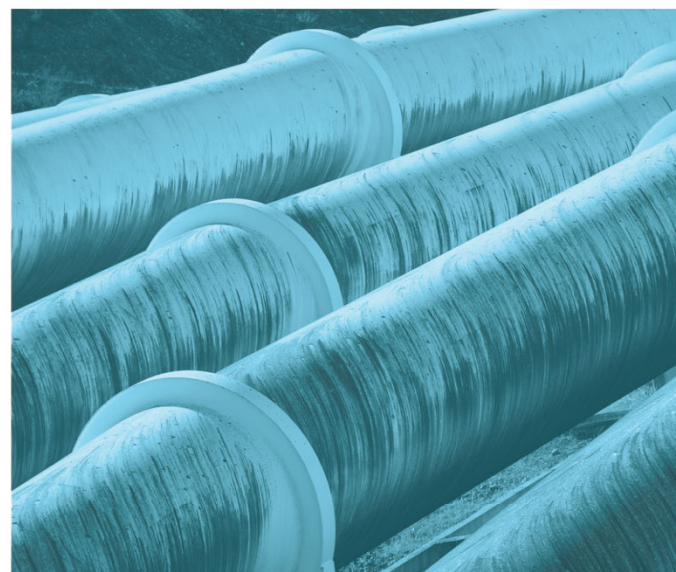




Lidsdale Siding

Modification report for modification to development consent
08_0223

Prepared for Ivanhoe Coal Pty Ltd
September 2019





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Lidsdale Siding

Modification report for modification to development consent 08_0223

Report Number

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Client

Ivanhoe Coal Pty Ltd

Date

25 September 2019

Version

v1 Final

Prepared by**Approved by**

**Eden Miles**

Environmental Engineer

25 September 2019

**Phil Towler**

Associate Director

25 September 2019

This report has been prepared in accordance with the brief provided by the client and has relied upon the information collected at the time and under the conditions specified in the report. All findings, conclusions or recommendations contained in the report are based on the aforementioned circumstances. The report is for the use of the client and no responsibility will be taken for its use by other parties. The client may, at its discretion, use the report to inform regulators and the public.

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Executive Summary

Lidsdale Siding (the facility) is a rail loading facility which automates the transfer and dispatch of coal from Centennial Coal Pty Limited's (Centennial Coal's) Western Coal Services (WCS) Project to domestic and international markets via rail. The facility is located approximately 500 metres (m) north of Wallerawang and approximately 9 kilometres (km) north-west of Lithgow within the Lithgow local government area (LGA) of New South Wales (NSW).

The facility operates under development consent 08_0223 (the consent) which was granted in 2013 under Part 3A of the NSW *Environmental Planning and Assessment Act 1979* (EP&A Act) by the then Minister for Planning and Infrastructure. The original consent has since been declared a State significant development (SSD) under clause 6 of Schedule 2 of the NSW Environmental Planning and Assessment (Savings, Transitional and Other Provisions) Regulation 2017. The facility is owned and operated by Ivanhoe Coal Pty Ltd (Ivanhoe Coal).

Ivanhoe Coal is seeking to modify Condition 7 of Schedule 2 of the consent pursuant to Section 4.55(1A) of the EP&A Act to allow:

- for no more than seven laden trains to arrive at or leave the site each day; and
- for no more than five laden trains to arrive at or leave the site each day, when averaged over a calendar year.

Surface facilities approved for construction as part of modification one (herein referred to as Mod 1) to the consent will be utilised for the unloading of coal at the facility.

No other modifications to the consent are required. Consistent with the consent, unloading activities will not occur on the same day as loading activities. Therefore, the maximum number of trains (currently seven coal-laden trains leaving the site in a single day) will not increase as part of the proposed modification. The proposed modification will not increase the currently approved coal handling rate at the facility of 6.5 million tonnes per annum (Mtpa).

These activities will only operate during emergency situations when coal stockpiles at Mount Piper Power Station (MPPS) are forecast to decline below 400,000 tonnes (t) for an extended period. A trigger action response plan (TARP) is used to define the emergency situations when rail unloading activities are required at the facility.

The proposed modification will allow Ivanhoe Coal to accept and transfer a larger quantity of coal from the facility, which is critical to guaranteeing ongoing supply of suitable quality coal to MPPS during coal supply shortfalls at MPPS from Springvale Mine. If no additional emergency coal supply provisions are put in place to address potential coal supply shortfalls, there is a risk that declining stockpiles at MPPS will impact the efficiency of operations at MPPS and threaten the reliable supply of electricity to NSW.

The NSW Department of Planning, Infrastructure and Environment (DPIE) and key stakeholders have been consulted regarding the proposed modification and to assist in identifying all of the relevant issues to be assessed. This modification report (MR) examines the potential impacts from the proposed modification and includes qualitative assessments of potential air and noise impacts.

The proposed modification will not result in significant biophysical, social or economic impacts and any residual impacts can be appropriately managed in accordance with Ivanhoe Coal's existing approved environmental management system.

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1 Introduction

1.1 Overview

Lidsdale Siding (the facility) is an existing rail loading facility that automates the transfer and dispatch of coal from Centennial Coal Pty Limited's (Centennial Coal's) Western Coal Services (WCS) Project. The facility operates under Development Consent 08_0223 (the consent) as modified. The facility is approximately 500 m north of Wallerawang and approximately 9 km north-west of Lithgow within the Lithgow local government area (LGA) of New South Wales (NSW) (refer Figure 1.1). The facility is owned and operated by Ivanhoe Coal Pty Ltd (Ivanhoe Coal).

EMM Consulting Pty Limited (EMM) has been engaged by Ivanhoe Coal to prepare a modification report (MR) to accompany an application to modify the consent.

The consent relates to the facility and surrounding study area as shown in Figure 1.2. The operational area that relates to the facility and the proposed modification (the project site, as defined in Appendix 1 of the consent) is also shown on Figure 1.2. The consent allows the facility to receive 6.3 Mtpa of coal via overland conveyors and via train utilising temporary unloading infrastructure. Coal is transported from the facility by rail to various destinations across the rail network, and to Mount Piper Power Station (MPPS) when required via overland conveyors.

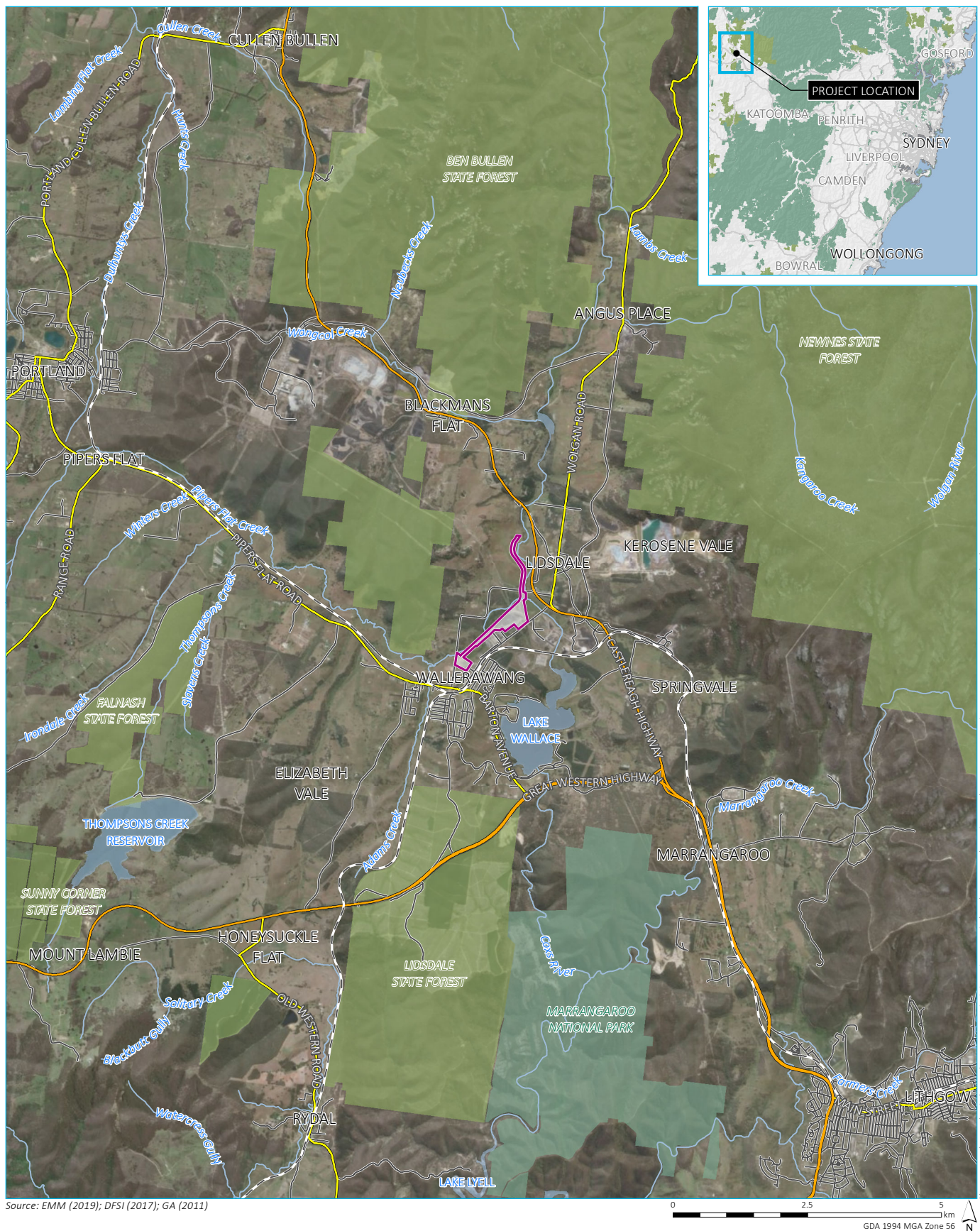
The current consent includes allowance for receiving and dispatching coal from the facility by rail and the transfer of coal to the WCS site for use at MPPS when triggered by the existing trigger action response plan (TARP), when coal supplies at MPPS are low. It is proposed to increase the number of deliveries by trains able to be received by the facility to be consistent with approved number of trains dispatched per day (ie from one to seven).

A modification to the consent, under Section 4.55(1A) of the *NSW Environmental Protection and Assessment Act 1979* (EP&A Act), is sought to continue to undertake unloading activities during emergency situations when coal stockpiles at MPPS are forecast to decline below 400,000 tonnes (t) for an extended period.

Consistent with modification one (herein referred to as Mod 1) (EMM 2019), unloading activities will not occur on the same day as approved loading activities and no increase to the currently approved coal handling rate at the facility of 6.3 Mtpa is proposed.

Acceptance and transfer of a larger quantity of coal from the facility is critical to guaranteeing ongoing supply of suitable quality coal to MPPS during coal supply shortfalls at MPPS from Springvale Mine, which may occur for various reasons. Current approvals to mitigate shortfall issues, including Mod 1 and the short-term modification to Clarence Colliery's development consent (DA 504-00) to allow further coal haulage to the WCS site, are not forecast to be sufficient. If further emergency supplementary coal supply provisions are not in place to deal with coal supply shortfalls in the future, there is a risk that declining coal stockpiles at MPPS will impact the efficiency of operations at MPPS and threaten the reliable supply of electricity to NSW.

This MR assesses the impacts of the proposed modification and proposes mitigation measures, where required, to minimise potential impacts.



KEY

- | | |
|--|---|
| Project site | — Named watercourse |
| --- Rail line | Waterbody |
| — Highway | NPWS reserve |
| — Main road | State forest |
| — Local road | |

Regional context

Lidsdale Siding Modification 2
Modification report
Figure 1.1

1.2 Proponent

Ivanhoe Coal Pty Limited (Ivanhoe Coal) is a wholly owned subsidiary of Centennial Coal. Centennial Coal is a wholly owned subsidiary of Banpu Public Company Limited (Banpu).

Ivanhoe Coal is the proponent for the modification. The relevant address is:

Ivanhoe Coal Pty Limited
Level 18, 1 Market Street
Sydney NSW 2000

1.3 Background

The facility is on Main Street, approximately 500 m north of Wallerawang, 9 km north-west of Lithgow and 120 km west of Sydney in the Lithgow LGA (refer Figure 0.1 and Figure 0.2).

