

# ASSESSMENT REPORT

## Rocglen Extension Project

### Rejects Management Modification (MP 10\_0015 MOD 2)

## 1 BACKGROUND

Whitehaven Coal Limited (Whitehaven) owns and operates the Rocglen Coal Mine located approximately 25 kilometres (km) north of Gunnedah, in the Gunnedah local government area (see Figure 1).

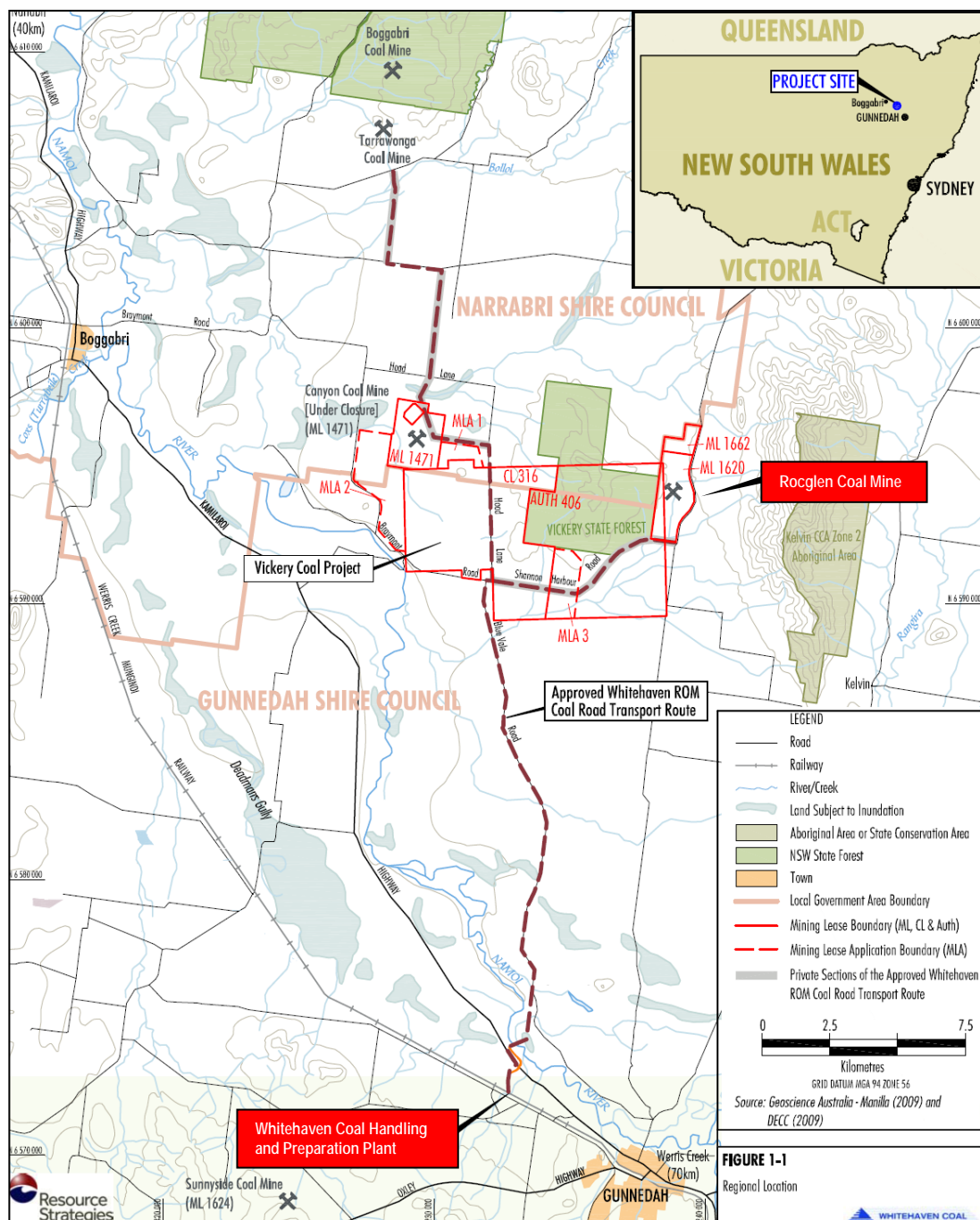


Figure 1: Location of the Rocglen Coal Mine

The mine operates under an approval granted under delegation from the then Minister for Planning and Infrastructure on 27 September 2011 (10\_0015). This approval, known as the Rocglen Extension Project, has been modified on one previous occasion and allows for the continuation and expansion of mining activities including:

- extraction of up to 1.5 million tonnes per annum (Mtpa) of Run-of-Mine (ROM) coal by open cut and auger mining methods, for a period of 12 years;
- operation of a range of ancillary infrastructure including a coal crushing and handling plant, water management system and administrative facilities; and
- transportation of coal to the Whitehaven Coal Handling and Preparation Plant (CHPP) by road for further processing and dispatch.

