20 August 2010

Phil Jones
Department of Planning
GPO Box 39
SYDNEY NSW 2001

Dear Phil

Re: Ravensworth Operations Project - Response to Submissions Roads and Traffic Authority and Muswellbrook Coal Company Limited

We provide the following clarification in relation to the Roads and Traffic Authority and Muswellbrook Coal submissions.

Roads and Traffic Authority (RTA) Submission

In its submission, the RTA did not object to the Project subject to the compliance with a number of suggested project approval conditions, as outlined below. The following response is provided to clarify relevant details of the suggested project approval conditions for DoP consideration.

Intersection Design

The intersection of the New England Highway/Brunkers Lane shall be designed and constructed as a Seagull type intersection. The intersection shall be designed and constructed in accordance with the RTA’s Road Design Guide, relevant Australian Standards and Austroads guidelines.

The eastern boundary of the subject site to the north of Brunkers Lane is subject to road widening as advised in RTA’s previous letter dated 15 December 2009. All works should take the proposed property boundary into account and any structures associated with the proposed development (such as the proposed 330kV transmission line) should be set back accordingly.

Concept design plans of the proposed works showing both horizontal and vertical alignments shall be prepared in accordance with the RTA’s Road Design Guide and submitted to the RTA for review.

Ravensworth Operations have consulted with the RTA with regard to the design of the proposed upgrade of the existing New England Highway / Brunkers Lane intersection and agrees that these suggested project approval conditions are satisfactory.

Existing Lemington Road Intersection

When the new intersection of New England Highway/Brunkers Lane is constructed, the existing intersection of New England Highway/Lemington Road shall be closed for all traffic, except to provide access for Macquarie Generation, gated and locked to restrict vehicles movements to this user only as a private access. Any works required on the New England Highway and the intersection to remove its public road status must be undertaken to the satisfaction of the RTA and Council.
As outlined in Section 2.6.5.3 of the EA (p2.30) access to the Project area via the existing Lemington Road/New England Highway intersection will be required for relevant personnel over the life of the Project. Upon commissioning of the southern mine access road from the proposed realignment of the Lemington Road (refer to Figure 2.22 of the EA) access to the existing Lemington Road from the New England Highway will be restricted to authorised personnel, including Ravensworth Operations and Macquarie Generation personnel, to enable access to infrastructure areas in the northern extent of the Project area. Public access to the existing northern extent of the existing Lemington Road will be restricted through the construction of gates and fencing, near the existing intersection with the New England Highway. Ravensworth Operations will undertake these works in accordance with the relevant requirements of the RTA and Singleton Council.

Conveyor Bridge

The conveyor bridge over the New England Highway shall be designed and constructed to RTA requirements, including, but not limited to, the following:

- A minimum 6.0 metre vertical height clearance from the top of the New England Highway pavement to the underside of the bridge structure.
- The bridge structure and its approaches shall be designed to eliminate the impacts of maintenance activities required within the road reserve.
- Maintenance activities required for the bridge structure shall be carried out from within/on the bridge structure, with no impact on New England Highway traffic.
- The bridge structure shall be designed and constructed to take into account any future highway widening and duplication.

Details of the maintenance policy for the proposed conveyor shall be forwarded to the RTA for review. The developer shall enter into a Deed Containing Agreement with the RTA for the ongoing maintenance.

Ravensworth Operations have consulted with the RTA with regard to the design of the proposed conveyor bridge over the New England Highway and agrees that these suggested project approval conditions are satisfactory.

Works Authorisation Deed

The developer will be required to enter into a Works Authorisation Deed (WAD) with the RTA. In this regard the developer is required to submit detailed design plans and all relevant additional information, as may be required in the RTA’s Works Authorisation Deed documentation, for each specific change to state road network for the RTA’s assessment and final decision concerning the work.

The WAD shall be executed prior to issuing a construction certificate for the mine site works. All road works must be completed prior to any commencement of any operational activities associated with the subject project.

Ravensworth Operations have consulted with the RTA with regard to the requirements for entering a Works Authorisation Deed for relevant works and agrees that these suggested project approval conditions are satisfactory.

Construction Traffic Management Plan

A Construction Traffic Management Plan (CTMP) shall be prepared indicating in detail management of heavy vehicle movements associated with the project during construction. The CTMP shall specifically address the movement of oversize loads to and from the site, the management of construction traffic, restrictions to the hours of heavy vehicle movements to avoid road use conflicts and the transport of construction waste materials. The CTMP shall be submitted to the RTA and Council for approval prior to commencement of any works. The RTA reserves the right to review the CTMP at any stage and make changes in the interest of maintaining road safety and network efficiency.
Ravensworth Operations commits to the preparation of a Construction Traffic Management Plan (CTMP) to meet the specific requirements outlined in the RTA submission in consultation with the RTA and Singleton Council, to the satisfaction of the Director-General. The approved CTMP will outline the relevant review requirements and ongoing mechanisms for consultation with stakeholders, including the RTA, throughout the implementation of the works covered by the CTMP.

