Dear Mr Stewart,

Narrabri Coal Project - Stage 2 (MP 08_0144)  
Director-General’s Requirements

The Department has received your application for Stage 2 of the Narrabri Coal Project.

I have attached a copy of the Director-General’s requirements for the project. These requirements have been prepared in consultation with the relevant agencies, based on the information you have provided to date. I have also attached a copy of the agencies’ comments for your information.

Please note that the Director-General may alter these requirements at any time.

If your proposal is likely to have a significant impact on matters of National Environmental Significance, it will require an approval under the Commonwealth Environment Protection Biodiversity Conservation Act 1999 (EPBC Act). This approval is in addition to any approvals required under NSW legislation. It is your responsibility to contact the Department of Environment, Water, Heritage and the Arts in Canberra (6274 1111 or http://www.environment.gov.au) to determine if the proposal requires an approval under the EPBC Act. The Commonwealth Government has accredited the NSW environmental assessment process, so if it is determined that an approval is required under the EPBC Act, please contact the Department immediately as supplementary Director-General’s requirements will need to be issued.

I would appreciate it if you would contact the Department at least two weeks before you propose to submit your Environmental Assessment for the project. This will enable the Department to determine the:

- applicable fee (see Division 1A, Part 15 of the Environmental Planning and Assessment Regulation 2000); and
- number of copies (hard-copy and CD-ROM) of the Environmental Assessment that will be required for exhibition purposes.

Once it receives the Environmental Assessment, the Department will review it in consultation with the relevant agencies to determine if it adequately addresses the Director-General’s requirements, and may require you to revise it prior to public exhibition.
The Department is required to make all the relevant information associated with the project publicly available on its website. Consequently, I would appreciate it if you would ensure that all the documents you subsequently submit to the Department are in a suitable format for the web, and arrange for an electronic version of the Environmental Assessment to be hosted on a suitable website.

If you have any enquiries about these requirements, please contact Colin Phillips (see above).

Yours sincerely

David Kitto
A/Executive Director
Major Project Assessment
As delegate for the Director-General
### Director-General’s Requirements

**Section 75F of the Environmental Planning and Assessment Act 1979**

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| **Project**        | Stage 2 of the Narrabri Coal Project, which includes:  
- installing and operating underground longwall mining equipment to extract up to 150 million tonnes of coal at a maximum rate of 8 million tonnes of coal a year;  
- processing this coal on-site and transporting product coal by rail to the Port of Newcastle;  
- installing and operating an additional upcast ventilation shaft and fan and surface infrastructure;  
- installing and operating mine gas drainage infrastructure; and  
- operating the mine for up to 27 years. |
| **Location**       | Adjacent to Kurrajong Creek Road, Baan Baa, about 28 kilometres southeast of Narrabri |
| **Proponent**      | Narrabri Coal Operations Pty Ltd |
| **Date of Issue**  | 2 October 2008 |
| **General Requirements** | The Environmental Assessment of the project must include:  
- an executive summary;  
- a detailed description of Stage 1 of the Narrabri Coal Project, including any relevant statutory approvals for this stage of the project;  
- a detailed description of the project, including the:  
  - need for the project;  
  - alternatives considered;  
  - various components and stages of the project;  
  - likely interactions between Stages 1 & 2 of the Narrabri Coal project; and between the project and other land uses in the vicinity of the site; and  
  - plans of any proposed building works;  
- a risk assessment of the potential environmental impacts of the project, identifying the key issues for further assessment;  
- a detailed assessment of the key issues specified below, and any other significant issues identified in the risk assessment (see above), which includes:  
  - a description of the existing environment, using sufficient baseline data;  
  - an assessment of the potential impacts of all stages of the project, including any cumulative impacts, taking into consideration any relevant guidelines, policies, plans and statutory provisions (see below);  
  - a description of the measures that would be implemented to avoid, minimise, mitigate, rehabilitate/remediate, monitor and/or offset the potential impacts of the project, including detailed contingency plans for managing any significant risks to the environment;  
- a statement of commitments, outlining all the proposed environmental management and monitoring measures;  
- a conclusion justifying the project on economic, social and environmental grounds, taking into consideration whether the project is consistent with the objects of the Environmental Planning & Assessment Act 1979;  
- a signed statement from the author of the Environmental Assessment, certifying that the information contained within the document is neither false nor misleading. |
### Key Issues