Whitehaven processes coal at the CHPP to produce a saleable product. This process generates a combination of coarse and fine rejects, totalling approximately 380,000 tonnes per annum. These rejects may be transported back to the mine for emplacement in mined-out areas of the open cut pit. The approval allows rejects to be transported in coal haulage vehicles returning to the mine from the CHPP.

Whitehaven also has approval to operate a number of other mines in the Gunnedah Basin including the Tarrawonga Coal Mine and the Vickery Coal Mine, which has not yet commenced. The respective approvals allow Whitehaven to transport coal from the mines to the Whitehaven CHPP for processing and back haul rejects to the source mine for emplacement.

Whitehaven processes coal at the CHPP from all its mines in a single campaign (up to 3 Mtpa), and consequently the coarse and fine rejects typically consist of material from more than one mine. Fine rejects generated at the CHPP are currently being transported to the Melville Mine for emplacement (the Melville Mine is currently undergoing rehabilitation and closure). However, the existing fine rejects area at Melville Mine is approaching capacity and will be capped and rehabilitated in the near future.

Once the Melville mine reaches capacity, Whitehaven would only have approval to transport fine rejects to the source mine and would be unable to continue to process its coal in a single campaign.

## 2 PROPOSED MODIFICATION

Whitehaven is seeking a further modification to the approval under Section 75W of the *Environmental Planning and Assessment Act 1979* (EP&A Act).

Whitehaven is proposing to modify the approval to allow the Rocglen Coal Mine to receive and dispose of fine and coarse rejects produced at the CHPP from any of Whitehaven's mines (rather than just the reject material generated from the processing of Rocglen coal as currently approved). This would allow Whitehaven to continue to process all of its coal in a single campaign (as per the existing arrangements) once the Melville fine rejects area reaches capacity.

Whitehaven originally indicated that the modification would not change the quantity of rejects disposed of at the mine. Under this proposal, Whitehaven would only be able to dispose half of the rejects generated at the CHPP (approximately 380,000 tonnes per annum), and the remainder would need to be backhauled to Whitehaven's other mining operations.

Whitehaven subsequently revised its proposal to allow the Rocglen mine to receive up to 700,000 tonnes of coarse and/or fine rejects from the CHPP. These quantities are consistent with the amount of rejects generated at the CHPP.

The disposal method and disposal location for the rejects would remain substantially unchanged. The increased quantity of rejects would result in some modifications to the final landform at the mine. However, the increased material would account for a very small portion of the total waste managed and emplaced at the mine (approximately 1%) and would be unlikely to result in any significant changes to the approved landform.

The majority of this reject material would be transported as currently approved. However, Whitehaven is also seeking approval to allow reject specific haulage trucks to transport coal rejects to the mine. Whitehaven anticipates that some reject specific vehicles may be required if the emplacement area at Melville reaches capacity sooner than anticipated, and/or if coal haulage vehicles are not suitable to transport some of the fine rejects material.

In the event that reject specific vehicles are required, Whitehaven would reduce the number of coal haulage trucks from Rocglen so that the modification does not result in any increase in heavy vehicle movements. Consequently, the number of heavy vehicle movements associated with the transportation of coal and rejects on Whitehaven's approved transport route would remain unchanged.

The proposed modification is described in detail in the Environmental Assessment (EA) submitted in support of the application (see Appendix B).

### 3 STATUTORY CONTEXT

The Rocglen Extension Project was originally approved under Part 3A of the *Environmental Planning and Assessment Act 1979* (EP&A Act).

Although Part 3A was repealed on 1 October 2011, the project remains a 'transitional Part 3A project' under Schedule 6A of the EP&A Act, and hence any modification to the approval must be made under the former section 75W of the Act.

Based on its assessment, the Department is satisfied that the application can be characterised as a modification to the existing approval as the proposal would:

- not alter the mining method;
- not alter transportation rates;
- not alter maximum production or processing rates; or
- not significantly increase the environmental impacts of the project.

Given these considerations, the Department is satisfied that the proposal is within the scope of section 75W, and may be determined accordingly.

Under section 75W of the EP&A Act, the Minister for Planning is the approval authority for the modification application. However, under the Minister's delegation dated 16 February 2015, the Executive Director, Resource Assessments and Business Systems may determine the application. This is because no public submissions in the form of objections were received on the proposal, no reportable political donations were made and Gunnedah Shire Council raised no objection to the proposal.

### 4 CONSULTATION

Under Section 75X of the EP&A Act, the Secretary is required to make the modification application publically available. In accordance with this provision, the Department placed the application and accompanying information on its website. The Department also consulted with relevant Government authorities and a summary of their comments is provided below.

