

Table of Contents

Executive Summary	E.1
Chapter 1 Introduction	1
1.1 Overview	1
1.2 Stakeholder engagement	2
1.3 Purpose of this report	2
1.4 Director-General's Requirements	2
1.5 Structure of this EA	5
Chapter 2 Site and context	9
2.1 Geographical context	9
2.2 Land ownership	9
2.3 Topography and soils	9
2.4 Coal resource	10
2.5 Climate	10
2.6 Land use	10
2.6.1 Regional land use patterns	10
2.6.2 Local setting	10
Chapter 3 Current operations	15
3.1 Approval history	15
3.2 Approvals and tenements	16
3.3 Key features of the current operations	17
3.4 Status of mine development	17
3.5 Environmental framework	18
3.5.1 Environmental management strategy	18
3.5.2 Best endeavours to acquire	20
Chapter 4 Modification description	23
4.1 Overview	23
4.2 Increased extraction rate	24
4.3 Conceptual mine plan staging	24
4.4 Coal handling and processing	24
4.5 Re-definition of ROM coal stockpile areas	24
4.6 On-site gravel production	25
4.7 Coal transport	25
4.8 Plant and equipment	25
4.9 Water management	25
4.9.1 Saline discharges to the Hunter River	25

Table of Contents *(Cont'd)*

4.9.2	Ancillary water management infrastructure	26
4.10	Workforce	26
4.11	Rehabilitation and final landform	27
4.12	Development of project design	27
4.13	Alternatives considered	29
4.13.1	Overview	29
4.13.2	Extraction rate increase	30
4.13.3	Alterations to the water management system	31
4.13.4	Gravel crushing	32
Chapter 5	Statutory approvals	41
5.1	Introduction	41
5.2	Environmental Planning and Assessment Act 1979	41
5.2.1	Part 3A modification	41
5.2.2	Permissibility	41
5.2.3	State Environmental Planning Policies	41
5.3	Other NSW legislation and policies	42
5.3.1	Protection of the Environment Operations Act 1997	42
5.3.2	Protection of the Environment Operations (Hunter River Salinity Trading Scheme) Regulation 2002	43
5.3.3	Mining Act 1992	43
5.3.4	Coal Mine Health and Safety Act 2002	43
5.3.5	Roads Act 1993	43
5.3.6	Threatened Species Conservation Act 1995	43
5.3.7	Water Management Act 2000	44
5.3.8	Other policies	44
5.4	Commonwealth legislation	45
Chapter 6	Stakeholder engagement	47
6.1	Overview	47
6.2	Stakeholder identification	47
6.3	Consultation methods	48
6.3.1	Community consultative committee	48
6.3.2	Local community	49
6.3.3	Service providers	50
6.3.4	Xstrata Mangoola workforce	51
6.3.5	Government agencies and public authorities	51
6.4	Stakeholder consultation results	52
6.5	Outcomes of stakeholder engagement	54

Table of Contents *(Cont'd)*

Chapter 7	Environmental risk assessment	55
7.1	Methodology	55
7.2	Prioritisation	55
Chapter 8	Noise and vibration	57
8.1	Introduction	57
8.2	Existing environment	57
8.2.1	Acoustic environment	57
8.2.2	Noise criteria and conditions	57
8.2.3	Zones of predicted impact	60
8.2.4	Existing management measures	61
8.3	Impact assessment	63
8.3.1	Methodology	63
8.3.2	Impact assessment results	65
8.3.3	Summary of results	70
8.4	Management and monitoring	71
8.4.1	Noise management measures	71
8.4.2	Blast emission control measures	72
8.5	Conclusion	72
Chapter 9	Air quality and greenhouse gas	77
9.1	Introduction	77
9.2	Existing environment	77
9.2.1	Air quality assessment criteria	77
9.2.2	Background conditions	78
9.2.3	Current air quality monitoring and management	79
9.3	Methodology	80
9.3.1	Dispersion modelling	80
9.3.2	Coal transport dust	82
9.3.3	Blast fume emissions	82
9.4	Impact assessment	82
9.4.1	Predicted incremental impacts	82
9.4.2	Predicted cumulative impacts	84
9.4.3	Assessment of impacts on more than 25% of privately-owned land	86
9.4.4	Consideration of cumulative PM _{2.5} impacts	87
9.4.5	Coal transport dust assessment	87
9.4.6	Blast fume assessment	87
9.4.7	Greenhouse gas impact assessment	87
9.5	Management and monitoring	88