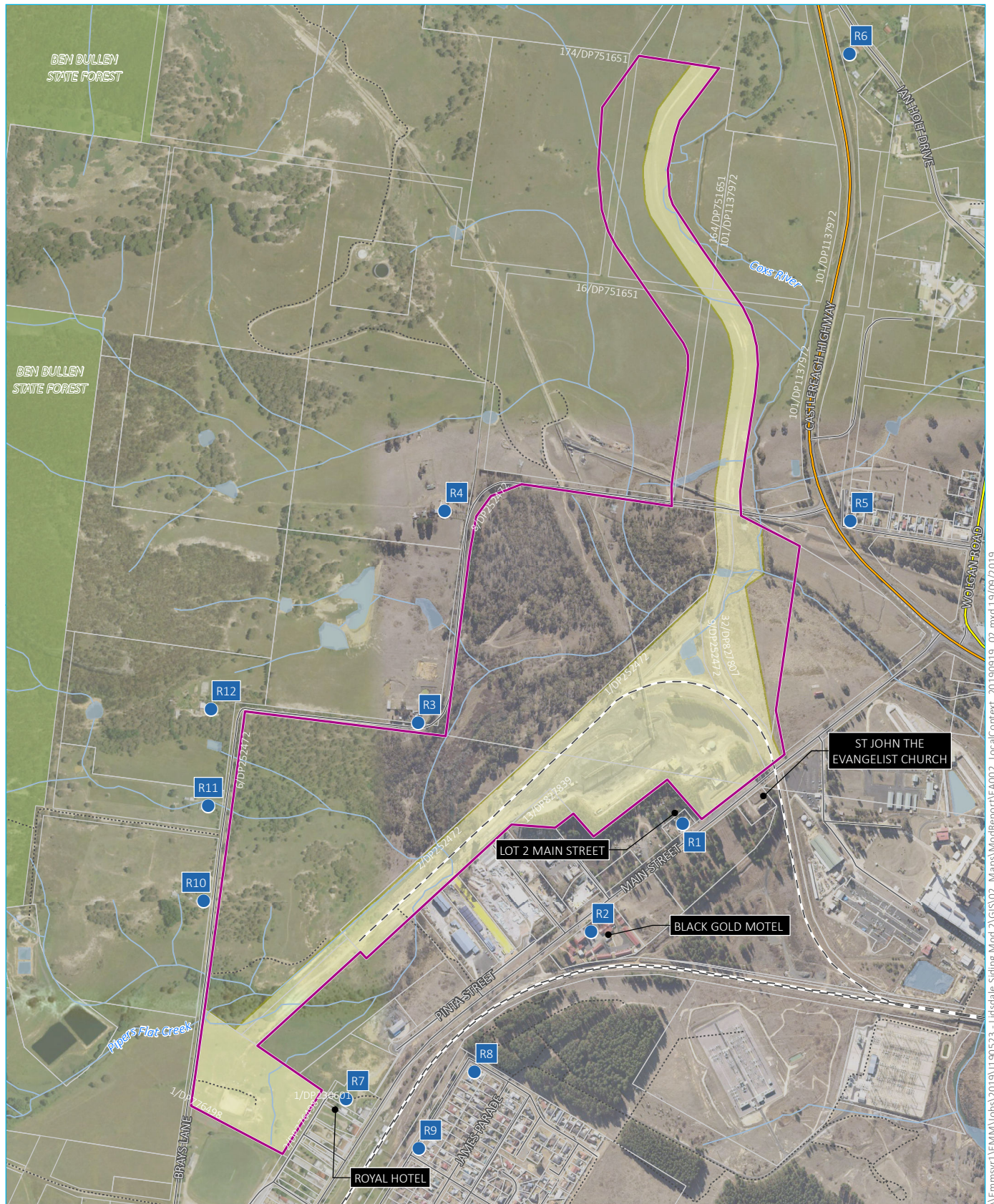
The primary operations of the facility are:

- receiving coal from the WCS currently via overland conveyor;
- transferring coal to an elevating stockpile conveyor;
- depositing coal in an elongated conical stockpile;
- reclaiming coal from the stockpile via gravity fed reclaimers;
- transferring coal to a train loading bin via conveyor;
- loading coal into train wagons for distribution; and
- when coal stockpiles at MPPS are low (as defined by the existing TARP):
 - receiving coal via train and utilising rail unloading infrastructure; and
 - transferring coal from the facility to the WCS site via conveyor.

The facility is permitted to dispatch up to seven coal-laden trains on any single day with an average of up to five laden trains per day over a calendar year and receive up to one laden train per day for coal to be unloaded and transported to the WCS site via overland conveyor. Either loading or unloading operations can occur in a single day, not both.

The facility and operations are described in Chapter 3.

The consent was granted in May 2013 under Part 3A of the EP&A Act. The original consent has since been declared a State significant development (SSD) under Clause 6 of Schedule 2 to the Environmental Planning and Assessment (Savings, Transitional and Other Provisions) Regulation 2017. The facility also operates under Environment Protection Licence (EPL) 5129. The consent has been modified once previously (ie Mod 1), with approval granted on 23 August 2019.



Source: EMM (2019); DFSI (2017); GA (2011)

KEY

- | | |
|---|---|
| Study area | Watercourse/drainage line |
| Project site | Waterbody |
| Rail line | State forest |
| Highway | Cadastral boundary |
| Main road | ● Noise receptor |
| Local road | |
| Vehicular track | |

Local context

Lidsdale Siding Modification 2
Modification report
Figure 1.2

1.4 Objectives

It is proposed to modify the consent under Section 4.55(1A) of the EP&A Act to increase the number of coal-laden trains that are permitted to be received and unloaded at the facility from one to seven coal-laden trains (nominal net tonnage of up to 3,900 t per train) each day (Monday to Saturday between 7:00 am–6:00pm, and Sunday between 8:00 am–6:00pm).

Consistent with Mod 1, it is proposed to undertake these activities during emergency situations only when coal stockpiles at MPPS are forecast to decline below 400,000 t for an extended period.

The proposed modification will utilise previously approved unloading infrastructure and no additional construction works are required.

Additional details regarding the modification are provided in Chapter 4.

1.5 Justification and alternatives

As described in Mod 1 (EMM 2019), Springvale Mine is the primary source of coal for MPPS. In early 2019, due to continued lower yields from Springvale Mine associated with the commencement of mining in the southern longwall blocks, a potential shortfall in coal supply to MPPS was identified. As a result, Centennial Coal has implemented supplementary coal supply measures to ensure MPPS coal demands can continue to be met. As an immediate, short-term measure, Centennial Coal also received approval for a modification to Clarence Colliery's development consent (DA 504-00) to:

- increase total allowable coal haulage off-site from Clarence Colliery by road from 200,000 t to 300,000 t for a limited period of time up to 31 December 2020; and
- increase total allowable coal haulage off-site from Clarence Colliery to the west by road from 100,000 t to 200,000 t for a limited period of time up to 31 December 2020.

This supplementary coal supply measure is a short-term, temporary solution only and is not considered a suitable long-term option to provide additional coal supplies to MPPS. This is due to the limited volume of coal that can be transported by road from Clarence Colliery and the potential impacts associated with a sustained increase in heavy vehicle movements on the local and regional road network.

As a result, Centennial Coal and EnergyAustralia NSW Pty Ltd (EnergyAustralia) investigated other opportunities to provide supplementary coal supplies to MPPS should a shortfall in coal supply be experienced again. The alternatives considered to date include:

- Road haulage of coal from Airly Mine – Airly Mine has sufficient available coal; however, this was not considered a viable alternative due to potential impacts on the local and regional road network and the outcomes of community engagement during previous environmental assessments.
- Coal extraction and transfer from Angus Place – Angus Place was placed on care and maintenance in 2015 and additional approvals under the EP&A Act would be required to facilitate the transfer of coal from Angus Place to MPPS. Due to the length of time associated with the additional approvals, this is not considered an option to meet predicted shortfalls in coal supply to MPPS.
- Other historic local suppliers – none of MPPS's other local suppliers are currently operational and, subsequently, there would likely be significant delays as well as greater risks associated with obtaining the necessary approvals to reopen these mines. Due to the length of time and risks associated with the obtaining the approvals, this is not considered an option to meet predicted shortfalls in coal supply to MPPS.

- Other rail unloading and coal transfer options – EnergyAustralia received approval for the construction of the Pipers Flat rail unloader facility in 2009 and a modification to the consent in 2019 included a revised design to improve efficiency and reduce the environmental impacts of the development, as well as a request to extend the required start date of the approval permit. Construction of the Pipers Flat rail unloader facility is anticipated to take a number of years and therefore this is not considered an option to meet predicted shortfalls in coal supply to MPPS.
- Road haulage of coal from other operations in NSW – the additional heavy vehicle traffic required to meet predicted shortfalls in coal supply to MPPS would be significant and it is anticipated that associated impacts to the local and regional road network would not be considered acceptable by affected local communities or regulatory stakeholders.

As noted previously, Modification 1 to Lidsdale Siding’s consent was approved on 23 August 2019 and allowed for:

- the receipt and unloading of up to one coal-laden train to the facility; and
- construction of supporting infrastructure to facilitate unloading activities at the facility.

This modification was considered to be the most viable option for the supply of coal to MPPS under emergency situations, as it allows coal to be unloaded, handled and transported off-site to MPPS using the existing overland conveyor system via the WCS site and existing approved unloading infrastructure at Lidsdale Siding.

The proposed modification will enable an increase in the volume of coal that can be unloaded at, and transferred from, the facility and will help to maintain coal stockpile levels at MPPS during any future emergency situations. If no additional emergency coal supply provisions are in place to further alleviate coal supply shortfalls in the future, there remains a risk that declining coal stockpiles at MPPS will impact on the efficiency of operations at MPPS and threaten the reliable supply of electricity to NSW.

The proposed modification does not require a modification to the amount of coal handled by the facility, an expansion of the developed or cleared portion of the project site, or an increase in approved stockpile locations, as discussed further in Chapter 4.

The proposed modification to unload up to seven coal-laden trains per day would be within the objectives of the facility’s consent, being the handling and transportation of coal with a reduced reliance on road transport for coal deliveries, and thus is substantially the same development as the original project, as discussed in Chapter 5.

The proposed modification does not trigger a requirement for any further modifications to the development consent for the WCS Project (SSD-5579). Centennial Ivanhoe do not propose to transfer more than the currently approved 1.5 Mtpa of coal from the facility to the WCS site. The proposed modification will allow for temporary, short-term increases in coal transfer on a campaign basis to address coal supply shortfalls at MPPS.

1.6 Report contents

This MR describes the project site, surrounding area, existing operations at the facility, details of the proposed modification, legislative framework, stakeholder consultation and provides an environmental assessment and justification of the proposed modification.

2 Site description

2.1 Site location and land ownership

The facility is north of Wallerawang within the Lithgow LGA (refer Figure 0.2). The project site is on land leased by Ivanhoe Coal from Delta Electricity and the State Rail Authority.

The project site is zoned IN1 General Industrial and RU1 Primary Production under the Lithgow Local Environmental Plan 2014 (Lithgow LEP).

The project site and broader study area, as defined in Appendix 1 of the consent, is located on:

- Lot 1 of DP 776498;
- Lots 1, 2, 6, 7, 8 and 9 of DP 252472;
- Lot 13 of DP 827839;
- Lot 32 of DP 827807;
- Lot 101 of DP 1137972; and
- Lots 16, 164 and 174 of DP 751651.

2.2 Surrounding land uses

The surrounding environment generally consists of low-density development and rural uses. The primary land uses immediately around the facility include community, commercial and industrial uses (refer Figure 0.2), notably:

- Black Gold Motel (approximately 250 m south);
- St John the Evangelist Church, Wallerawang (approximately 250 m south-east); and
- residences approximately 300 m to the west, 500 m to the north and 600 m to the south.

The decommissioned Wallerawang Power Station is approximately 200 m east of the facility.

Sensitive receivers, including regional receivers, and potential impacts on those receivers are discussed in Chapter 7.

2.3 Environmental setting

The project site has generally been cleared of vegetation and is used for internal roads, stockpiles, conveyors, train loading infrastructure and environmental management measures. An approximately 30 m-wide vegetation screen towards the southern end of the project site serves as a visual amenity buffer for motorists and sensitive receptors.

2.4 Historical and current uses

The facility has been used for coal storage and rail loading since 1974. Historically, coal was received at the project site via the overland conveyor and road. Stockpiled coal was loaded onto trains by front end loaders (FELs) for transport via the Main Western Railway line. Stockpiles were formed by moving coal from the overland conveyor and truck stockpiles to a train stockpile by FELs.

As discussed in Chapter 3, the consent allowed for the extension of the rail line and establishment of a purpose-built train loading facility. Deliveries by truck have ceased, with conveyors and reclaimers being installed between the overland conveyor and train loading facility to largely automate the handling and transport of coal. The use of FELs are still required for the clearing of sumps and general stockpile management.

Works associated with Mod 1 include:

- modification of the train loading facility to allow for the unloading of coal wagons into a hopper in the existing under-rail sump;
- installation of hopper-feeder conveyors within the existing under-rail sump to extract the unloaded coal;
- installation of conveyors and a radial stacker to stockpile the coal;
- establishment of a temporary coal stockpile and tunnel reclaimers within the approved push out area; and
- installation of a conveyor system and second stacker between the temporary coal stockpile and overland conveyor.

These works were approved in August 2019 and construction of the approved infrastructure will commence shortly.

