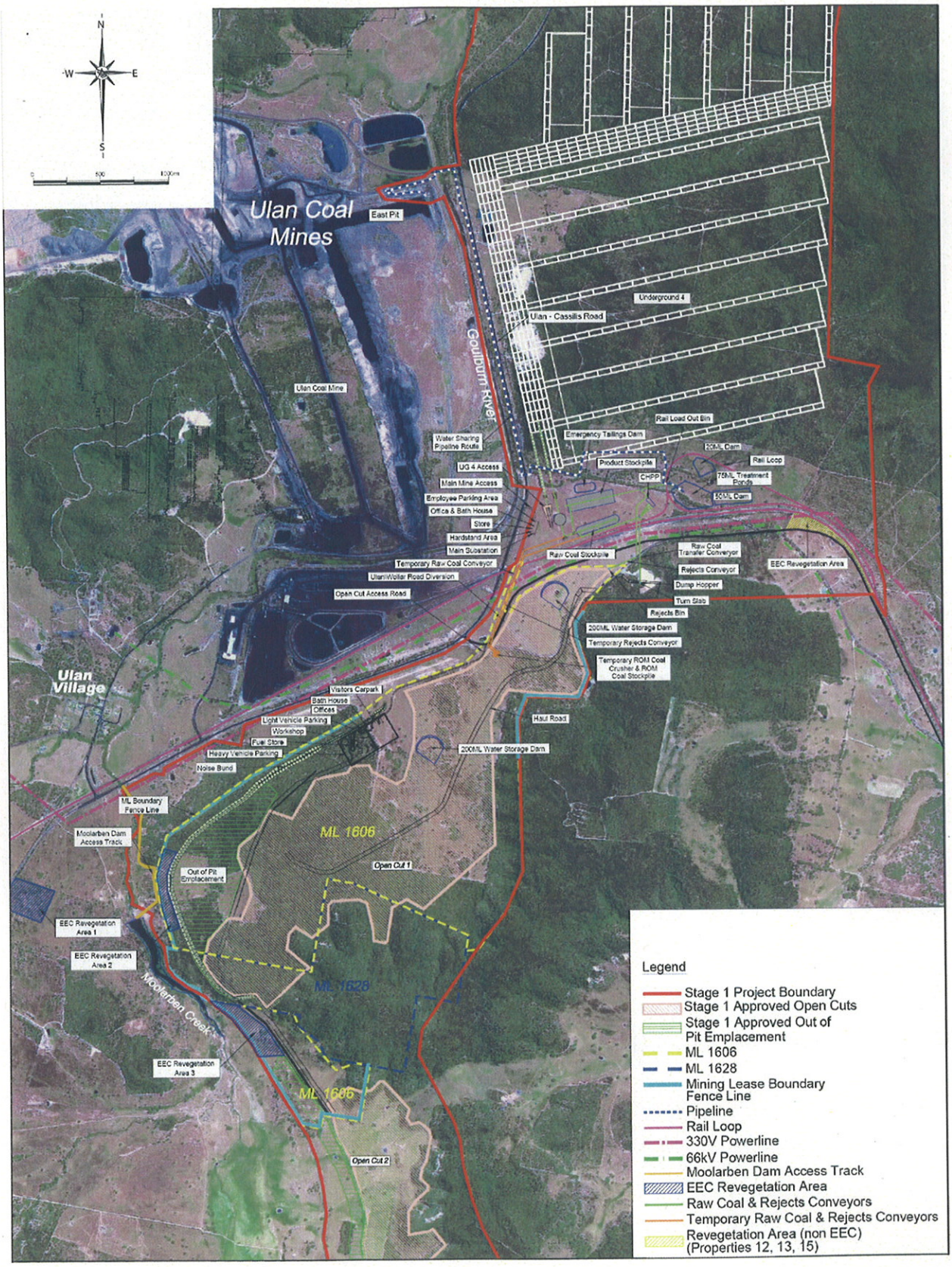

Figure 2: *Moolarben Coal Project – Approved Stage 1 Infrastructure Layout*

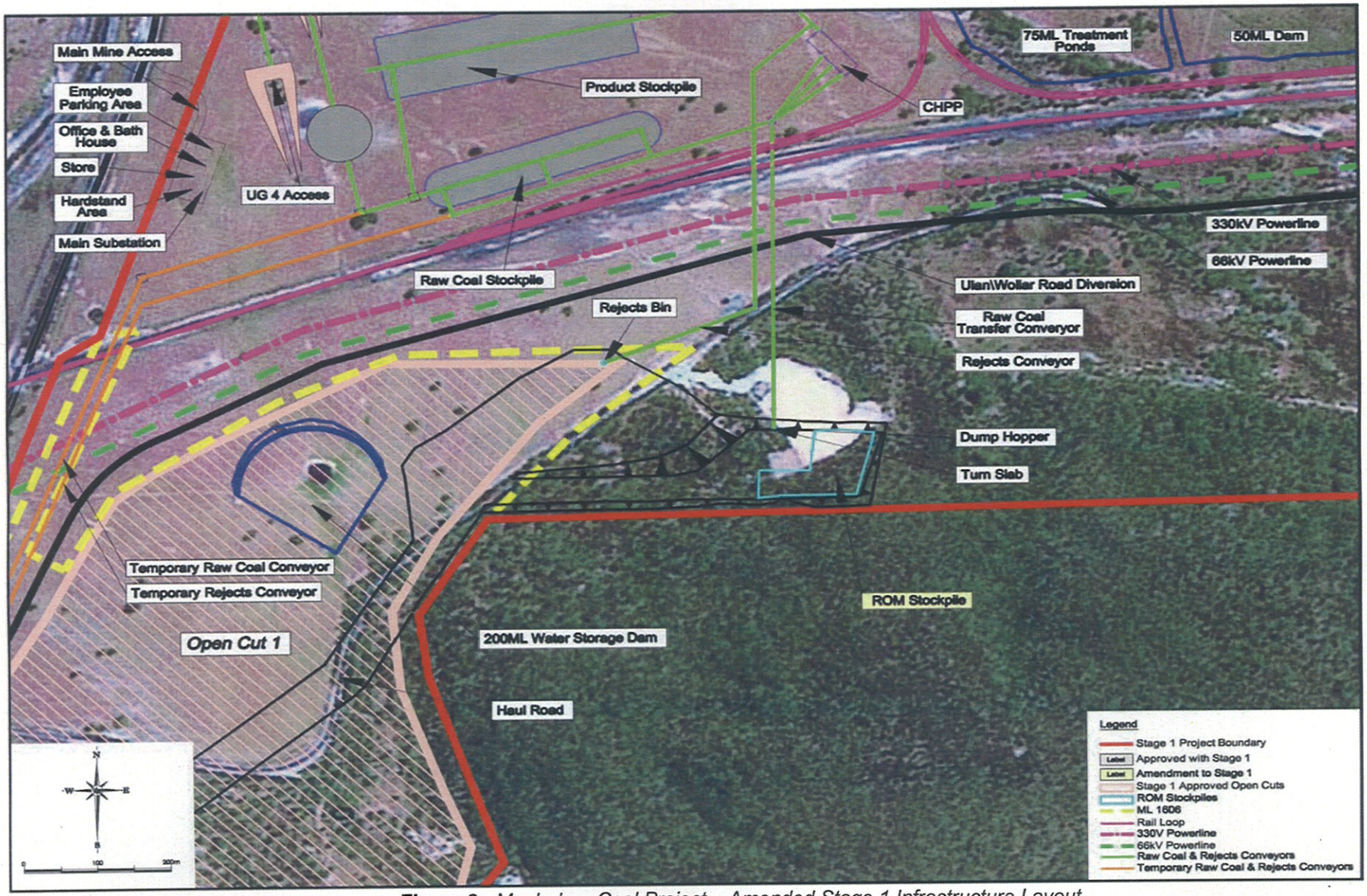

Figure 3: *Moolarben Coal Project – Amended Stage 1 Infrastructure Layout*

CONSULTATION

The Department is not required to notify or exhibit applications under section 75W of the EP&A Act. Due to the minor nature of the proposed modification, the Department did not consult with agencies or exhibit this application. However, after accepting the EA for the modification, the Department made it publically available on its website.