Table of Contents *(Cont'd)*

9.6	Conclusion	89
Chapter 10	Traffic and transport	97
10.1	Introduction	97
10.2	Existing environment	97
10.2.1	Road network	97
10.2.2	Traffic conditions	98
10.2.3	Road safety performance	98
10.2.4	Mangoola Coal related traffic distribution	99
10.2.5	Rail network	99
10.3	Methodology	99
10.3.1	Modelling scenarios	99
10.3.2	Assessment of traffic performance	100
10.4	Road traffic impact assessment	102
10.4.1	Employee-based traffic generation and distribution	102
10.4.2	Heavy vehicle generation	103
10.4.3	Intersection analysis	103
10.4.4	Road capacity and performance	106
10.5	Rail traffic impact assessment	107
10.6	Management and monitoring	107
10.7	Conclusion	108
Chapter 11	Surface water	111
11.1	Introduction	111
11.2	Existing environment	111
11.2.1	Site water management	111
11.2.2	Catchments and surface hydrology	113
11.2.3	Values of receiving waters	114
11.2.4	Downstream water users	114
11.2.5	Hunter River salinity trading scheme	115
11.3	Impact assessment	115
11.3.1	Site water management system	115
11.3.2	Site water balance	116
11.3.3	Predicted discharges	118
11.3.4	Hunter River water quality and downstream users	120
11.3.5	Bank erosion	120
11.3.6	Flooding	121
11.3.7	Channel stability and in-stream habitat	121
11.3.8	Final void behaviour	121
11.3.9	Climate change impacts	121

Table of Contents *(Cont'd)*

11.4	Management and monitoring	121
11.4.1	Water quality monitoring	121
11.4.2	Channel stability and in-stream habitat	122
11.4.3	Water supply	123
11.5	Conclusion	124
Chapter 12 Social impacts and opportunities		125
12.1	Introduction	125
12.2	Existing environment	125
12.2.1	Community capitals assessment	126
12.2.2	Socio-economic profile – Xstrata Mangoola workforce and suppliers	128
12.2.3	Existing capacity of community services	131
12.3	Impact assessment	133
12.3.1	Population change	134
12.3.2	Impacts on community infrastructure and services	135
12.3.3	Social amenity	137
12.3.4	Health and wellbeing impacts	137
12.3.5	Sense of community	138
12.3.6	Economic	138
12.3.7	Environmental	139
12.3.8	Community sustainability	139
12.4	Management and monitoring	139
12.5	Conclusion	142
Chapter 13 Economics		149
13.1	Introduction	149
13.2	Economic efficiency – benefit cost analysis	149
13.2.1	Methodology	149
13.2.2	Identification and valuation of costs and benefits	149
13.2.3	Benefit costs analysis results	151
13.2.4	BCA sensitivity analysis	152
13.3	Economic stimulus – regional economic impact assessment	153
13.3.1	Methodology	153
13.3.2	Results	153
13.4	Conclusion	154
Chapter 14 Visual and lighting		157
14.1	Introduction	157
14.2	Existing environment	157
14.2.1	Local visual character	157