Environmental management measures have been implemented across the project site, including air quality, noise and surface water management measures. These measures are discussed in Chapter 3 and Chapter 7.

3 Existing operations

3.1 Development consent

As noted in Chapter 1, the facility currently operates under Development Consent 08_0223 (as modified), as supported by:

- *Lidsdale Siding Upgrade Project Environmental Assessment* (RPS Australia East 2012) (ie the original EA);
- *Lidsdale Siding Upgrade Response to EA Submissions* (Centennial Coal 2012) (RTS);
- *Lidsdale Siding Environmental Assessment for Modification to Development Consent 08_0223* (EMM 2019) (Mod 1 EA); and
- *Lidsdale Siding Mod 1 – Response to Submissions* (Centennial Coal 2019) (Mod 1 RTS).

3.2 Overview of operations

The facility is designed to supply coal across the regional rail network and is capable of supplying coal to domestic and international markets via rail. The rate of stockpiling and distribution of coal is based on a combination of market forces and production capabilities and is therefore variable.

As a result of Mod 1, the facility is also permitted to receive coal and dispatch via the existing overland conveyor system to the WCS site. Construction of the approved infrastructure is described in Section 2.4 and will commence shortly.

The existing operations at the facility were considered in the original EA and Mod 1 EA, with key aspects of the facility's operations summarised in Table 3.1.

Table 3.1 Existing and approved operations summary

Component	Approved development
Lifespan	Coal handling and train loading operations may occur until 31 December 2042.
Coal receival and dispatch	6.3 Mtpa (all coal to be delivered to and from the facility by the existing overland conveyor system).
Operational hours	24-hours a day, seven days a week.
Stockpile capacity	50,000 t.
Train movements	Seven trains to be dispatched in a single day.
(absolute daily maximum)	One train to be received in a single day. No dispatching by truck.
Train movements	Five trains a day to be dispatched when averaged over a calendar year.
(average daily maximum)	One train to be received in a single day. No dispatching by truck.
Unloading/loading	Loading operations are not undertaken on the same day as unloading operations.

Table 3.1 Existing and approved operations summary

Component	Approved development
Site infrastructure	<p>Approved infrastructure as part of the original consent includes:</p> <ul style="list-style-type: none"> • diversion chute at the end of the existing overland conveyor; • stockpiling conveyor; • auxiliary stockpile under the existing overland conveyor; • elongated conical stockpile and associated push-out area (50,000 t); • elongated conveyor to elongated conical stockpile; • underground tunnel with reclaimers beneath the elongated conical stockpile; • conveyor from reclaim tunnel to train loading bin; • modular reclaiming; • train loading bin; • spillage reclaim pit beneath the train loading bin; • control room adjacent to the train loading bin; • track extension and adjacent shunt; • dust suppression and supporting water management infrastructure (ie improved clean water diversion channels); • landscaping and bunding; • power upgrades; • lighting for night operations and security; • site security fencing; • storage infrastructure; and • refuelling infrastructure. <p>Mod 1 approved infrastructure for unloading and transportation of coal to the WCS site includes:</p> <ul style="list-style-type: none"> • wagon trigger, coal hopper and hopper feeder conveyors to accept coal in existing under-rail sump; • hopper-feeder conveyor within existing under-rail sump to extract unloaded coal to stockpile; • conveyors and 8,500 t conical/radial stacker to stockpile the coal; • temporary coal stockpile and tunnel reclaimers; • modular reclaiming; and • conveyor system and second stacker between the temporary coal stockpile and overland conveyor. <p>Key components of the existing approved infrastructure are identified on Figure 3.1.</p>
Miscellaneous operations	<p>Miscellaneous operations at the facility include:</p> <ul style="list-style-type: none"> • storage, provisioning and minor maintenance of locomotives and wagons; • maintenance of infrastructure and amenities; and • fuelling of plant and locomotives from mobile tanks/transportable fuel tanks.
Employees	10 employees.
Rehabilitation	<p>Rehabilitation is to be in accordance with the existing <i>Rehabilitation and Closure Plan</i> (Centennial Coal 2018).</p> <p>The site is to be safe, stable and non-polluting, with the final land use compatible with surrounding land uses. Closure is to ensure public safety, with minimal adverse socio-economic effects associated with the closure of the facility.</p>

3.3 Environmental management

The facility's environmental and planning compliance is managed under a suite of management plans approved by the Director General/Secretary of the NSW Department of Planning, Infrastructure and Environment (DPIE), including:

- *Western Region – Noise Management Plan* (2018);
- *Western Region – Air Quality and Greenhouse Gas Management Plan* (2018);
- *Western Region – Historic Heritage Management Plan* (2018) (HHMP);
- *Western Region – Aboriginal Cultural Heritage Management Plan* (2017) (ACHMP);
- *Environmental Management Strategy: Lidsdale Siding* (2017) (EMS);
- *Lidsdale Siding: Water Management Plan* (2014) (WMP);
- *Biodiversity Management Plan: Lidsdale Siding* (2013) (BMP);
- *Lidsdale Siding: Site Specific Particulate Matter Control Best Practice Assessment* (2012);
- *Rehabilitation and Closure Plan – Lidsdale Siding* (2018);
- *Lidsdale Coal Loader Project – Construction Traffic Management Plan* (2013); and
- *Lidsdale Siding Pollution Incident Response Management Plan* (2017) (PIRMP).

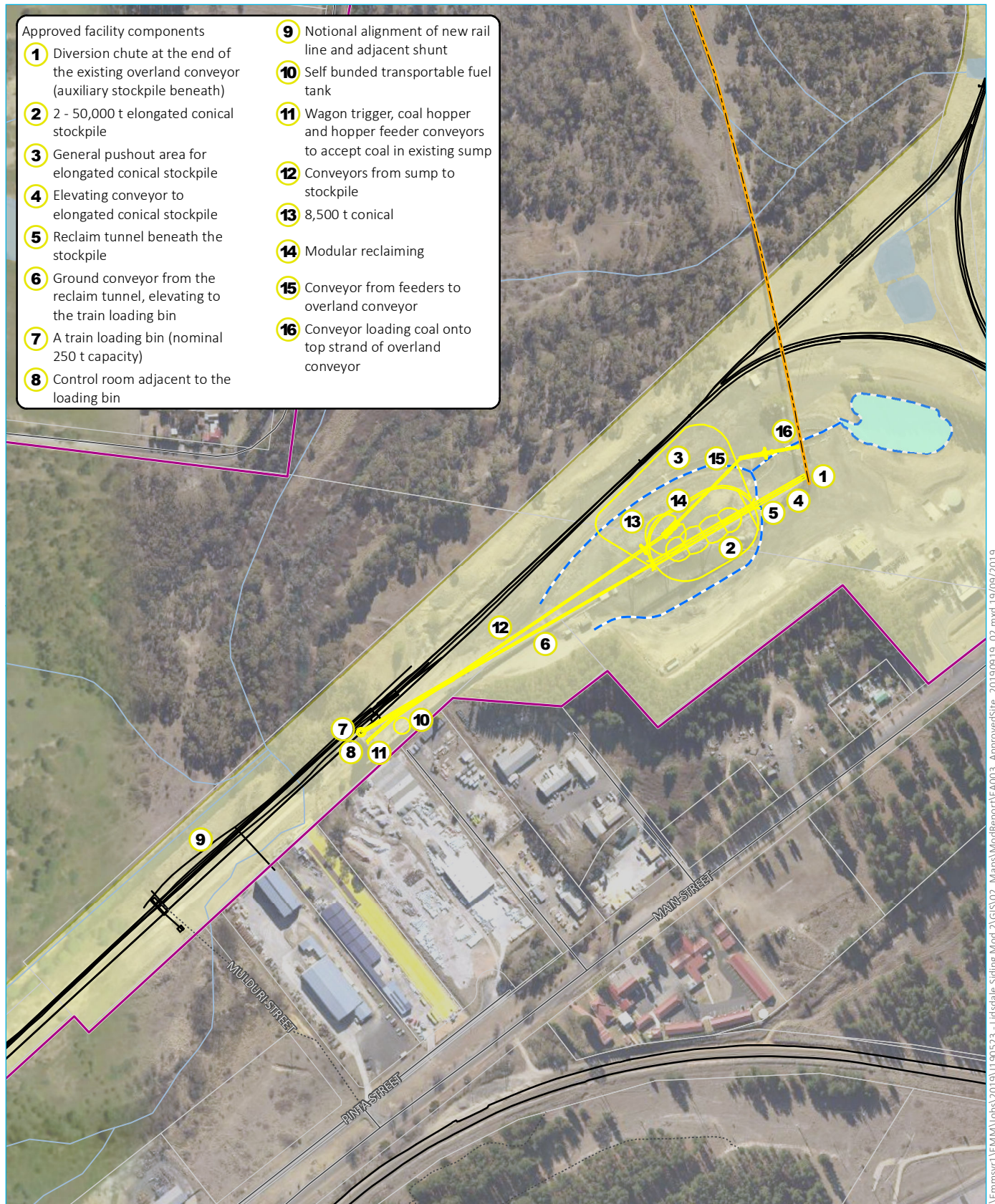
3.4 Environment protection licence

The facility is a 'premises-based scheduled activity' under Schedule 1 (10) and (28) of the NSW *Protection of the Environment Operations Act 1997* (POEO Act). The facility operates under EPL 5129, which is administered by the NSW Environment Protection Authority (EPA) under Sections 43 (b) and 48 of the POEO Act.

The licence allows for 'Coal works' as a scheduled and fee-based activity of a scale between 2,000,000 and 5,000,000 t handled per annum. The EPL also regulates several aspects of the facility, including, but not limited to air quality and noise limits and monitoring and recording requirements.

The proposed modification does not require amendment of the EPL, as stockpiles will be within assessed and approved stockpile areas and handling of coal will not exceed approved limits.

Potential noise and air quality impacts from the proposed modification have been described in Section 7.2 and 7.3.



KEY

- Study area
- Project site
- Existing features
- Approved facility
- Overland conveyor
- Existing dirty water dam
- Existing dirty water drainage channels
- Local road
- Vehicular track
- Watercourse/drainage line
- Waterbody
- Cadastral boundary

Approved site

Lidsdale Siding Modification 2
Modification report
Figure 3.1

4 Proposed modification

4.1 Proposed activities

As noted in Section 1.4, Ivanhoe Coal propose to modify the consent under Section 4.55(1A) of the EP&A Act to allow the facility to receive and unload up to seven coal-laden trains (nominal net tonnage of up to 3,900 t per train) at the site each day (Monday to Saturday between 7:00 am and 6:00 pm, and Sunday between 8:00 am and 6:00 pm).

The proposed modification will align the number of train movements arriving at and departing from the facility. The current consent (as modified) allows for one laden train to arrive at the facility each day and up to seven laden trains to leave the facility each day. The proposed modification is for a total of seven trains (laden or unladen) to arrive at or leave the facility each day. This results in no overall increase in the number of daily or annual train movements to/from the facility, as the current consent states unloading activities will not occur on the same day as loading activities.

Consistent with the consent (as modified), no more than a total of five trains (laden or unladen) will arrive at or leave the facility each day, when averaged over a calendar year.

Unloading activities will continue to occur during emergency situations when coal stockpiles at MPPS are forecast to decline below 400,000 t for an extended period, as per the TARP referenced in the Mod 1 EA (EMM 2019). Coal received via rail will continue to be transferred to the WCS site via the existing overland conveyor system.

4.2 Management measures

The proposed modification will continue to utilise the facility's existing air quality, surface water and noise management measures, including but not limited to:

- dust suppression via water sprays;
- surface water discharge management via the existing drainage system and dirty water dam; and
- noise management via processes and procedures detailed in the approved Noise Management Plan.

No additional management measures are required to address the potential impacts associated with the proposed modification.

4.3 Conditions of consent

Ivanhoe Coal is seeking to modify Condition 7 of Schedule 2 of the consent, which currently states:

Coal Transport

Condition 7 – The proponent must ensure that:

- a) all coal is transported to or from the site by conveyor or by rail;
- b) no more than 1 laden train arrives at the site each day;
- c) no more than 7 laden trains leave the site each day;

- d) no more than 5 laden trains leave the site each day, when averaged over a calendar year; and
- e) coal train loading operations are not undertaken on the same day as coal train unloading operations.

To achieve the proposed modification, Ivanhoe Coal propose the following amendments to Condition 7 of the consent:

- delete the content of condition 7(b);
- amend condition 7(c) to allow for “no more than 7 laden trains to arrive at or leave the site each day”; and
- amend condition 7(d) to allow for “no more than 5 laden trains to arrive at or leave the site each day, when averaged over a calendar year”.

5 Legislation and policy

5.1 Introduction

This chapter describes the relevant Commonwealth and State legislation and regulatory framework under which the proposed modification will be assessed and determined.

