

15 January 2014

Howard Reed
Department of Planning and Infrastructure*Via email*

Re: Cobbora Coal Project - offset clarifications

Dear Howard,

Thank you for your query regarding the amended biodiversity offset package described in the Cobbora Coal Project – Draft Conditions letter (Cobbora Holding Company to the Department of Planning and Infrastructure, 20 December 2013) and the attached Cobbora Coal Project (MP10_0001) – offsets package amendment letter of the same date (EMGA Mitchell McLennan to DP&I).

1 Buffer areas in the conditions of approval

Areas of native vegetation in good and in low condition have been included in the biodiversity offset package (BOP) and form part of the improvement strategy to compensate for the project's impacts. Within and adjacent to the entire land parcel (cadastral boundary) of some offset properties there are areas of agriculture, tracks, dams, cleared areas with old sheds, etc. These areas were included in the property purchases and will be managed by CHC to ensure that they are stable and of ecological and/or agricultural value. These areas have been excluded from the calculation of the biodiversity offsets to compensate for the project impacts. Other than being within the same cadastral boundaries as the proposed offset areas, these disturbed areas do not share the features of the offset areas. They are not located so as to form 'buffers' for the offset areas. Some of these areas will be transferred to the National Parks and Wildlife Service (NPWS) and CHC is currently seeking direction from NPWS regarding the boundaries of the transferred areas.

Given the uncertainty regarding the amount of cleared land that will be transferred to NPWS, that these areas are not part of the offset package and do not form buffers, it is requested that references to the areas of land within offset properties that are not part of the offset package (ie the 'buffer' areas) are removed from the Group 1 areas in Table 11 of the draft consent conditions.

It is also requested that row "Other landholdings owned by the proponent" of Table 11 under Group 2 is removed from the conditions. This requirement is open-ended and is addressed by Schedule 3, Condition 1 of the draft conditions. The management of this land will be described in the Native Vegetation Management Plan and associated work plan that will be part of the Integrated Land Management Plan (ILMP).

2 Differences in the offset amendment letter, BOP and draft conditions

The offset area ownership table in the BOP (Table 2.4), which formed the basis for Table 11 in Schedule 3 of the draft conditions, incorrectly provided the entire cadastral boundary area in which the offset area was located, instead of the lots or part lots in which the offset area will be located in some instances. This is different again from the biodiversity offset areas which contain native vegetation and that were used in the

BOP calculations. The total offset area has also been changed by the removal of the Hartley (site office) property and addition of the Kirk property to the proposed offsets (as described in the 20 December 2013 letter). There have been slight cadastral boundary changes, based on the DCDB (Digital Cadastre Data Base) which are approximate only and have resulted in some rounding uncertainty. These amendments are provided in Table 1.

The inconsistencies with the offset property areas do not affect the offset area calculations (as discussed below).

Table 1 Amended offset property areas

Property	Offset property lot area (cadastral boundary)	Offset lot area reported in BOP (ha)	Amended offset lot area (ha)*	Notes
Southern NPWS additions				
Lot 2-839623	9.84	57.1	10	Rounding adjustment
Lot 3-839623	32.99		33	
Lot 3-1112933	14.08		14	
Lot 2-1112933	111.88	112.1	112	Rounding adjustment
Lot 3-802679	39.99	161.7	40	Rounding adjustment
Lot 88-750780	121.6		122	
Lot 1-802679	41.34	41.4	0	This property has been removed (Hartley)
Lot 1-1072945	103.75	168.0	104	Rounding adjustment
Lot 78-750751	16.04		16	
Lot 79-750751	47.92		48	
Lot 46-754329	181.62	194.1	181	Rounding adjustment
Lot 48-754329	12.23		12	
Lot 49-754329	1.57		2	
Lot 2-1072945	355.74	356.4	355	Rounding adjustment
Lot 45-754329	50.82	214.4	50	Incorrect size provided in BOP
Lot 115-721236	553.65	928.0	163	Incorrect size provided in BOP - only part of lots included in offset package
Lot 16-754329	30		25	
Lot 17-754329	102.26		101	
Lot 25-754329	204.8		55	
Lot 26-754329	610.06		533	
Sub-total for Southern NPWS additions	2,642.2	2,233.2	1,976	Native vegetation that is part of the offset package occupies 1,746 ha of this total lot area
Eastern link areas				
Lot 20-754329	15.23	188.9	15	Rounding adjustment
Lot 21-754329	46.8		47	Rounding adjustment
Lot 23-754329	124.9		125	Rounding adjustment
Lot 9-130757	3.54		4	Rounding adjustment
Part Lot 31-754329	293.17	185.5	186	Incorrect size provided in BOP - only part of lot included in offset package
Lot 102-754334	199.13	198.7	199	Rounding adjustment
Part Lot 30-754329,	291.5	195.2	114	Rounding adjustment - only part of lots included in offset package
Part Lot 2-586911	145.64		77	
Part Lot 3-586911	3.77		4	
Part Lot 141-721256	941.32	162.7	162	Incorrect size provided in BOP - only part of