**Muswellbrook Coal Company Pty Limited**

The submission provided by Muswellbrook Coal Company Pty Limited (Muswellbrook Coal) on the Project related to a number of potential interactions between the Project and the Ravensworth Coal Terminal (RCT). Ravensworth Operations have undertaken consultation with Muswellbrook Coal, as a participant in the operation of RCT, to resolve the issues raised within its submission on the Project.

As part of this ongoing consultation Ravensworth Operations and Muswellbrook Coal have agreed to the following commitment in order to address any potential interactions between the Project and Muswellbrook Coal’s ongoing participation in the operation of RCT:

Upon construction of the Ravensworth Operations Project expansion at Ravensworth Coal Terminal (RCT), Ravensworth Operations shall construct facilities for the unloading and subsequent train loading of coal from Muswellbrook Coal Company (MCC). These facilities shall be of sufficient capacity to accommodate up to 2Mtpa or MCC’s share of the RCT capacity as dictated by it’s shareholding in RCT (currently 11%), whichever is the greater.

The construction and subsequent commissioning of the new facilities shall be scheduled so as to minimise the impacts on MCC deliveries to RCT.

The works associated with the above commitment are provided by the Project as outlined in Section 2.5.9.2 (p 2.23) of the EA. This includes accommodating ongoing users as part of the proposed increased capacity of the RCT to up to 20Mtpa, and the proposed upgrade of an existing intersection with Liddell Station Road to improve access and road safety for existing road users of RCT including Muswellbrook Coal.

A number of additional issues raised in the Muswellbrook Coal submission are not specifically provided for by the agreed terms outlined above and a formal response to these issues is provided in the following sections. Muswellbrook Coal have been consulted with regard to the following responses to the issues raised within their submission, and have provided their support for the following responses.

**Muswellbrook Coal also understands from the Project Application that Ravensworth Operations proposes to consolidate all of the development consents applying to the Xstrata’s Ravensworth surface facilities including the 1982 development consent for the RCT. We do not consider that Ravensworth Operations has the legal power to surrender the 1982 development consent as they are not entitled to rely upon the consent.**

As outlined in Section 1.5 of the EA (p 1.11) Ravensworth Operations is a wholly owned subsidiary of Xstrata Coal Pty Limited (Xstrata Coal) and is the applicant for this Project. As outlined in the Muswellbrook Coal submission, the other participants in the joint venture for RCT include Resource Pacific Pty Ltd, Cumnock No.1 Pty Ltd and ICRA Cumnock Pty Ltd. These entities are either wholly owned by Xstrata Coal and/or Xstrata Coal has a significant interest in these entities that participate in the RCT joint venture. Xstrata Coal has management rights over these entities in addition to having management rights in relation to the RCT.

Xstrata Coal, as the parent company of Ravensworth Operations, would seek to surrender the 1982 RCT development consent as part of the consolidation of existing approvals within the Project area, given the identified operational and environmental benefits from this process. The ongoing management of RCT would continue to be undertaken in accordance with the existing processes established between the participants in the RCT joint venture.

**Further, provisions of the Environmental Planning and Assessment Act 1979 require that the consent authority consider the impacts of third parties in relation to the surrender of any development consent. In this regard Muswellbrook Coal request that all discussions with**
Ravensworth Operations relating to the replacement of any conditions or the imposition of any conditions upon the RCT be copied to Muswellbrook Coal and that we be given the opportunity to comment on any proposed conditions.

As outlined above the ongoing management of the RCT would continue to be undertaken in accordance with the existing processes established between the participants in the RCT joint venture. Accordingly, Xstrata Coal will consult with RCT Joint Venture partners in accordance with the existing processes in relation to the imposition of any relevant Project approval conditions regarding the ongoing operation of the RCT.

Additional Consultation – Adjoining Operations

In addition to the response to the above additional submissions on the Project, the DoP have requested Ravensworth Operations provide additional information in relation to further consultation with Macquarie Generation, Muswellbrook Coal and Ashton Coal regarding the issues raised in the submissions from these adjoining operations on the Project.

Ravensworth Operations have undertaken further consultation with Macquarie Generation in relation to the response to the issues raised within its submission on the Project. As part of this consultation Macquarie Generation has reiterated its support for the response to the issues raised in the submission on the Project, as evidenced by the signed terms of the commercial agreement between Ravensworth Operations and Macquarie Generation.

Ravensworth Operations have undertaken consultation with Muswellbrook Coal regarding the Muswellbrook Coal submission as detailed above.

Ravensworth Operations have undertaken further consultation with Ashton Coal Operations Limited (ACOL) in relation to the details of the issues raised in the submission on the Project. As part of this additional consultation, Ravensworth Operations reiterated its commitments outlined in the Response to Submissions report, in particular the revised Commitment 6.3.13 for the Project, relating to the management of potential subsidence impacts of the realigned Lemington Road.

Please do not hesitate to contact Tim Crosdale or myself if you require any clarification in relation to the above matters.

Yours faithfully

Barbara Crossley
Director