5.2 Commonwealth legislation

The Commonwealth *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) is administered by the Commonwealth Department of the Environment and Energy (DoEE). It provides a legal framework to protect and manage nationally and internationally important flora, fauna, ecological communities and heritage places defined as ‘matters of national environmental significance’ (MNES). If significant impacts are considered likely, and the action is deemed to be a ‘controlled action’, the proponent may be asked to provide further information about the proposal.

Ecological and heritage impacts are discussed in Table 7.1. As discussed, the project site is generally clear of vegetation and heavily disturbed, and the proposed modification will not result in further clearing. The original EA did not identify non-Aboriginal or Aboriginal cultural heritage sites within the project site.

As there are no proposed changes to infrastructure at the facility, the proposed modification will not have a significant impact on any MNES listed under the EPBC Act and consequently has not been referred to DoEE.

5.3 NSW State legislation

5.3.1 Environmental Planning and Assessment Act 1979

i Section 4.55(1A) modification

The original application for the facility, 08_0223, was approved under Part 3A of the EP&A Act in May 2013. Modifications to Part 3A projects are available to projects that had been declared as SSD under Clause 6 of Schedule 2 to the Environmental Planning and Assessment (Savings, Transitional and Other Provisions) Regulation 2017. The order of transition for the original project was published in the Government Gazette on 3 October 2018.

The consent has been modified on one occasion (23 August 2019) under Section 4.55(2) of the EP&A Act to enable the receipt and unloading of up to one coal-laden train per day and construction of the required infrastructure to allow unloading activities to occur and transport coal via the existing conveyor network to the WCS site.

Ivanhoe Coal is seeking to modify the consent under Section 4.55(1A) of the EP&A Act. Compliance of the proposed modification with the requirements of Section 4.55(1A) is summarised in Table 5.1

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Table 5.1 Compliance with Section 4.55(1A) requirements

Section 4.55 (1A) requirements	Comment
(a) it is satisfied that the proposed modification is of minimal environmental impact, and	The environmental assessment in Chapter 7 found that the proposed modification will have minimal environmental impact.
(b) it is satisfied that the development to which the consent as modified relates is substantially the same development as the development for which the consent was originally granted and before that consent as originally granted was modified (if at all), and	<p>To determine whether a proposed modification to a development consent is substantially the same development for which the consent was originally granted, a comparison between the originally approved development and the proposed modified development is required to ascertain whether the modified development is essentially or materially the same as that which was originally approved.</p> <p>The proposed modification is consistent with the objectives of the facility's approval, being the handling and transportation of coal, with a reduced reliance on road transport for coal deliveries, and thus is considered substantially the same development as the development for which the consent was originally granted. The proposed modification is seeking to increase the number of trains able to be received at the facility to a maximum of seven in a single day, to be consistent with the current consent that allows a maximum of seven trains to be dispatched from the facility in a single day. This results in no overall increase in the number of daily or annual train movements to/from the facility, as the current consent states unloading activities will not occur on the same day as loading activities.</p>
(c) it has notified the application in accordance with: <ul style="list-style-type: none"> i) the regulations, if the regulations so require, or ii) a development control plan, if the consent authority is a council that has made a development control plan that requires the notification or advertising of applications for modification of a development consent, and 	Notice of the application must be published in a local newspaper by DPIE. DPIE must also cause notice of the proposed modification to be given to each person who made a submission in relation to the original development application.
(d) it has considered any submissions made concerning the proposed modification within any period prescribed by the regulations or provided by the development control plan, as the case may be.	Any submissions made concerning the proposed modification will be reviewed by DPIE and forwarded to Ivanhoe Coal to consider and respond to (via a RTS report).

ii Matters for consideration

Modification applications under Section 4.55(1A) of Division 4.9 are required to take into consideration the relevant matters referred to in Section 4.15 of the EP&A Act which include:

- (a) the provisions of:
 - (i) any environmental planning instrument, and
 - (ii) any proposed instrument that is or has been the subject of public consultation under this Act and that has been notified to the consent authority (unless the Planning Secretary has notified the consent authority that the making of the proposed instrument has been deferred indefinitely or has not been approved), and
 - (iii) any development control plan, and

- (iiia) any planning agreement that has been entered into under section 7.4, or any draft planning agreement that a developer has offered to enter into under section 7.4, and
- (iv) the regulations (to the extent that they prescribe matters for the purposes of this paragraph), and
- (v) (Repealed)

that apply to the land to which the development application relates,

- (b) the likely impacts of that development, including environmental impacts on both the natural and built environment, and social and economic impacts in the locality,
- (c) the suitability of the site for the development,
- (d) any submissions made in accordance with this Act or the regulations,
- (e) the public interest.

Matters a (i), (iii) and (iv) have been addressed in the following sections of this chapter. Matters (b) to (e) are addressed in Chapters 6, 7 and 8.

5.3.2 NSW Environmental Planning and Assessment Regulation 2000

Clause 115 of the EP&A Regulation states the required information an application for development consent under Section 4.55(1A) of the EP&A Act must include. Table 5.2 provides an outline of where in this document the required information is addressed. The modification is not considered designated development under the EP&A Regulation.

Table 5.2 EP&A Regulation Clause 115 information requirements

Clause 115 information requirement	Where addressed
(a) the name and address of application	Section 1.2 of this MR.
(b) a description of the development to be carried out under the consent (as previously modified)	Chapter 3 of this MR.
(c) the address, and formal particulars of title, of the land on which the development is to be carried out,	Section 2.1 of this MR.
(d) a description of the proposed modification to the development consent,	Chapter 4 of this MR.
(e) a statement that indicates either: <ul style="list-style-type: none"> i. that the modification is merely intended to correct a minor error, misdescription or miscalculation, or ii. that the modification is intended to have some other effect, as specified in the statement, 	Section 4.1 of this MR.
(f) a description of the expected impacts of the modification,	Chapter 7 of this MR.
(g) an undertaking to the effect that the development (as to be modified) will remain substantially the same as the development that was originally approved,	Chapter 7 of this MR.

Table 5.2 EP&A Regulation Clause 115 information requirements

Clause 115 information requirement	Where addressed
(g1) in the case of an application that is accompanied by a biodiversity development assessment report, the reasonable steps taken to obtain the like-for-like biodiversity credits required to be retired under the report to offset the residual impacts on biodiversity values if different biodiversity credits are proposed to be used as offsets in accordance with the variation rules under the <i>Biodiversity Conservation Act 2016</i> ,	There will be no increase in impacts to biodiversity values (refer Appendix A). A BDAR waiver request is provided as Appendix A.
(h) if the applicant is not the owner of the land, a statement signed by the owner of the land to the effect that the owner consents to the making of the application (except where the application for the consent the subject of the modification was made, or could have been made, without the consent of the owner),	The application for the consent the subject of the modification was made, or could have been made, without the consent of the owner of the land. Landowner's consent is not required for an application for public notification development if the application instead gives notice of the application by written notice to the owner of the land before the application is made or by advertisement published in a newspaper circulating in the area in which the development is to be carried out no later than 14 days after the application is made.
(i) a statement as to whether the application is being made to the Court (under Section 4.55) or to the consent authority (under Section 4.56)	The proposed modification application is not being made to the NSW Land and Environment Court.
and, if the consent authority so requires, must be in the form approved by that authority.	The form of this application is consistent with DPIE's requirements.

5.3.3 NSW Protection of the Environment Operations Act 1997

As discussed in Section 3.4, the facility is a 'premises-based scheduled activity' under the POEO Act and is therefore required to operate under an EPL.

Licensed activities are detailed in Condition O1.1 of the EPL, which include the processing, handling, movement and storage of materials. These activities are inclusive of the activities related to the proposed modification and would not require an amendment to the EPL.

As discussed in Chapter 7, the environmental impacts of the proposed modification are predicted to be within the thresholds of the original project. As such, the remaining conditions of the EPL do not require amendment.

5.4 Applicable environmental planning instruments

5.4.1 State Environment Planning Policies

The following State Environment Planning Policies (SEPPs) are considered relevant for the facility and considered in the original EA:

- State Environmental Planning Policy (Mining, Petroleum Production and Extractive Industries) 2007 (Mining SEPP);
- State Environmental Planning Policy No 33 – Hazardous and Offensive Development;
- State Environmental Planning Policy No. 44 – Koala Habitat Protection;

- State Environmental Planning Policy No 55 – Remediation of Land; and
- State Environmental Planning Policy (Sydney Drinking Water Catchment) 2011.

As noted in Chapter 4, the proposed modification does not seek to expand the development footprint of the project site, excavate, or clear vegetation. The currently approved stockpile will not change. The primary land use, being the receipt, handling, stockpiling and transport of coal will remain. As such, the findings of the original EA and the Mod 1 EA, that the facility is consistent with these SEPPs continues to apply to the proposed modification.

Of specific relevance is Clause 7(1)(b)(i) of the Mining SEPP, which allows for mining to be carried out on land where development for the purposes of agriculture or industry may be carried out (with or without development consent). Further, it defines mining thus:

mining means the winning or removal of materials by methods such as excavating, dredging, or tunnelling for the purpose of obtaining minerals, and includes:

- (a) the construction, operation and decommissioning of associated works, and
- (b) the stockpiling, processing, treatment and transportation of materials extracted, and
- (c) the rehabilitation of land affected by mining.

As noted below, on this basis any provision in the Lithgow LEP that would otherwise operate to prohibit the proposed modification has no effect. The proposed modification is permissible with development consent.

5.4.2 Lithgow Local Environmental Plan 2014

At the time of the original development application in 2012, the relevant environmental planning instrument was Lithgow Local Environmental Plan 1994, with the project site and larger project area zoned as Rural (General) (1a) and Village 2(v). The original application was permissible as the land use was permissible under Rural (General) (1a), and while it was prohibited within the Village 2(v) zone, Clause 7 of the Mining SEPP overruled that prohibition.

As noted in Section 2.1, the Lithgow LEP is the relevant LEP for the project site, with the project site being zoned as IN1 General Industrial and RU1 Primary Production. The objectives and relevant permitted uses of those zones are provided in Table 5.3.

Table 5.3 Lithgow LEP 2014 Land use zoning extract

Zone	Objectives	Relevant permitted uses
IN1 General Industrial	<p>To provide a wide range of industrial and warehouse land uses.</p> <p>To encourage employment opportunities.</p> <p>To minimise any adverse effect of industry on other land uses.</p> <p>To support and protect industrial land for industrial uses.</p> <p>To maintain or improve the water quality of receiving water catchments.</p>	General industries.

Table 5.3 Lithgow LEP 2014 Land use zoning extract

Zone	Objectives	Relevant permitted uses
RU1 Primary Production	<p>To encourage sustainable primary industry production by maintaining and enhancing the natural resource base.</p> <p>To encourage diversity in primary industry enterprises and systems appropriate for the area.</p> <p>To minimise the fragmentation and alienation of resource lands.</p> <p>To minimise conflict between land uses within this zone and land uses within adjoining zones.</p> <p>To minimise the environmental and visual impact of development on the rural landscape.</p> <p>To provide for recreational and tourist development and activities of an appropriate type and scale that do not detract from the economic resource, environmental or conservation value of the land.</p> <p>To maintain or improve the water quality of receiving water catchments.</p>	Aquaculture; intensive livestock agriculture; Intensive plant agriculture.

As noted in Section 5.4.1, the Mining SEPP allows for mining, including the stockpiling, processing, treatment and transportation of materials extracted on land where agriculture or industry is permitted. The uses of industry and agriculture are both permitted on land associated with the project site. As such, the continued stockpiling and transportation of coal, as per the proposed modification, continues to be permissible on the project site with development consent.

6 Stakeholder consultation

6.1 NSW Department of Planning, Industry and Environment

Ivanhoe Coal wrote to DPIE on 3 September 2019 to introduce the proposed modification and seek initial advice with regard to the assessment pathway and scope of this MR. DPIE responded on 5 September 2019 to confirm the assessment scope and nominated application under Section 4.55(1A) of the EP&A Act as the appropriate approval pathway. A copy of this correspondence is provided in Appendix B. Feedback provided by DPIE and how this has been addressed is summarised in Table 6.1.

Table 6.1 Feedback from DPIE and how it has been addressed

Matter raised	Response
DPIE confirms that the appropriate approval pathway for the modification application is Section 4.55(1A) of the EP&A Act.	The appropriate approval pathway for the modification is nominated and described in Section 5.2.1 of this MR.
DPIE confirmed that the issues identified in the Centennial Coal letter to DPIE (3 September 2019) need to be addressed in the MR.	A qualitative assessment of air and noise has been undertaken as part of the MR (refer Section 7.2 and Section 7.3, respectively). A BDAR waiver request is provided in Appendix A. Other environmental matters have been addressed in Table 7.1.

6.2 Lithgow City Council

A letter was sent to Lithgow City Council (LCC) on 23 September 2019 to introduce the proposed modification and provide information on the key issues to be addressed in the accompanying MR. A copy of this correspondence is provided in Appendix B. No feedback regarding the proposed modification has been received to date. In addition, the LCC General Manager was briefed on the proposed modification on 24 September 2019.