Table of Contents *(Cont'd)*

14.2.2	Mining operations	157
14.2.3	Previous visual assessments	158
14.3	Methodology	158
14.4	Impact assessment	159
14.5	Management and monitoring	160
14.6	Conclusion	161
Chapter 15	Agriculture	163
15.1	Introduction	163
15.2	Existing agricultural resources	163
15.2.1	Strategic regional land use	163
15.2.2	Regional agricultural production	164
15.2.3	Land capability	165
15.2.4	Agricultural resources and support infrastructure	166
15.2.5	Water resources	167
15.3	Impact assessment	167
15.3.1	Strategic regional land use	168
15.3.2	Land capability	169
15.3.3	Agricultural resources and support infrastructure	169
15.3.4	Water for agricultural purposes	169
15.4	Management and monitoring	170
15.5	Conclusion	170
Chapter 16	Other matters	173
16.1	Introduction	173
16.2	Groundwater	173
16.2.1	Background	173
16.2.2	Impact assessment	174
16.2.3	Conclusion	174
16.3	Ecology	175
16.3.1	Background	175
16.3.2	Impact assessment	175
16.3.3	Conclusion	176
16.4	Aboriginal heritage	176
16.4.1	Background	176
16.4.2	Impact assessment	176
16.4.3	Conclusion	176
16.5	European heritage	176
16.5.1	Background	176
16.5.2	Impact assessment	177

Table of Contents *(Cont'd)*

16.5.3	Conclusion	177
16.6	Waste management	177
16.7	Hazards	177
16.8	Rehabilitation	177
16.8.1	Background	177
16.8.2	Impact assessment	180
16.8.3	Conclusion	180
Chapter 17	Statement of commitments	181
17.1	Introduction	181
17.2	Statement of commitments	181
17.3	Amendments to PA 06_0014	183
Chapter 18	Justification and conclusion	187
18.1	Introduction	187
18.2	Need for the proposed modification	187
18.3	Objects of the EP&A Act	188
18.4	Principles of ESD	190
18.4.1	The precautionary principle	190
18.4.2	Inter-generational equity	191
18.4.3	Conservation of biological diversity and ecological integrity	191
18.4.4	Valuation and pricing of resources	192
18.5	Conclusion	192
References		
Glossary of Terms		
Abbreviations		

Appendices

Volume 2

- A Project approval 06_0014
- B Director-General's requirements
- C Study team
- D Land ownership surrounding Mangoola Coal
- E Noise and vibration assessment
- F Air quality and greenhouse gas assessment

Volume 3

- G Traffic and transport assessment
- H Surface water assessment
- I Social impacts and opportunities assessment

Volume 4

- J Economic assessment
- K Visual and lighting assessment

Tables

1.1	Summary of Director-General's Requirements	3
3.1	Relevant approvals, mining authorities, leases and licences which apply to Mangoola Coal	16
3.2	Current operations	17
3.3	Summary of current status of Mangoola Coal's management plans and monitoring programs	19
3.4	Landowners with acquisition rights	20
4.1	Overview of proposed modification	23
4.2	Amendments to the proposed modification in response to key issues	28
6.1	Stakeholder identification	48
6.2	Matters raised during consultation relevant to the proposed modification	52
7.1	Assessment priorities	55
7.2	Lower risk matters	56
8.1	Noise impact assessment criteria (PA 06_0014)	58
8.2	Traffic noise criteria, dB(A)	59
8.3	Airblast overpressure assessment criteria	59
8.4	Ground vibration impact assessment criteria	60
8.5	Comparison of residential dwellings within acquisition and management zones for the	

