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Mr Paul Freeman  
Team Leader, Resource Assessments  
Department of Planning and Environment  
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Dear Mr Freeman

### **Moolarben Coal Project – Optimisation modification project response to submissions**

Thank you for providing the Office of Environment and Heritage (OEH) with the opportunity to review the response to submissions (RTS) for the proposed optimisation project for Moolarben Coal.

### **Mechanism for securing the Gilgal offset**

OEH notes that the proposed offset property Gilgal will satisfy all credits required by this modification except for 404 ecosystem credits and 13 credit species credits for the Koala. OEH is aware that there is at least one mineral exploration licence over Gilgal.

The biodiversity assessment review and offset strategy that accompanied the environmental impact statement for the project (section 10.6) indicates that the Gilgal offset will be secured as a biodiversity stewardship site under the Biodiversity Conservation Act 2016. Commitment to this offset mechanism has not been included in either the main environmental assessment document or the RTS for the project.

OEH recommends that, if the modification is approved, securing of the Gilgal offset as a biodiversity stewardship site be included in the modified development consent for the project.

### **Use of rehabilitation as a biodiversity offset**

The RTS indicates that the proponent intends to generate their outstanding biodiversity offset obligations through use of rehabilitation (table 5, modification credit reconciliation).

Rehabilitation can be used to generate biodiversity credits provided there are good prospects of biodiversity being restored. Use of rehabilitation of mine sites to generate biodiversity credits must meet the requirements of NSW Biodiversity Offsets Policy for Major Projects. This includes payment of a bond and incorporating ecological rehabilitation, including completion / relinquishment criteria, in the mining operations plan.

If, once rehabilitation is underway, it becomes clear that the ecological rehabilitation standard for which biodiversity credits have been generated is not able to be achieved, the proponent must source and retire an equivalent number and type of biodiversity credits to meet the offset requirement.

As previously advised (OEH letter dated 6 December 2017), the residual credit liability obligation can also be fulfilled through:

- a land-based offset
- purchasing existing credits on the Biodiversity Credits Register
- making payments into the Biodiversity Conservation Fund

If you have any queries, please contact Liz Mazzer, Conservation Planning Officer on 6883 5325 or email [liz.mazzer@environment.nsw.gov.au](mailto:liz.mazzer@environment.nsw.gov.au).

Yours sincerely

A handwritten signature in dark ink, appearing to read 'P. Christie', is positioned above the printed name.

**PETER CHRISTIE**  
**Director Regional Operations**  
**North West**

6 June 2018

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