6.3 Wallerawang Lidsdale Progress Association

The Wallerawang Lidsdale Progress Association (WLPA) was notified about the proposed modification on 24 September 2019. No feedback regarding the proposed modification has been received to date.

6.4 Sensitive receivers

Consultation with sensitive receivers surrounding the facility was undertaken on 24 September 2019. No issues were raised regarding the proposed modification.

6.5 Western Region Combined Community Consultative Committee

The Western Region Combined Community Consultative Committee (CCC) were notified of the proposed modification on 24 September 2019. No feedback regarding the proposed modification has been received to date. The proposed modification will be discussed at the Western Region Combined CCC meeting scheduled for 13 November 2019. The CCC is comprised of representatives from the local community and LCC and is independently chaired. The CCC provides a forum for open discussion between Ivanhoe Coal, Centennial Coal, the community, LCC and other stakeholders on issues directly relating to operation, environmental performance and community relations. Minutes from CCC meetings are available on the Centennial Coal website.

7 Environmental assessment

This section addresses the potential impacts of the proposed modification.

7.1 Overview of impacts

The proposed modification has been compared to existing operations, as assessed in the original 2015 EA, as summarised in Table 7.1.

Table 7.1 Potential impacts of the proposed modification

Environmental consideration	Impact assessment
Surface water/groundwater	<p>There are no proposed changes to existing and approved site infrastructure.</p> <p>No surface water or groundwater impacts are anticipated as part of the proposed modification.</p> <p>Surface water and groundwater will continue to be managed in accordance with the WMP.</p>
Biodiversity	<p>As requested in consultation with DPIE, a biodiversity development assessment report (BDAR) waiver request has been prepared as part of the proposed modification (refer Appendix A).</p> <p>The proposed modification is sited at an existing rail loading facility within a heavily disturbed area. The likelihood of impacts on native vegetation as a result of the proposed modification is considered to be negligible.</p> <p>Ecology monitoring, assessment and reporting are currently managed through the facility's EMS and BMP. The EMS and BMP will continue to operate under the proposed modification.</p>
Aboriginal archaeology/historic heritage	<p>The proposed modification does not require any clearing or excavation. Therefore, there is negligible potential for the proposed modification to impact heritage sites.</p> <p>Heritage will continue to be managed in accordance with the HHMP and ACHMP.</p>
Visual amenity	<p>The facility is currently required to minimise visual impacts, including off-site lighting impacts. The modification will allow for unloading of additional trains during daytime hours and will not result in additional lighting impacts.</p>
Waste	<p>No waste product is predicted to increase during the operation of the proposed modification. The proposed modification does not require any additional construction activities.</p> <p>Waste will continue to be managed in accordance with the EMS with all waste disposed of at a licenced waste management facility.</p>

Table 7.1 Potential impacts of the proposed modification

Environmental consideration	Impact assessment
Traffic and transport	<p>A traffic and rail impact assessment was prepared by Barnson (2012) as part of the EIS for the Lidsdale Siding Upgrade Project. The assessment addressed impacts associated with road and rail movements, including potential impacts at the Main Street and Brays Lane level crossing. The assessment concluded that queuing at the Main Street level crossing would be minimal. Further, during the peak hour period a train could block the crossing only once due to the anticipated number of trains (average of five per day and maximum seven per day). However, some upgrading to the current road line marking at this location was proposed to satisfy Australian Standard 1742.7-2007 Manual of uniform traffic control devices – Part 7: Railway crossings. The assessment also concluded that the potential for traffic queues at the Brays Lane level crossing would be minimal due to the low level of local traffic associated with this land. No additional train safety mitigation measures were recommended and the impact on the existing rail network was considered negligible.</p> <p>The proposed modification will allow the facility to receive up to seven laden trains per day. This is consistent with the existing consent, which allows a maximum of seven trains to be loaded at and dispatched from the facility each day. Further, no changes to the average of five laden trains each day over a calendar year are proposed. The proposed modification will not increase the approved maximum number trains in a single day (seven), as unloading activities cannot occur in the same day as loading activities.</p> <p>As discussed in the Mod 1 EA, the delay caused by slow moving trains at the Main Street level crossing was identified as a concern during stakeholder engagement. In response, notification boards were approved to be installed at appropriate locations, to identify when trains will be accessing the facility and, consequently, when there could be potential delays at the Main Street level crossing. These notification boards will continue to be utilised as part of the proposed modification.</p> <p>The proposed modification will operate within the current assessed and approved limits for rail movements. All rail movements will continue to operate within the constraints of the John Holland Rail (JHR) EPL 13421 for the subject rail line.</p> <p>The proposed modification will operate in accordance with the Safety Interface Agreement between JHR and Centennial Coal and Registered Lease Q596012. These agreements are in addition to the consent issued under the EP&A Act.</p> <p>No additional conditions of consent are considered necessary regarding train operations at the facility.</p>

7.2 Air quality

An air quality impact assessment (AQIA) was completed for the original EA (SLR 2012). The AQIA quantified emissions of particulate matter, specifically:

- total suspended particulate matter (TSP);
- particulate matter less than 10 microns in aerodynamic diameter (PM₁₀);
- particulate matter less than 2.5 microns in aerodynamic diameter (PM_{2.5}).

The dispersion modelling conducted for the operation of the facility predicted compliance for all assessed particulate matter air pollutants at all surrounding sensitive receptor locations.

Currently, the facility is approved to receive one train per day and dispatch up to seven trains per day. Coal train loading operations are not undertaken on the same day as coal train unloading operations. Consequently, there would be no more than seven trains unloading or being loaded at the facility on any given day.

The proposed modification is seeking to increase the number of incoming or coal-laden trains in a single day from one to seven. There will be no change to the total approved coal handling rate at the facility of 6.3 Mtpa. Further, there will be no change to the procedure that wagon loading operations are not undertaken on the same day as wagon unloading operations. Therefore, there will be no change in the maximum number of trains incoming or outgoing under the proposed modification.

With regards to particulate matter emission estimation, the same emission factor is used for wagon loading and wagon unloading. As there is no change to the maximum amount of coal to be transferred through the facility in a single day (ie maximum of seven trains) or year (ie 6.3 Mtpa) is proposed, there will be no material change in particulate matter emissions generated by the facility as part of the proposed modification relative to existing approved operations.

Consequently, it is considered that the proposed modification will not significantly change air quality impacts from those currently generated by the approved operation of the facility.

7.3 Noise

A noise impact assessment (NIA) was completed for the original EA (Hatch 2012). A subsequent NIA was completed for the Mod 1 EA (EMM 2019) to consider potential noise impacts associated with the delivery of coal to the facility by train, coal unloading, handling and stockpiling, and coal dispatch using the existing overland conveyor network. The assessments included consideration of potential impacts at the receptors identified in Figure 1.2.

The proposed modification will not change the nature of operations that are currently approved at the facility. There is no requirement to install or construct any infrastructure at the facility additional to what has already been approved. There will be no increase in the total number of approved rail movements that occur to and from the facility.

Given the preceding, and that only one train will utilise the facility at any one time, there will be no increase in noise levels from the facility compared to those currently approved.

It is understood that the facility does not have a history of noise complaints. Except for an isolated complaint in 2016 regarding noise from a train horn, no other noise complaints have been received since the facility was upgraded in 2014. Notwithstanding, Centennial will implement the following noise mitigation and management measures:

- operations will remain restricted to day-time hours only (ie 7:00 am–6:00 pm Monday to Saturday and 8:00 am–6:00pm on Sundays and public holidays);
- mobile equipment use will be limited to either one dozer or one front end loader; and
- trains will be operated in a specialised manner with the aim to reduce noise emissions from wagons and eliminate noise from wagon stretch or come-together/bunching.

Centennial has considered other reasonable and feasible noise mitigation options and is continually investigating additional options. Due to the proximity of sensitive receptors to the site and the nature of the noise (being primarily from train locomotives) reasonable, feasible and effective noise mitigation options are limited. No further feasible and reasonable mitigation measures have been identified at this time.

It is expected that the first coal for commissioning of the approved unloading facilities will be received by rail at the facility in mid-late October 2019 with the system to be fully operational in November 2019. This will provide an opportunity for Ivanhoe Coal to check noise emission levels from the facility during train unloading activities and pursue additional feasible and reasonable noise mitigation options should they be required.

7.4 Social

A social impact assessment (SIA) was prepared by Centennial Coal as part of Mod 1 EA (EMM 2019). The SIA described the social impacts arising from Mod 1, utilising the scoping tool from the *Social Impact Assessment Guideline for State Significant Mining, Petroleum Production and Extractive Industry Development* (DPE 2017) and a social risk assessment.

Stakeholder consultation undertaken to date regarding the proposed modification is described in Chapter 6.

The scoping tool utilised by the SIA noted the following social impacts from Mod 1, which are still relevant for the proposed modification:

- noise;
- air quality; and
- increased rail movements at Main Street level crossing.

The matrix in Figure 7.1 was applied to potential social impacts associated with Mod 1 to determine the following social risk ratings:

1. noise – social risk rating of B2 (high);
2. air quality – social risk rating of B3 (high); and
3. increased rail movements at Main Street level crossing – social risk rating of B3 (high).

			Consequence Level				
			1	2	3	4	5
			Minimal	Minor	Moderate	Major	Catastrophic
Likelihood Level	A	Almost certain	A1	A2	A3	A4	A5
	B	Likely	B1	B2	B3	B4	B5
	C	Possible	C1	C2	C3	C4	C5
	D	Unlikely	D1	D2	D3	D4	D5
	E	Rare	E1	E2	E3	E4	E5
Social Risk Rating							
	Low		Moderate		High		Extreme

Source: Adapted from SIA Guidelines

Figure 7.1 Social risk assessment matrix

All three potential social impacts resulting from Mod 1 were awarded a high social risk. Noise impacts were considered likely to occur but were anticipated to be minor in nature. Air quality and traffic impacts from the interface between trains and vehicles at the Main Street level crossing were also considered likely to occur but to be moderate in nature.

Mitigation and management measures relevant to Mod 1 included:

- continued noise monitoring as per the *Western Region - Noise Management Plan* (2018);

- continued air quality monitoring as per the *Western Region – Air Quality and Greenhouse Gas Management Plan* (2018); and
- implementation of a roadside notification board identifying approximate times when trains will be accessing the facility and when there may be delays at the Main Street level crossing.

Noise and air quality monitoring will continue as part of the proposed modification. The proposed modification will not result in any significant change to air quality (refer Section 7.2) and noise impacts (refer Section 7.3) than those concluded in Mod 1 and the original EA.

The proposed modification will sustain the current workforce at the facility, with potential for a minor increase of train and conveyor operators, as well as support existing employment levels at MPPS.

The SIA scoping tool indicated that Mod 1 would positively impact local employment, as local operational staff would be employed. Additionally, at the time, Mod 1 was anticipated to prolong the operation of and subsequent employment at MPPS. These positive impacts are likely to increase with the proposed modification, as it will secure the ongoing operation of MPPS, as well as any additional train operators and local operational staff. It is anticipated that community housing, support services, infrastructure and identity will not be impacted by the proposed modification due to the limited additional workforce requirements.

Overall, the proposed modification will not result in a significant social impact. As described in Chapter 6, stakeholder groups did not raise any concerns regarding the proposed modification.

7.5 Economic

An economic effects analysis (EEA) was completed by Aigis Group as part of the Mod 1 EA (EMM 2019). The assessment adopted a qualitative approach to determine the potential positive economic outcomes for the local and regional economy resulting from Mod 1.

The EEA found that neither noise nor traffic impacts associated with Mod 1 would have a material economic effect. As described in Section 7.3, the proposed modification will also have a negligible impact on noise levels at sensitive receivers. Additionally, the receipt of up to one coal-laden train per day as part of Mod 1 was not anticipated to significantly impact road traffic at the Main Street level crossing, as the original consent already allowed up to seven coal-laden trains to leave the facility per day, and that either unloading or loading activities will occur in a single day, not both. The proposed modification will not make any significant changes to this condition and the maximum number of trains in a single day will remain seven. A roadside notification board identifying approximate times when trains will be accessing the facility, and when there may be delays at the Main Street level crossing, was approved as part of Mod 1 and will be utilised as part of the proposed modification.

The proposed modification will not increase the maximum number of trains per day, being seven coal-laden trains arriving at or leaving the facility, nor will it change the condition that either unloading or loading activities are to occur in a single day, not both.

The EEA concluded that the local and regional benefits and costs of Mod 1 were unlikely to be material in scale or duration. A broader material benefit was identified as Mod 1 was anticipated to facilitate the continued operation of MPPS and therefore provide energy security for NSW. This can be extended to the proposed modification, as it will secure the continued operation of MPPS, covering the projected shortfalls from Mod 1 and other alternative coal supplies.

During operation, it is likely that local train crew for the driving of trains and local contractors for the operation of the conveyor system will either continue or increase under the proposed modification. The proposed modification will also support existing employment levels at MPPS.

