

ASSESSMENT REPORT

Metropolitan Coal Mine Annual Review Modification (08_0149 MOD 3)

1 BACKGROUND

Metropolitan Coal Pty Ltd (MCPL), a wholly owned subsidiary of Peabody Pacific Pty Ltd, owns and operates the Metropolitan Coal Mine, which is located approximately 30 kilometres (km) north of Wollongong on the Woronora Plateau.

The Metropolitan Coal Mine operates pursuant to a project approval granted on 22 June 2009 which permits the continuation, upgrade and extension of underground coal mining operations and surface facilities at the mine. This project approval has since been modified on two occasions; to construct a replacement underground drift; and to increase the annual limit of off-site trucking of product coal.

The current project approval allows:

- extraction of up to 3.2 million tonnes per annum (Mtpa) of run-of-mine (ROM) coal for 23 years using longwall mining methods;
- processing of ROM coal at the surface facilities at Helensburgh;
- transportation of product coal by rail to Port Kembla Coal Terminal and by road to cokeworks at Corrimal and Coalcliff;
- emplacement of coal reject into the underground mine and at the Glenlee Coal Washery, near Narellan; and
- rehabilitation of the site.

2 PROPOSED MODIFICATION

On 25 September 2013, MCPL lodged an application (08_0149 MOD 3) to modify the project approval under section 75W of the *Environmental Planning and Assessment Act 1979* (EP&A Act).

The project approval requires MCPL to prepare an Annual Review of operations by the end of October each year. However, MCPL is also required to prepare Annual Environmental Management Reports (AEMR) in accordance with conditions of its Consolidated Coal Lease 703 and Mining Lease 1610, both of which are required to cover each calendar year.

MCPL has requested that its Annual Review reporting timeframe is revised, from the end of October to the end of March, in order to consolidate its annual reporting requirements. In this way, the Annual Review would address not only the conditions of the project approval but the requirements of MCPL's mining leases.

3 STATUTORY CONTEXT

Section 75W

Modifications to project approvals must be carried out under the now repealed section 75W of the EP&A Act. Despite its repeal, section 75W continues to apply to "transitional Part 3A projects", which includes approved projects such as the Metropolitan Coal Mine, pursuant to schedule 6A of the EP&A Act.

The proposed modification involves no changes to operational activities, mining methods, employment or environmental standards applicable to the site. Therefore the Department is satisfied that the proposal can be characterised as a modification to the existing project approval, and is within the scope of section 75W of the EP&A Act.

Approval Authority

Under section 75W of the EP&A Act, the Minister for Planning and Infrastructure is the approval authority for this modification application. However, under the Minister's delegation of 28 September 2011, the Director, Mining and Industry Projects may determine the application.

4 CONSULTATION

Under section 75W of the EP&A Act, the Department is not required to notify the modification application or to undertake consultation. Given that the proposed modification is very minor and purely administrative in nature, the Department did not undertake any public or interagency consultation. However the modification application was made publicly available on the Department's website. No submissions have been received.

5 ASSESSMENT

The proposed modification is administrative, and would not affect the approved operations of the mine. The modification would allow MCPL to streamline its annual reporting to agencies, and as such, the Department supports the proposal.

6 RECOMMENDED CONDITIONS

The Department has drafted a Notice of Modification (see Appendix A) for the proposal, as well as a consolidated project approval, as it is proposed to be modified (see Appendix B).

7 CONCLUSION AND RECOMMENDATIONS

The Department has assessed the merits of the proposed modification in accordance with the requirements of the EP&A Act. As the proposed modification streamlines and harmonises annual reporting requirements for the Metropolitan Coal Mine, the Department is satisfied that the proposed modification should be approved.

It is **RECOMMENDED** that the Director, Mining and Industry Projects, as delegate of the Minister:

- **considers** the findings and recommendations of this report;
- **determines** that the proposed modification falls within the scope of section 75W of the EP&A Act;
- **approves** the application under section 75W, subject to conditions; and
- **signs** the notice of modification in Appendix A.



Howard Reed
Manager Mining Projects

3.10.13



David Kitto
Director Mining and Industry Projects