Table 1 Amended offset property areas

Property	Offset property lot area (cadastral boundary)	Offset lot area reported in BOP (ha)	Amended offset lot area (ha)*	Notes
				lot included in offset package
Sub-total for Eastern link areas	2,065	931	933	Native vegetation that is part of the offset package occupies 877 ha of this total lot area
Zieria patch				
Part Lot 36-754289	80.24	43.2	15	Rounding adjustment - only part of lots included in offset package
Part Lot 44-754289	526.14		28	
Sub-total for Zieria patch	606.38	43.2	43	Native vegetation that is part of the offset package occupies all of this total lot area
Cobbora SCA additions				
Lot 45-720311	1567.53	1,571.1	1,567	Rounding adjustment
Lot 42-257240	855.17	1,057.8	678	Incorrect size provided in BOP - only part of lots included in offset package
Lot 18-754312	200.3		199	
Sub-total for Cobbora additions	2,623	2,628.9	2,444	Native vegetation that is part of the offset package occupies 2,349 ha of this total lot area
Adelyne SCA additions				
Lot 35-754326	413	412.9	413	Rounding adjustment
Sub-total for Adelyne additions	413	412.9	413	Native vegetation that is part of the offset package occupies 411 ha of this total lot area
Goonoo SCA additions				
Lot 3-754325	393.24	393.2	393	Rounding adjustment
Lot 39-754330	383.47	383.4	383	Rounding adjustment
Lot 36-754330	992.12	992.1	992	Rounding adjustment
Lot 17-754293	1236.06	1,236.0	1,236	Rounding adjustment
Lot 9-721223	-	-	306	This property has been added (Kirk)
Sub-total for Goonoo SCA additions	3,310.7	3,004.7	3,308	Native vegetation that is part of the offset package occupies 3,305 ha of this total lot area
Total offset areas	11,660.3	9,253.9	9,117	Native vegetation that is part of the offset package occupies 8,731 ha of this total lot area

Notes: *Rounded to the nearest whole hectare.

Despite some of the cadastral areas of the lots (and part lots) being inaccurate in Table 2.4 of the BOP, the areas of native vegetation in each of the offset areas was correct and remains unchanged. The amendments do not affect the amount and type of native vegetation included in the offset calculations provided in the BOP or subsequent offset information.

The only material change is as a result of replacing the offset area on the Hartley property (41 ha) with the offset area on the Kirk property (306 ha). As a result of this change, the areas of woodland in Table 11 of the draft consent conditions (Summary of the Biodiversity Offset Strategy) require updating. The updated native vegetation areas are shown in Table 2.

In addition, the areas provided for native vegetation for the Zieria patch row in Table 2 of the offsets amendment letter were incorrect. These were a repetition of the areas included for the Cobbora SCA addition. A corrected table is provided below.

Table 2 Amended offset native vegetation areas

Property/offset area	Total native vegetation (ha)	Native vegetation in offset (ha)
Southern NPWS additions Lot 2 and 3-839623, Lot 3-1112933, Lot 2-1112933, Lot 3-802679, Lot 88-750780, Lot 1-1072945, Lots 78 and 79-750751, Lots 46, 48 and 49-754329, Lot 2-1072945, Lot 45-754329, part Lot 115-721236, and part Lots 16, 17, 25, 26-754329.	1,746	Woodland 1,371 ha Box Gum Woodland DNG 82 ha Native pasture 293 ha
Eastern link areas Lots 20, 21 and 23-754329, Lot 9-130575, Part Lot 31-754329, Lot 102-754334, Part Lot 30-754329, part Lot 2 and part 3-586911, and part Lot 141-721256.	877	Woodland 799 ha Native pasture 78 ha
Zieria patch Part Lot 36-754289 and part Lot 44-754289.	43	Woodland 43 ha Box Gum Woodland DNG 28 ha Native pasture 219 ha*
Cobbora SCA additions Lot 45-720311, Lot 42-257240 and Lot 18-754312.	2,349	Woodland 2,102 ha Box Gum Woodland DNG 28 ha Native pasture 219 ha
Adelyne additions Lot 35-754326.	411	Woodland 387 ha Native pasture 24 ha
Goonoo additions Lot 3-754325, Lot 39-754330, Lot 36-754330, Lot 17-754293 and Lot 9-721223	3,305	Woodland 3,226 ha Native pasture 79 ha
Total offset areas	8,731	

Note: *These changes are due to a typo in the offset amendment letter.