- **Soil & Water** – paying particular attention to:
  - any potential impacts on the Great Artesian Basin intake beds;
  - the requirements of the *NSW Great Artesian Basin Groundwater Sources Water Sharing Plan*; and the *Upper and Lower Namoi Groundwater Water Sharing Plan*;
  - demonstrating how the company would manage mine water, especially any mine water brought to the surface;
  - any potential subsidence-induced soil and stream erosion;
- **Subsidence**;
- **Noise**;
- **Air Quality**;
- **Biodiversity** – including:
  - accurate estimates of any vegetation clearing associated with the project;
  - a detailed assessment of the potential impacts of the project, particularly from subsidence impacts, on threatened species, populations, ecological communities or their habitat; and
  - a description of any measures that would be implemented to maintain or improve biodiversity values in the region;
- **Heritage** – both Aboriginal and non-Aboriginal;
- **Greenhouse Gases** – a greenhouse gas assessment (including a quantitative analysis of greenhouse gas emissions associated with the combustion of coal, and a qualitative assessment of the impacts of these emissions on the environment);
- **Transport**;
- **Visual**; and
- **Rehabilitation** – including a detailed description of the proposed rehabilitation strategy for the project, including detailed plans of the proposed final landform; and
- **Social & Economic** – particularly with regard to any increased demand for infrastructure and services in the Narrabri – Gunnedah region.

### References

The environmental assessment of the key issues listed above must take into account relevant guidelines, policies, and plans. While not exhaustive, the following attachment contains a list of some of the guidelines, policies, and plans that may be relevant to the environmental assessment of this project.

### Consultation

During the preparation of the Environmental Assessment, you should consult with the relevant local, State or Commonwealth Government authorities, service providers, community groups or affected landowners.

In particular you must consult with:
- Department of Environment and Climate Change;
- Department of Water and Energy;
- Department of Primary Industries;
- Namoi Catchment Management Authority;
- Roads and Traffic Authority; and
- Narrabri Shire Council.

The consultation process and the issues raised must be described in the Environmental Assessment.

### Deemed Refusal Period

90 days
## Policies, Guidelines & Plans

### Soil and Water

#### Soil
- Rural Land Capability Mapping (DLWC)
- Agricultural Land Classification (DPI)
- Using the ANZECC Guideline and Water Quality Objectives in NSW (DEC)
- State Water Management Outcomes Plan
- Namoi Catchment Action Plan (DPI)
- Approved Methods for the Sampling and Analysis of Water Pollutants in NSW (DEC)
- Managing Urban Stormwater: Soils & Construction (Landcom)
- Technical Guidelines: Bunding & Spill Management (DECC)
- Environmental Guidelines: Use of Effluent by Irrigation (DECC)

#### Groundwater
- NSW State Groundwater Policy Framework Document (DLWC)
- NSW State Groundwater Quality Protection Policy (DLWC)
- NSW Great Artesian Basin Groundwater Sources Water Sharing Plan (DWE)
- Upper and Lower Namoi Groundwater Water Sharing Plan (DWE)

#### Subsidence
- Guideline for Application for Subsidence Management Approvals (DMR)

#### Noise
- NSW Industrial Noise Policy (DECC)
- Environmental Criteria for Road Traffic Noise (NSW EPA)
- Environmental Noise Control Manual (DECC)
- Interim Guideline for the Assessment of Noise from Rail Infrastructure Projects (DECC)

#### Air Quality
- Protection of the Environment Operations (Clean Air) Regulation 2002
- Approved Methods for the Modelling and Assessment of Air Pollutants in NSW (DEC)
- Approved Methods for the Sampling and Analysis of Air Pollutants in NSW (DEC)

#### Biodiversity
- Draft Guidelines for Threatened Species Assessment under Part 3A of the Environmental Planning and Assessment Act 1979 (DEC)
- The NSW State Groundwater Dependent Ecosystem Policy (DLWC)
- Policy & Guidelines - Fish Friendly Waterway Crossings (NSW Fisheries)
- State Environmental Planning Policy No. 44 – Koala Habitat Protection
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<tr>
<th>Heritage</th>
<th>Draft Guidelines for Aboriginal Cultural Heritage Impact Assessment and Community Consultation (DECC)</th>
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<tr>
<td>Non-Aboriginal</td>
<td>NSW Heritage Manual (NSW Heritage Office)</td>
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<td></td>
<td>The Burra Charter (The Australia ICOMOS charter for places of cultural significance)</td>
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<tr>
<td>Greenhouse Gases</td>
<td>AGO Factors and Methods Workbook (AGO)</td>
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<td>Transport</td>
<td>Guide to Traffic Generating Development (RTA)</td>
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<td>Road Design Guide (RTA)</td>
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<td>Rehabilitation</td>
<td>Mine Rehabilitation – Leading Practice Sustainable Development Program for the Mining Industry (Commonwealth of Australia)</td>
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<td>Mine Closure and Completion – Leading Practice Sustainable Development Program for the Mining Industry (Commonwealth of Australia)</td>
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<tr>
<td>Social &amp; Economic</td>
<td>Draft Economic Evaluation in Environmental Impact Assessment (DOP)</td>
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<td>Strategic Plans</td>
<td>Orana Regional Environmental Plan No 1 – Siding Spring (DoP)</td>
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