Tables

	current operations and proposed modification due to operational noise impacts	65
8.6	Private land with >25% land area above 40 dB(A)	66
8.7	Low frequency (site only) assessment at select representative locations	67
8.8	Daytime road traffic noise levels for Wybong Road	67
8.9	Receptors within the noise and vibration acquisition zone for the proposed modification	70
8.10	Noise impact assessment criteria dB(A)	71
9.1	Air quality assessment criteria	77
9.2	Dust mitigation measures	81
9.3	Model predictions where predicted incremental impacts exceed assessment criteria	83
9.4	Analysis of predicted cumulative impacts	85
9.5	Properties with dust impacts on more than 25% of land	86
9.6	Comparison of total CO ₂ -e emissions	88
10.1	Level of service definitions	100
10.2	SIDRA intersection analysis for the proposed modification	104
10.3	SIDRA intersection analysis for the cumulative and 'do-nothing' scenarios (2017) during the 6:00 am to 7:00 am period	105
10.4	Road capacity and performance comparison	106
11.1	Predicted annual average water balance for Scenarios 1 and 2	117
11.2	Mangoola Coal catchment areas under the current operations and proposed modification	118
12.1	Summary of results for key locations of interest	131
12.2	Current capacity for provision of community services in key towns the region and perceived regional issues and needs	132
12.3	Workforce scenarios	134
12.4	Estimated population change	135
12.5	Summary of Xstrata Mangoola strategies (existing and proposed)	140
13.1	Proposed modification – present value of costs and benefits (\$M)	151
13.2	Estimated incremental annual economic impact on the regional and NSW economies of the proposed modification	153
14.1	Visual and lighting impacts of proposed modification	159
15.1	Total area of agricultural production in Muswellbrook LGA	164
15.2	Total number of agricultural production in Muswellbrook LGA	164
15.3	Muswellbrook LGA employment in the agriculture, forestry and fishing sectors	164
15.4	Land capability classes	165
15.5	SRLUP criteria for SAL and CIC	168
17.1	Statement of commitments	181
C.18.1	Study team	C.5

Figures

1.1	Mangoola Coal location	7
1.2	Key features of the proposed modification	8
2.1	Land ownership and residential receptors	12
2.2	Surrounding land uses	13
3.1	Current operations	21
3.2	Existing environmental monitoring networks	22
4.1	Proposed conceptual mine plan – Year 2	33
4.2	Proposed conceptual mine plan – Year 5	34
4.3	Proposed conceptual mine plan – Year 10	35
4.4	Conceptual final landform	36
4.5	Location of proposed Hunter River discharge point	37
4.6	Location of proposed ROM coal stockpiles	38
4.7	Coal handling and processing system	39
6.1	Matters identified by stakeholders relating specifically to the proposed modification	49
8.1	Worst case noise contours – Year 2	73
8.2	Worst case noise contours – Year 5	74
8.3	Worst case noise contours – Year 10	75
8.4	All years worst case noise contours - comparison of current operations and proposed modification	76
9.1	Year 2 - PM ₁₀ annual average and 24 hour (98.6 percentile) incremental impacts (mine only)	90
9.2	Year 5 - PM ₁₀ annual average and 24 hour (98.6 percentile) incremental impacts (mine only)	91
9.3	Year 10 - PM ₁₀ annual average and 24 hour (98.6 percentile) incremental impacts (mine only)	92
9.4	All years - PM ₁₀ annual average and 24 hour (98.6 percentile) incremental impacts (mine only)	93
9.5	All years worst case - PM ₁₀ annual average and 24 hour incremental impacts - comparison of current operations and proposed modification	94
9.6	Predicted total (cumulative) impact for annual average PM ₁₀	95
10.1	Surrounding road network and traffic survey locations	109
12.1	Location of residence of the current Mangoola Coal workforce	143
12.2	Estimated annual household expenditure for the current Mangoola Coal workforce	144
12.3	Mangoola Coal workforce participation in community	145
12.4	Use of health and education services by the Mangoola Coal workforce	146
12.5	Estimated annual household expenditure for the Mangoola Coal workforce (Scenario C)	147
13.1	ROM extraction with the proposed modification compared to the base case	150
14.1	Visual assessment locations	162

Figures

15.1	Land capability	171
15.2	Agricultural resources surrounding Mangoola Coal	172

Photographs

16.1	2011 rehabilitation area which has resulted in successful revegetation of native ground cover from the topsoil seed bank (photograph taken in March 2013)	178
16.2	2012 rehabilitation area shown in the foreground, with the 2011 rehabilitation area shown in the background (photograph taken in March 2013)	178
16.3	Birds using habitat trees (felled trees that have been re-erected) on the rehabilitated slope (photograph taken in March 2013)	179