8 Conclusion

A description of the need and justification for the proposed modification is provided below with regard to biophysical, social and economic factors; the principles of ecologically sustainable development (ESD); and the consistency of the proposed modification with the objects of the EP&A Act.

8.1 Modification impacts

This MR examines the potential impacts that may result from the proposed modification. The assessment of environmental issues has been multi-disciplinary and involved consultation with DPIE and other key stakeholders (including LCC, WLPA, the Western Region Combined CCC and sensitive receivers).

The proposed modification seeks consistency with the number of trains able to arrive and leave the facility each day. The proposed modification does not seek to increase the total number of trains each day, nor does it require an increase to the currently approved coal handling rate of 6.3 Mtpa and will result in minimal air quality, noise, social and economic impacts.

The proposed modification will not result in significant biophysical, social or economic impacts and the MR has identified that any residual impacts can be appropriately managed.

8.2 Modification benefits

The proposed modification is in the public interest as it will help to maintain current operations at MPPS. The proposed unloading of trains at the facility will continue to only occur in emergency situations as defined by the TARP.

The supplementary supply of coal to MPPS will provide indirect social and economic benefits through increased job security for MPPS employees and subsequent benefits to the local and regional economy through income and expenditure, and more widely in NSW in assisting to secure the current electricity supply. In addition, a potential minor increase to employment will result in minor economic benefits relating to household consumption and investment activities in the surrounding local and regional economies in which they reside.

The proposed modification is an alteration with minimal environmental impact to an approved facility, which represents an orderly and economic use of a resource approved for extraction for use in domestic power generation.

All aspects relating to environmental management will continue in accordance with the consent, EPL 5129 and the approved management plans.

8.3 Ecological sustainable development

Under Section 516A of the EPBC Act, Commonwealth organisations have a statutory requirement to report on their environmental performance and how they accord with, and advance, the principles of ESD.

Australia's *National Strategy for Ecologically Sustainable Development* (AGESDSC 1992), defines ESD as “using, conserving and enhancing the community's resources so that ecological processes, on which life depends, are maintained, and the total quality of life, now and in the future, can be increased”.

The principles of ESD, for the purposes of the EP&A Act, are provided in Clause 7(4) of Schedule 2 of the EP&A Regulation. The four principles of ESD are:

- precautionary principle – the precautionary principle states that if there are threats of serious or irreversible environmental damage, lack of full scientific certainty should not be used as a reason for postponing measures to prevent environmental degradation;
- inter-generational equity – the principle of inter-generational equity is that the present generation should ensure that the health, diversity and productivity of the environment is maintained or enhanced for the benefit of future generations;
- conservation of biological diversity and maintenance of ecological integrity – the conservation of biological diversity and ecological integrity should be a fundamental consideration in decision-making; and
- improved valuation and pricing of environmental resources – improved valuation, pricing and incentive mechanisms should be promoted.

The overall objectives of ESD are to use, conserve and enhance natural resources. This ensures that ecological processes are maintained facilitating improved quality of life, now and into the future. Centennial Coal is committed to the principles of ESD and understands that biophysical, social and economic objectives are interdependent. Centennial Coal acknowledges that a well-designed and effectively managed operation will avoid significant and/or costly environmental impacts or degradation.

The proposed modification has been designed to reduce impacts to a level which is as low as is reasonably practicable. As noted above, the proposed modification to allow up to seven coal-laden trains to be received or dispatched per day does not increase the total number of trains per day (seven) to or from the facility, and the increase to the approved unloading activities will not occur on the same day as approved loading activities. No additional management measures are therefore required to mitigate residual impacts.

Consideration has been given to appropriately identifying, avoiding, mitigating and managing environmental risks. This demonstrates environmental due diligence and will provide for ongoing and adaptive monitoring and management of the operation in line with the principles of ESD outlined in the following sections.

8.3.1 Precautionary principle

This MR has enabled an understanding of the potential impacts of the proposed modification on biophysical, social and economic factors. As noted in Table 7.1, the delay caused by slow moving trains at the Main Street level crossing was identified as a concern as part of stakeholder engagement for Mod 1. In response, following commencement of unloading activities, notification boards will be installed at appropriate locations to identify when trains will be accessing the facility and, consequently, when there could be potential delays at the Main Street level crossing. No additional safeguards are warranted to monitor, mitigate and/or manage the potential impacts or residual impacts.

8.3.2 Inter-generational equity

Centennial Coal undertakes ongoing environmental monitoring with mitigation measures to provide effective environmental management across its existing operations. This management is provided through planning, communication, documentation, review and feedback. These environmental management measures ensure that the health, diversity and productivity of the environment is maintained or enhanced for future generations. The proposed modification is considered temporary, triggered when coal levels at MPPS are low, and will not impact future generations.

8.3.3 Conservation of biological diversity and maintenance of ecological integrity

The potential environmental impacts of the proposed modification are detailed in this MR. The proposed modification is unlikely to cause any impacts to threatened species or endangered ecological communities.

8.3.4 Improved valuation and pricing of environmental resources

Centennial Coal will optimise the valuation and pricing of receiving coal resources to the facility by efficiently transporting coal by conveyor to the WCS site for use at MPPS. The proposed modification promotes the objectives of the facility's approval, being the handling and transportation of coal with a reduced reliance on road transport for coal deliveries.

If Centennial Coal does not provide an alternative source of coal of suitable quality to MPPS to supplement the decline in supply from Springvale Mine in emergencies, on-site stockpiles at MPPS will continue to decline. The proposed modification will prevent this occurring and will support the ongoing, efficient operation of MPPS and the supply of electricity to NSW.

8.4 Conclusion

All aspects relating to environmental management will continue in accordance with the consent, EPL 5129, the various approved management plans and other elements of the consent.

The proposed modification has been designed to avoid and minimise adverse biophysical, social and economic impacts, where possible and is anticipated to result in minimal environmental impacts beyond those previously assessed and approved under the consent.

The proposed modification will support the ongoing, efficient operation of MPPS thereby providing a number of benefits to the local community, region and NSW. It is consistent with the relevant objects of the EP&A Act, including Section 4.55(1A) and the principles of ESD, demonstrating that the proposed modification involves minimal environmental impact, and will minimally change the nature of the development originally approved.

References

Australian Government Ecologically Sustainable Development Steering Committee (AGESDSC) 1992, *National Strategy for Ecologically Sustainable Development*, Ecologically Sustainable Development Steering Committee.

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Centennial Coal 2019, *Lidsdale Siding Modification 1 – Response to Submissions*.

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EMM Consulting 2019, *Environmental assessment for modification to development consent 08-0223*.

Hatch Associates 2012, *Lidsdale Siding Upgrade Project – Environmental Noise Impact Assessment*, prepared for Centennial Coal by Hatch Associates.

NSW Department of Planning and Environment (DPE) 2017, *Social impact assessment guideline for State significant mining, petroleum production and extractive industry development*.

RPS Australia East 2012, *Lidsdale Siding Upgrade Project Environmental Assessment*, prepared for Centennial Coal by RPS Australia East.

SLR 2012, *Lidsdale Siding Loading Facility Air Quality Impact Assessment and Greenhouse Gas Assessment*, prepared for Centennial Coal by SLR Consulting Australia Pty Ltd.

Abbreviations

ACHMP	<i>Western Region – Aboriginal Cultural Heritage Management Plan</i> (Centennial Coal 2017)
AQIA	air quality impact assessment
Banpu	Banpu Public Company Limited
BC Act	<i>NSW Biodiversity Conservation Act 2016</i>
BMP	<i>Biodiversity Management Plan: Lidsdale Siding</i> (Centennial Coal 2013)
Centennial Coal	Centennial Coal Company Limited
CCC	Community Consultative Committee
DoEE	Commonwealth Department of the Environment and Energy
EA	environmental assessment
EEA	economic effects analysis
EMM	EMM Consulting Pty Limited
EnergyAustralia	EnergyAustralia Pty Ltd
EPA	NSW Environment Protection Authority
EPBC Act	<i>Commonwealth Environment Protection and Biodiversity Conservation Act 1999</i>
EPL	environment protection licence
EP&A Act	<i>NSW Environmental Planning and Assessment Act 1979</i>
ESD	ecologically sustainable development
EMS	<i>Environmental Management Strategy: Lidsdale Siding</i> (Centennial Coal 2017)
ha	hectares
HHMP	<i>Western Region – Historic Heritage Management Plan</i> (Centennial Coal 2018)
Ivanhoe Coal	Ivanhoe Coal Pty Ltd
km	kilometres
LCC	Lithgow City Council
LGA	local government area
Lithgow LEP	Lithgow Local Environmental Plan 2014
Mining SEPP	State Environmental Planning Policy (Mining, Petroleum Production and Extractive Industries) 2007
mm	millimetres
MNES	matters of national environmental significance

MPPS	Mount Piper Power Station
MR	modification report
Mtpa	million tonnes per annum
MW	megawatts
NEPM	<i>National Environmental Protection (Ambient Air Quality) Measure</i> (DoE 2016)
NSW	New South Wales
PIRMP	<i>Lidsdale Siding Pollution Incident Response Management Plan</i> (Centennial Coal 2017)
POEO Act	<i>NSW Protection of the Environment Operations Act 1997</i>
ROM	run-of-mine
RTS	response to submissions
SEPP	State Environment Planning Policy
SEPP 33	State Environmental Planning Policy No 33 – Hazardous and Offensive Development
SIA	social impact assessment
SSD	State significant development
Springvale Coal	Springvale Coal Pty Limited
t	tonnes
TARP	trigger action response plan
the consent	development consent 08_0223
the facility	Lidsdale Siding
tpa	tonnes per annum
WCS	Western Coal Services Project
WLPA	Wallerawang Lidsdale Progress Association
WMP	<i>Water Management Plan</i> (Centennial Coal 2015a)

Appendix A

Biodiversity development assessment report waiver request

LIDSDALE SIDING MODIFICATION 2

BDAR Waiver Request



144273
Lidsdale Siding MOD
2
18 September 2019

REPORT

Document status

Version	Purpose of document	Authored by	Reviewed by	Approved by	Review date
1	Draft for client review	Arne Bishop	Shelomi Doyle	Arne Bishop	17/09/2019

Approval for issue

Arne Bishop

18 September 2019

This report was prepared by RPS within the terms of RPS' engagement with its client and in direct response to a scope of services. This report is supplied for the sole and specific purpose for use by RPS' client. The report does not account for any changes relating the subject matter of the report, or any legislative or regulatory changes that have occurred since the report was produced and that may affect the report. RPS does not accept any responsibility or liability for loss whatsoever to any third party caused by, related to or arising out of any use or reliance on the report.

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Prepared for:

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Group Manager of Approvals

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T +61 (0) 407 207 530

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1 INTRODUCTION

Lidsdale Siding (the facility) is a rail loading facility which automates the transfer and dispatch of coal from Centennial Coal Pty Limited's (Centennial Coal's) Western Coal Services Project (WCS) to domestic and international markets via rail. The facility is located approximately 500 metres (m) north of Wallerawang and approximately 9 kilometres (km) north-west of Lithgow within the Lithgow Local Government Area (LGA) of New South Wales (NSW).

The facility operates under development consent 08_0223 (the consent) which was granted in 2013 under Part 3A of the NSW *Environmental Planning and Assessment Act 1979* (EP&A Act) by the Department of Planning and Environment (DPE). The original consent has since been declared a State Significant Development (SSD) under clause 6 of Schedule 2 to the Environmental Planning and Assessment (Savings, Transitional and Other Provisions) Regulation 2017. The facility is owned and operated by Ivanhoe Coal Pty Ltd (Ivanhoe Coal).

1.1 Background

Approval was sought by way of a modification to the Lidsdale Rail Siding development consent 08_0223 under Section 4.55(2) of the Environmental Planning and Assessment Act 1979 (EP&A Act). The modification was approved on 23 August 2019 and enables Centennial Coal to receive, unload and dispatch coal from one train per day during daytime hours only in emergency situations when coal stockpiles at MPPS are forecast to decline below 400,000 tonnes (t) for an extended period.

The delivery and installation of infrastructure associated with temporary rail unloading will commence in September 2019 and it will take approximately 6 – 8 weeks to be operational. It is anticipated that the first coal for commissioning purposes will be received by rail at the Lidsdale Rail Siding in mid-late October 2019 with the system fully operational in November 2019. During this time, coal stockpiles at the MPPS are forecast to continue to decline. Coupled with ongoing shortfalls in coal supplies from the Springvale Mine and a longwall relocation currently in progress, shortfalls in coal supply are forecast to continue until late November 2019. As a result, coal stockpiles at the MPPS will be at critically low levels leading into the summer period.