CONSIDERATION

The Department's assessment of the key issues is summarised in **Table 1** below.

Table 1: – *Assessment of key issues*

Issue	*Potential impacts and consequences*	*Conclusion*
Noise	• The Environmental Assessment (EA) includes a review of the potential noise impacts of the modification, undertaken by Spectrum Acoustics Pty Limited. • The review indicates that there would be no measurable or perceivable noise impacts at off-site receiver locations as a result of the proposed stockpiling operations. • Moolarben is required to comply with noise limits already specified within its project approval. • The Department is satisfied that the overall noise level would remain at or below applicable intrusive noise and amenity criteria at all privately-owned receivers.	• No additional control measures required, above and beyond those set out in the approved Noise Management Plan
Air Quality	• The EA includes a review of potential air quality impacts from the proposal, undertaken by PAE Holmes. • The assessment concluded that there would be no change to air quality impacts as a result of the proposed stockpiling operations. • The Department is satisfied that the potential air quality impacts on surrounding residents as a result of the proposal would be negligible.	• No additional control measures required, above and beyond those set out in Moolarben's approved Air Quality Management Plan.
Visual	• The ROM coal stockpile would be located behind and to the east of the ROM coal dump hopper on the ROM coal facilities pad. This area is already characterised by mining infrastructure. • No privately-owned residences would have direct view of the stockpile. The stockpile would be visible to motorists travelling along Ulan-Wollar Road. • The Department is satisfied that the proposal would have minimal visual impact above any beyond those approved for the project.	• No additional control measures required.
Biodiversity	• The proposed stockpiling would be confined to an area that has been approved to be disturbed. • The proposed modification would therefore have negligible effect on existing biodiversity values in the area.	• No additional offset or control measures required.
Aboriginal Cultural Heritage	• The Stage 1 MOD 5 EA includes an Aboriginal Cultural Heritage Assessment undertaken by Archaeological Risk Assessment Services. The Assessment covered the area proposed for the ROM coal stockpile. • The Assessment indicates that no Aboriginal heritage sites are located in the proposed stockpiling area. • The Department is satisfied that the proposal is unlikely to impact on items of Aboriginal cultural heritage.	• No additional control measures required, above and beyond those set out in the approved Heritage Management Plan.
Water Resources	• The Stage 1 EA included a detailed assessment of impacts on both surface and groundwater resources. • Water use associated with the ROM coal stockpile would primarily be for dust suppression. • The Department considers the water use requirements for dust suppression associated with the ROM coal stockpile to be minor in the context of the overall water requirements for the project.	• No additional control measures required, above and beyond those set out in the approved Water Management Plan.

RECOMMENDED CONDITIONS

As no additional control measures are required, the Department has prepared a simple administrative condition and revised plans to reflect the modification in the project approval. Moolarben has reviewed and accepted these conditions.

CONCLUSION

The Department has assessed the modification application in accordance with the relevant requirements of the EP&A Act. This assessment has found that the proposed modification would not cause any environmental impacts additional to those associated with the approved project. The proposed ROM coal stockpile would ensure that a continuous supply of ROM coal is available to the CHPP.

Consequently, the Department is satisfied that the proposed modification is in the public interest and should be approved.

RECOMMENDATION

It is RECOMMENDED that the Director, Mining & Industry Projects:

- consider the findings and recommendations of this report;
- determine that the proposed modification falls within the scope of section 75W of the EP&A Act;
- approve the proposed modification under Section 75W of the EP&A Act; and
- sign the attached Notice of Modification.

Howard Reed 26.5.10
Howard Reed
Manager
Mining Projects

27/5/10
David Kitto
Director
Mining & Industry Projects