Given the explanation provided, it is requested that the draft conditions are amended to refer to “Formal Biodiversity Offset Areas” rather than “Formal Biodiversity Offset Properties”, that the area values are amended as provided in Table 2 and that the references to the areas of land within offset properties that are not part of the offset package (buffer areas) are removed.

The recommended amended Table 11 of the draft consent conditions (Summary of the Biodiversity Offset Strategy) is included as Table 3.

Table 3 **Summary of the Biodiversity Offset Strategy**

Offset area	Offset type	Minimum offset area (ha)
Group 1- Formal Biodiversity offset areas		
Southern NPWS additions	Enhance existing native woodland (1,371 ha) Regenerate: • 82 ha of Blakely's Red Gum - Yellow Box grassy woodland of the NSW South Western Slopes Bioregion EEC derived native grassland; and • 293 ha of low condition native pasture to native woodland to provide habitat for threatened species impacted by the project¹	1,746
Eastern Link areas	Enhance existing native woodland (799 ha) Regenerate 78 ha of low condition native pasture to native woodland to provide habitat for threatened species impacted by the project ¹	877
Zieria Patch	Enhance existing native woodland (43 ha)	43
Cobbora SCA additions	Enhance existing native woodland (2,102 ha) Regenerate: • 28 ha of Blakely's Red Gum - Yellow Box grassy woodland of the NSW South Western Slopes Bioregion EEC derived native grassland; and • 219 ha of low condition native pasture to native woodland to provide habitat for threatened species impacted by the project¹	2,349
Adelyne additions	Enhance existing native woodland (387 ha) Regenerate 24 ha of low condition native pasture to native woodland to provide habitat for threatened species impacted by the project ¹	411
Goonoo additions	Enhance existing native woodland (3,226 ha) Regenerate 79 ha of low condition native pasture to native woodland to provide habitat for threatened species impacted by the project ¹	3,305
Group 2: Additional areas to the formal biodiversity offset properties to provide biodiversity conservation outcomes		
Rehabilitation area	Rehabilitate to woodland vegetation communities and provide habitat for threatened species impacted by the project	1,916
Northern Restoration area	Regenerate 185 ha of low condition native pasture to native woodland to provide habitat for threatened species impacted by the project ¹	185

Notes: 1. These areas require further survey effort to define the condition, class and level of disturbance. Therefore, the areas defined as low condition native pasture or exotic pasture/cleared or disturbed land may be varied once the further survey effort is carried out.

3 Draft conditions Appendix 7

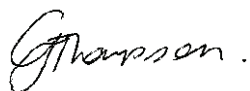
As described in Section 1, the final lot areas (or part lot areas) to be included in the offsets may vary while the total area of enhanced native vegetation will not. It is therefore requested that exact areas of the lots (or part lots) that will be included in the biodiversity offset areas are removed from the table in Appendix 7. This will allow flexibility in the area of land transferred to NPWS which is desirable to NPWS and CHC. This change will not dilute the intent of the conditions that clearly provide the required areas of offset vegetation in Schedule 3, Table 11. A proposed Appendix 7 table is provided in Table 4.

Table 1 Lots containing biodiversity offsets

Property/offset area	Minimum offset area (ha)
Southern NPWS additions Lot 2 and 3-839623, Lot 3-1112933, Lot 2-1112933, Lot 3-802679, Lot 88-750780, Lot 1-1072945, Lots 78 and 79-750751, Lots 46, 48 and 49-754329, Lot 2-1072945, Lot 45-754329, part Lot 115-721236, and part Lots 16, 17, 25, 26-754329.	1,746
Eastern link areas Lots 20, 21 and 23-754329, Lot 9-130575, Part Lot 31-754329, Lot 102-754334, Part Lot 30-754329, part Lot 2 and part 3-586911, and part Lot 141-721256.	877
Zieria patch Part Lot 36-754289 and part Lot 44-754289.	43
Cobbora SCA additions Lot 45-720311, Lot 42-257240 and Lot 18-754312.	2,349
Adelyne additions Lot 35-754326.	411
Goonoo additions Lot 3-754325, Lot 39-754330, Lot 36-754330, Lot 17-754293 and Lot 9-721223	3,305

Please do not hesitate to contact me if you have any questions regarding this letter.

Yours sincerely



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