1.2 Proposed Modification

To ensure the coal stockpiles at MPPS can be maintained at sufficient levels to provide security for ongoing electricity generation during the summer months, Centennial Coal is proposing to modify the Lidsdale Rail Siding development consent to increase the number of laden coal trains that can be received and unloaded at the site during day time hours. Specifically, Centennial is proposing to modify Schedule 2 Condition 7 of the Lidsdale Rail Siding consent to align the number of trains that can be received at the facility with the number of trains that can be dispatched from the facility. The current consent enables no more than 7 laden trains to leave the site each day and no more than 5 trains to leave the site each day, when averaged over a calendar year.

As such, the proposed modification will seek to enable:

- no more than 7 trains to arrive at the site each day; and
- no more than 5 trains to arrive at the site each day when averaged over a calendar year.

The actual number of trains that can be received at the facility a day, during daytime hours, will be determined by the operational efficiency of the unloading infrastructure. As the operational efficiency of the unloading infrastructure is not yet understood, Centennial is seeking flexibility in the approval to enable as many trains as possible to be received at the facility without exceeding the current assessed and approved number of rail movements.

The proposed modification will not:

- Change the operational hours that coal receipt, unloading and handling activities at the site occur. These will remain restricted to daytime hours only (i.e. 7am – 6pm Monday to Saturday and 8am – 6pm on Sundays and public holidays)

- Increase the volume of coal that can be received and handled at the facility in any calendar year above 6.3 Mtpa
- Increase the volume of coal that will be transported off site to the Western Coal Services Project above the current approved 1.5 Mtpa
- Require any additional infrastructure to be installed or constructed above what has previously been approved.
- Increase the number of approved rail movements that occur to and from the facility as no loading of trains will be undertaken on days when rail unloading activities at the site occur.

1.3 Proponent name and contact details

Proponent Name: Ivanhoe Coal Pty Limited

Proponent Contact: James Wearne (Group Manager of Approvals – Centennial Coal)

Proponent Contact Number: +61 (0) 2 4935 8944

Proponent Address: Centennial Coal Company Limited | Fassifern
100 Miller Road, Fassifern NSW 2283

Project ID: Ivanhoe Coal Pty Limited is proposing a second modification (MOD 2) to Lidsdale Siding development consent (08_0223), under Section 4.55(1A) of the EP&A Act

1.4 Persons preparing the application

Arne Bishop of RPS prepared this BDAR Waiver Form, and a review was conducted by Shelomi Doyle (whom previously surveyed the site as part of the MOD 1 BDAR Waiver). Arne and Shelomi are suitably qualified persons to prepare this BDAR Waiver application with Bachelor Degrees in Environmental Science and more than 3 years' experience as further elaborated below.

Arne has over 16 years' experience in the ecology sector, subsequently gaining an extensive knowledge of exotic and endemic NSW flora, fauna, ecological communities and migratory species. He conducts ecological impact assessments and monitoring programs on a daily basis. Arne is accredited under the Biodiversity Assessment Methodology (BAM). He has conducted BioBanking and BAM assessments for State Significant Infrastructure, State Significant Developments, and smaller developments, as well as EPBC offset calculations

Shelomi is an ecologist with a special focus on botany, developed in her previous positions in the horticulture industry over 10 years. This experience with both native and introduced plants has progressed into a strong knowledge of flora and vegetation communities, along with associated legislation. Shelomi's studies and career have centred around plant identification and have expanded to include a variety of flora and fauna assessment techniques, data management and reporting.

1.5 Site Details

Street Address: Wallerawang, NSW 2845

LGA: Lithgow City Council

1.6 Description of existing development site

The proposed development is situated at Lidsdale Siding within a heavily disturbed and cleared Mining Infrastructure Area (MIA).

REPORT

The proposed modification (MOD 2) of the amount of trains arriving at the facility will be implemented within existing disturbed areas which include; the existing under-rail sump, proposed stockpile area and existing overland conveyer. The existing infrastructure areas are shown below in **Figure 1**.

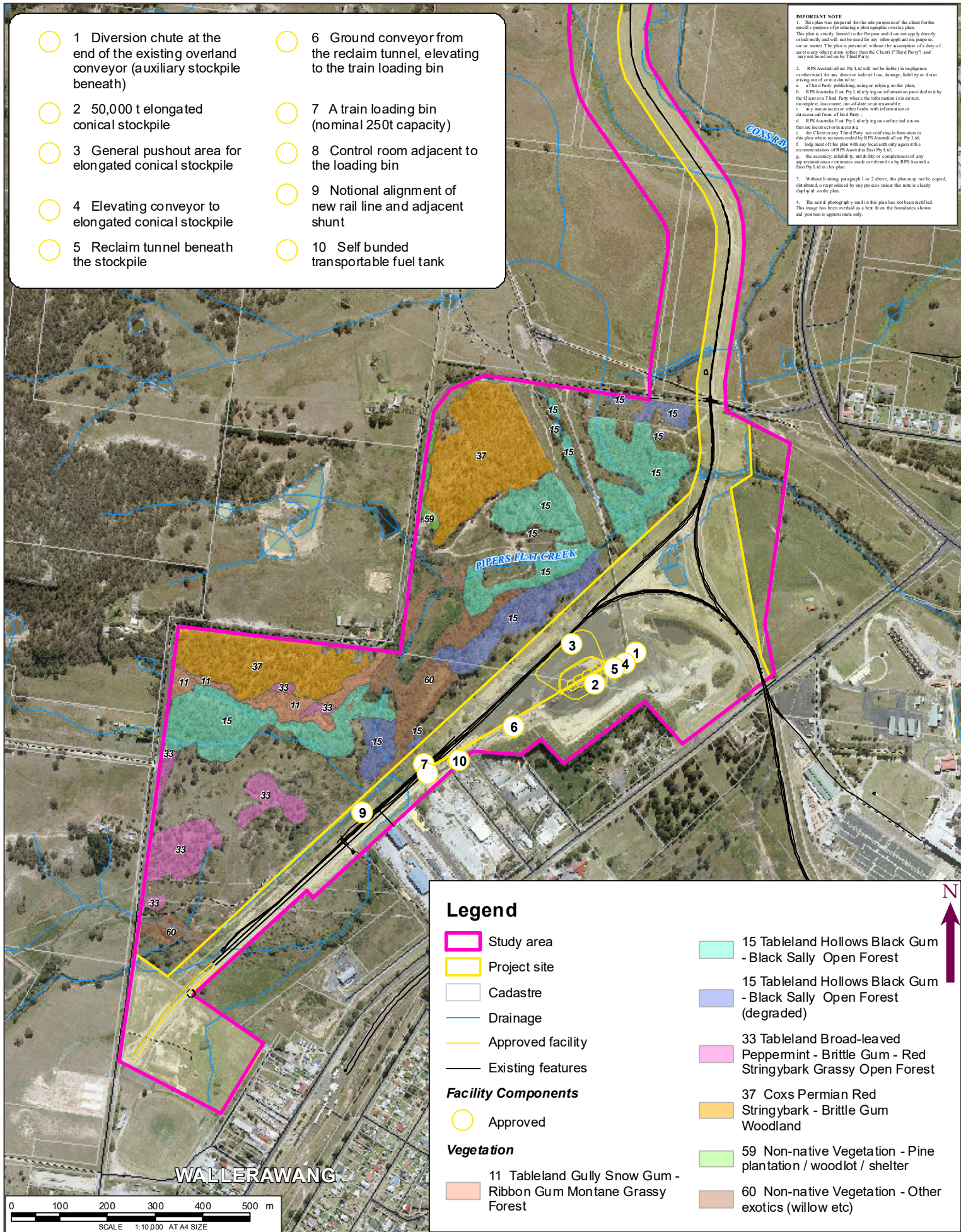


FIGURE 1: APPROVED INFRASTRUCTURE

LOCATION:	LIDSDALE	DATUM: GDA94
JOB NO.:	PR 144273	PROJECTION: MGA Zone 56
PURPOSE: ECOLOGY		
Technician: Natalie Wood	Date: 14/06/2019	

CLIENT: CENTENNIAL COAL

RPS AUSTRALIA EAST PTY LTD (ABN 44 140 292 762)
Unit 2A, 45 Fitzroy Street, Carrington, NSW, Australia, 2294 PO Box 120, Carrington, NSW, 2294
T: 02 4940 4200 F: 02 4940 4299 www.rpsgroup.com.au



2 IMPACTS ON BIODIVERSITY VALUES

Recent native vegetation mapping and field survey data (collected as part of MOD 1; on 11 June 2019) was reviewed in combination with aerial imagery to analyse the extent of vegetation cover. The NSW Vegetation Types database was used as the standard for classifying native vegetation cover (OEH 2019).

Impacts on biodiversity values are addressed in the following section of this report, as detailed in **Table 1** below.

Table 1: Impacts on biodiversity values from the proposed modification

Biodiversity Value	Meaning	Relevance	Section addressed
Vegetation abundance	Occurrence and abundance of vegetation at a particular site	NA	2.1
Vegetation integrity	Degree to which the composition, structure and function of vegetation at a particular site and the surrounding landscape has been altered from a near natural state	NA	2.2
Habitat suitability	Degree to which the habitat needs of threatened species are present at a particular site	NA	2.3
Threatened species abundance	Occurrence and abundance of threatened species or threatened ecological communities, or their habitat, at a particular site	NA	2.3
Habitat connectivity	Degree to which a particular site connects different areas of habitat of threatened species to facilitate the movement of those species across their range	NA	2.4
Threatened species movement	Degree to which a particular site contributes to the movement of threatened species to maintain their lifecycle	NA	2.4
Flight path integrity	Degree to which the flight paths of protected animals over a particular site are free from interference	NA	2.5
Water sustainability	Degree to which water quality, water bodies and hydrological processes sustain threatened species and threatened ecological communities at a particular site	NA	2.6

2.1 Occurrence and abundance of vegetation within the Lidsdale Siding MOD 2 Project boundary

The proposed modification (MOD 2) lies within heavily disturbed and cleared MIA. The proposed modification (Mod 2) to the number of trains arriving to unload at the train loading facility will operate within existing approved disturbance areas.

Previous field surveys conducted for MOD 1 by an RPS Ecologist on the 11 June 2019 identified the area as primarily void of native vegetation. A few scattered areas of sparse groundcover vegetation were found to be dominated by exotic weed species of low ecological value.

2.1.1 Impact avoidance

No clearing of native vegetation is anticipated as a result of the proposed development. The proposed upgrade works in MOD 2 lies within a heavily disturbed MIA almost entirely void of native vegetation.

The narrow and linear nature of the proposed rail loader development allows the avoidance of native species disturbance.

As such, the likelihood of impacts on native flora and fauna as a result of the proposed modification are considered to be negligible.

2.2 Vegetation Integrity

The composition, structure and function of vegetation within the MOD 2 and adjacent areas has been subject to a history of disturbance and land clearing greatly altering it from a natural state.

The site has been continually used as a coal storage and rail loading facility since 1974. As such, much of the surrounding area has been subject to land degradation for 35 years. As a result, the vegetation within the MOD 2 persists in a cleared and highly disturbed state.

2.3 Habitat Suitability and Threatened Species Abundance

The CAA for the modification lies within heavily disturbed and cleared MIA. The proposed train unloading system will operate within existing disturbed areas.

No threatened species or ecological communities are considered likely to occur within the MOD 2. The area is void of karsts, cliffs, rocks and other geological features of significance. As such, there are no anticipated potential impacts on these habitat features.

Impacts of the proposed modification will be limited to;

- Minor dust emissions during operation.

The proposed modification aims to mitigate this impact by implementing the following control;

- Dust suppression and sediment transport will be managed throughout operation duration.

2.4 Habitat Connectivity and Threatened Species Movement

The MOD 2 for the modification lies within an existing rail loading facility which is heavily disturbed and cleared MIA. This area is largely isolated from remnant vegetation and ecological communities.

As aforementioned, previous field surveys identified that the area is primarily void of native vegetation. A few scattered areas of sparse groundcover vegetation were found to be dominated by exotic weed species of low ecological value during the previous site visit on 11 June 2019.

Due to the isolated and disturbed nature of the MOD 2 and lack of significant vegetation, the increase in train arrivals is not considered to contribute to a loss of habitat connectivity of remnant vegetation or fragment the movement of threatened species across their range.

2.5 Fauna Flight Path Integrity

Protected species flight paths are not likely to occur over the MOD 2 area. Due to the site's disturbed nature and isolation from remnant native vegetation and associated foraging habitat, it is not expected that the MOD 2 constitutes an active flyway or flight path for avifauna or bat species.

2.6 Water Sustainability

The project will operate within the constraints of the existing water management system and utilise existing approved coal stockpile areas. Therefore, the proposed modification is not expected to cause significant alteration to existing natural water bodies or hydrological processes that sustain threatened species or threatened ecological communities.

3 CONCLUSION

The MOD 2 for the modification lies within an existing rail loading facility which is heavily disturbed and cleared MIA. A few scattered areas of sparse groundcover vegetation were found to be dominated by exotic weed species of low ecological value. As such, clearing of native vegetation is not expected as a result of the proposed development

No threatened species or ecological communities or their habitat were identified within the MOD 2. As such, the likelihood of impacts on native vegetation as a result of the proposed modification is considered negligible.

Due to the isolated and disturbed nature of the site and lack of significant vegetation, the proposed modification is not considered to contribute to a loss of habitat connectivity of remnant vegetation or communities or fragment the movement of threatened species across their range.

The proposed modification is not expected to impact upon the development or movement of threatened species that maintains their lifecycle or cause significant alteration to existing natural water bodies or hydrological processes that sustain threatened species or threatened ecological communities. The proposed infrastructure is not expected to present a barrier to the movement of native fauna or impact potential flight path integrity.

The MOD 2 is void of karsts, cliffs, rocks and other geological features of significance. As such, there are no anticipated impacts on these potential habitat features.

4 REFERENCES

- DEC (2006) The Vegetation of the Western Blue Mountains. Unpublished report funded by the Hawkesbury-Nepean Catchment Management Authority. Department of Environment and Conservation NSW, Hurstville.
- OEH (2019) Threatened Species Wildlife Atlas Database. Office of Environment and Heritage, NSW State Government.
- DoEE (2019) Environmental Protection and Biodiversity Conservation Act 1999, protected matters search tool, Department of Environment and Energy, Commonwealth Government of Australia, Accessed online June 2019.

Appendix A

Site Photographs - 11 June 2019







Appendix B

Stakeholder correspondence



3 September 2019

Mr Paul Freeman
Team Leader
Energy & Resource Assessments
NSW Department of Planning, Industry & Environment
GPO Box 39
SYDNEY NSW 2001

Dear Mr Freeman

Re: Lidsdale Rail Siding – Proposed Modification to Development Consent 08_0223

Background

Centennial Coal's Lidsdale Rail Siding is a rail loading facility which facilitates the transfer and dispatch of coal from Centennial Coal's Western Coal Services Project to domestic and international markets via rail.

As a result of shortfalls in coal supply to the Mount Piper Power Station (MPPS) from the Springvale Mine, Centennial Coal sought approval from the Department of Planning, Industry and Environment to enable the installation and operation of temporary infrastructure at the Lidsdale Rail Siding to facilitate the receipt, unloading and handling of coal at the Lidsdale Rail Siding by train and the dispatch of this coal to the MPPS via infrastructure approved and authorised by Centennial Coal's Western Coal Services Project.

Approval was sought by way of a modification to the Lidsdale Rail Siding development consent 08_0223 under Section 4.55(2) of the Environmental Planning and Assessment Act 1979 (EP&A Act). The modification was approved on 23 August 2019 and enables Centennial Coal to receive, unload and dispatch coal from one train per day during day time hours only in emergency situations when coal stockpiles at MPPS are forecast to decline below 400,000 tonnes (t) for an extended period.

The delivery and installation of infrastructure associated with temporary rail unloading will commence in September 2019 and it will take approximately 6 – 8 weeks to be operational. It is anticipated that the first coal for commissioning purposes will be received by rail at the Lidsdale Rail Siding in mid-late October 2019 with the system fully operational in November 2019. During this time, coal stockpiles at the MPPS are forecast to continue to decline. Coupled with ongoing shortfalls in coal supplies from the Springvale Mine and a longwall relocation currently in progress, shortfalls in coal supply are forecast to continue until late November 2019. As a result, coal stockpiles at the MPPS will be at critically low levels leading into the summer period.

Proposed Modification

To ensure the coal stockpiles at MPPS can be maintained at sufficient levels to provide security for ongoing electricity generation during the summer months, Centennial Coal is proposing to modify the Lidsdale Rail Siding development consent to increase the number of laden coal trains that can be received and unloaded at the site during day time hours.

Specifically, Centennial is proposing to modify Schedule 2 Condition 7 of the Lidsdale Rail Siding consent to align the number of trains that can be received at the facility with the number of trains that can be dispatched from the facility. The current consent enables no more than 7 laden trains to leave the site each day and no more than 5 trains to leave the site each day, when averaged over a calendar year.

As such, the proposed modification will seek to enable:

- no more than 7 trains to arrive at the site each day; and
- no more than 5 trains to arrive at the site each day when averaged over a calendar year.

The actual number of trains that can be received at the facility a day, during day time hours, will be determined by the operational efficiency of the unloading infrastructure. As the operational efficiency of the unloading infrastructure is not yet understood, Centennial is seeking flexibility in the approval to enable as many trains as possible to be received at the facility without exceeding the current assessed and approved number of rail movements.

The proposed modification will not:

- Change the operations that coal receipt, unloading and handling activities at the site occur. These will remain restricted to day time hours only (i.e. 7am – 6pm Monday to Saturday and 8am – 6pm on Sundays and public holidays)
- Increase the volume of coal that can be received and handled at the facility in any calendar year above 6.3 Mtpa
- Increase the volume of coal that will be transported off site to the Western Coal Services Project above the current approved 1.5 Mtpa
- Require any additional infrastructure to be installed or constructed above what has previously been approved.
- Increase the number of approved rail movements that occur to and from the facility as no loading of trains will be undertaken on days when rail unloading activities at the site occur.

Project Justification

Considering the continuing decline in coal stockpiles at the MPPS and forecasted shortfalls in coal supplies from the Springvale Mine, the proposed modification, if approved, will enable an increase in the volume of coal that can be supplied. The supply of coal will be limited to the operational efficiency of the temporary unloading infrastructure rather than a restriction on the number of train movements authorised by the development consent. The proposed modification will enable increased coal volumes to be provided on a campaign basis which will assist in maintain coal stockpile levels at the MPPS in the lead up to summer and during future emergency situations.

Approval Pathway

As the proposed modification will not require any additional infrastructure to receive and unload coal laden trains at the facility beyond what has already been approved, will not increase the volume of coal that is handled at the facility in any calendar year period, will not increase the volume of coal dispatched from the site to the Western Coal Services Project and will not increase the previously assessed noise levels that result from the unloading activities, Centennial considers that a modification to the Lidsdale Rail Siding consent 08_0223 under Section 4.55(1A) of the EP&A Act would be the suitable pathway.

Modification Report

Centennial propose to prepare a modification report to support the modification application. The modification Report will include:

- An overview of the proposed modification;
- Strategic context for the proposed modification.
- Justification for the proposed modification; and

- Alternatives considered.

A qualitative assessment of air and noise will be undertaken as part of the Modification Report however no technical assessments are proposed to be prepared.

As the project will not require any new surface disturbance, it is assumed no biodiversity, heritage or bushfire assessment will be required. A Biodiversity Development Assessment Report (BDAR) Waiver will be prepared and submitted as an appendix to the Modification Report.

As the project will operate within the constraints of the existing water management system and utilise existing approved coal stockpile areas, no surface water assessment is proposed.

Consultation with relevant stakeholders will be undertaken including Lithgow City Council, surrounding receptors and Transport for NSW/John Holland Rail. Consultation will be discussed within the Modification Report.

Conclusion

Centennial is seeking concurrence from the Department of Planning, Industry and Environment on the approval pathway and level of assessment proposed for the Modification Report. Should you have any questions or require any further information in regards to this matter, please contact me on my mobile 0407 207 530 or email james.wearne@centennialcoal.com.au.

Yours sincerely



James Wearne
Group Approvals Manager



Mr James Wearne
Group Approvals Manager
Centennial Coal Pty Limited
PO BOX 1000
TORONTO NSW 2283

05/09/2019

Dear Mr Wearne

Lidsdale Siding Coal Loader (08_0223) - Modification 2

I refer to your letter dated 3 September 2019 regarding a proposed modification to the Lidsdale Siding Coal Loader (08_0223 Mod 2).

The Department can confirm that the appropriate approval pathway for the modification application would be under section 4.55(1A) of the *Environmental Planning and Assessment Act 1979*.

I can also confirm that the Department is satisfied with the issues identified in your letter to be addressed in the Modification Report and the level of assessment that would be undertaken.

The next step in the process will be for you to lodge a Modification Report through the Department's major projects website (<http://www.planningportal.nsw.gov.au/major-projects>).

If you wish to discuss this matter further, please contact Andrew Rode on 02 8289 6744 or at andrew.ode@planning.nsw.gov.au.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Paul Freeman', with a stylized, flowing script.

Paul Freeman

A/Director

Resource Assessments



23 September 2019

Mr. Andrew Muir
Director Economic Development and Environment
Lithgow City Council
PO Box 19
Lithgow NSW 2790

Dear Andrew

Re: Lidsdale Rail Siding – Proposed Modification to Development Consent 08_0223

Background

Centennial Coal's Lidsdale Rail Siding is a rail loading facility which facilitates the transfer and dispatch of coal from Centennial Coal's Western Coal Services Project to domestic and international markets via rail.

As a result of shortfalls in coal supply to the Mount Piper Power Station (MPPS) from the Springvale Mine, Centennial Coal sought approval from the Department of Planning, Industry and Environment to enable the installation and operation of temporary infrastructure at the Lidsdale Rail Siding to facilitate the receipt, unloading and handling of coal at the Lidsdale Rail Siding by train and the dispatch of this coal to the MPPS via infrastructure approved and authorised by Centennial Coal's Western Coal Services Project.

Approval was sought by way of a modification to the Lidsdale Rail Siding development consent 08_0223 under Section 4.55(2) of the Environmental Planning and Assessment Act 1979 (EP&A Act). The modification was approved on 23 August 2019 and enables Centennial Coal to receive, unload and dispatch coal from one train per day during day time hours only in emergency situations when coal stockpiles at MPPS are forecast to decline below 400,000 tonnes (t) for an extended period.

The delivery and installation of infrastructure associated with temporary rail unloading will commence in September 2019 and it will take approximately 6 – 8 weeks to be operational. It is anticipated that the first coal for commissioning purposes will be received by rail at the Lidsdale Rail Siding in mid-late October 2019 with the system fully operational in November 2019. During this time, coal stockpiles at the MPPS are forecast to continue to decline. Coupled with ongoing shortfalls in coal supplies from the Springvale Mine and a longwall relocation currently in progress, shortfalls in coal supply are forecast to continue until late November 2019. As a result, coal stockpiles at the MPPS will be at critically low levels leading into the summer period.

Proposed Modification

To ensure the coal stockpiles at MPPS can be maintained at sufficient levels to provide security for ongoing electricity generation during the summer months, Centennial Coal is proposing to modify the Lidsdale Rail Siding development consent to increase the number of laden coal trains that can be received and unloaded at the site during day time hours.

Specifically, Centennial is proposing to modify Schedule 2 Condition 7 of the Lidsdale Rail Siding consent to align the number of trains that can be received at the facility with the number of trains that can be dispatched from the facility. The current consent enables no more than 7 laden trains to leave the site each day and no more than 5 trains to leave the site each day, when averaged over a calendar year.

As such, the proposed modification will seek to enable:

- no more than 7 trains to arrive at the site each day; and
- no more than 5 trains to arrive at the site each day when averaged over a calendar year.

The actual number of trains that can be received at the facility a day, during day time hours, will be determined by the operational efficiency of the unloading infrastructure. As the operational efficiency of the unloading infrastructure is not yet understood, Centennial is seeking flexibility in the approval to enable as many trains as possible to be received at the facility without exceeding the current assessed and approved number of rail movements.

The proposed modification will not:

- Change the operations that coal receipt, unloading and handling activities at the site occur. These will remain restricted to day time hours only (i.e. 7am – 6pm Monday to Saturday and 8am – 6pm on Sundays and public holidays)
- Increase the volume of coal that can be received and handled at the facility in any calendar year above 6.3 Mtpa
- Increase the volume of coal that will be transported off site to the Western Coal Services Project above the current approved 1.5 Mtpa
- Require any additional infrastructure to be installed or constructed above what has previously been approved.
- Increase the number of approved rail movements that occur to and from the facility as no loading of trains will be undertaken on days when rail unloading activities at the site occur.

Modification Report

Centennial are currently preparing a modification report to support the modification application. It is anticipated the modification report will be lodged with the NSW Department of planning, Industry and Environment by the end of September 2019. Due to the minor change in scope of the project and continued implementation of operational restrictions at the Lidsdale Siding facility, impacts from the proposed modification, should it be approved, are anticipated to be negligible.

Conclusion

Considering the continuing decline in coal stockpiles at the MPPS and forecasted shortfalls in coal supplies from the Springvale Mine, the proposed modification, if approved, will enable an increase in the volume of coal that can be supplied. The supply of coal will be limited to the operational efficiency of the temporary unloading infrastructure rather than a restriction on the number of train movements authorised by the development consent. The proposed modification will enable increased coal volumes to be provided on a campaign basis which will assist in maintain coal stockpile levels at the MPPS in the lead up to summer and during future emergency situations. Should you have any questions or require any further information in regards to this proposed modification, please contact me on my mobile 0407 207 530 or email james.wearne@centennialcoal.com.au.

Yours sincerely



James Wearne
Group Approvals Manager