The **Environment Protection Authority** (EPA) does not object to the proposal. Nevertheless, it questioned the capacity of the current dirty water management systems on site, and noted that the mine could cause water pollution in certain rainfall events if it is not upgraded. While this comment relates to the operation of the existing mine rather than the proposed modification, the Department notes:

- the EPA is responsible for regulating any potential pollution at the mine;
- it would be an offence under the current Environment Protection Licence (EPL) for Whitehaven to cause water pollution; and
- the EPA has the power to require Whitehaven to upgrade the capacity of the dirty water management system at any time.

The **Division of Resources and Energy** (DRE) does not object to the proposed modification but requested Whitehaven to provide a modified Mining Operations Plan for the mine which demonstrates appropriate emplacement of any potentially acid forming reject material.

**Gunnedah Shire Council** (Council) and the **Office of Environment and Heritage** (OEH) did not raise any concerns with the proposed modifications.

A copy of the submissions is provided in Appendix C.

## 5 ASSESSMENT

In assessing the merits of the proposal, the Department has considered:

- the modification application and accompanying EA;
- the EA and conditions of approval for the Rocglen Extension Project;
- relevant environmental planning instruments, policies and guidelines; and
- the requirements of the EP&A Act.

The Department considers that all the potential impacts resulting from the proposed modification are relatively minor. A summary of the Department's assessment of all relevant issues is provided in Table 1.

**Table 1: Assessment of Issues**

| <b>Issue</b>           | <b>Consideration</b>   | <b>Recommendation</b>   |
|------------------------|--|---|
| <i>Waste</i>           | <ul style="list-style-type: none"> <li>• The proposed modification would increase the amount of rejects emplaced at the mine from approximately 380,000 to up to 700,000 tonnes per annum.</li> <li>• This would result in an additional 2.4 million tonnes of material being emplaced during the remaining life of the mine (approximately 7 and a half years).</li> <li>• This additional material would account for a very small portion of the total waste managed and emplaced at the mine (approximately 1%).</li> <li>• Consequently, any changes to the final landform would be negligible.</li> <li>• The proposed modification would not change the reject disposal methods.</li> <li>• Rejects from Whitehaven's various mining operations (including the Tarrawonga and Vickery coal mines) would be emplaced at the mine. The coal from all these operations originates from the same coal measures (the Maules Creek Formation) and therefore the characteristics of the rejects would not be dissimilar to that already approved for disposal.</li> <li>• Consequently, the emplacement of rejects from the various sources would be unlikely to result in any additional impacts.</li> <li>• The Department believes that the existing Rehabilitation Management Plan should be reviewed and upgraded to incorporate the minor changes from the proposal.</li> </ul> | <ul style="list-style-type: none"> <li>• Restrict receipt of rejects material to years when the mine is operational (until the end of December 2022).</li> <li>• Update the Rehabilitation Management Plan for the mine.</li> </ul>   |
| <i>Transport</i>       | <ul style="list-style-type: none"> <li>• Although Whitehaven may use some reject specific haulage vehicles to transport coal rejects, heavy vehicle haulage movements associated with the mine would remain unchanged.</li> <li>• The Department has recommended conditions to ensure that reject specific haulage vehicles would be operated in accordance with the restrictions on coal haulage vehicles. These conditions require Whitehaven to: <ul style="list-style-type: none"> <li>- transport material using the approved haulage route;</li> <li>- restrict haulage vehicles to speeds of no more than 40km in the vicinity of a school bus;</li> <li>- minimise and promptly managed spillage from haul vehicles; and</li> <li>- transport material during specified hours.</li> </ul> </li> <li>• The Department has also recommended the implementation of a protocol to maximise the backfilling of haul trucks to minimise the use of reject specific haul vehicles.</li> <li>• With these measures in place, the Department is satisfied that the proposed modification would be unlikely to result in any additional traffic and transport impacts.</li> </ul>  | <ul style="list-style-type: none"> <li>• Reject specific haulage vehicles to be operated in accordance with the approved limits for coal haulage vehicles.</li> <li>• Implement an updated Traffic Management Plan including a protocol for maximising the backfilling of haul trucks.</li> </ul> |
| <i>Water Resources</i> | <ul style="list-style-type: none"> <li>• The proposal would not change the existing water management system and would be unlikely to result in any additional impacts.</li> </ul>  | <ul style="list-style-type: none"> <li>• Comply with existing requirements in the EPL and approval, which prevent water pollution.</li> </ul>   |

## RECOMMENDED CONDITIONS

The Department has drafted a recommended notice of modification for the Rocglen Extension Project (see Appendix A).

These conditions would allow Whitehaven to emplace all fine and coarse rejects generated by the Whitehaven CHPP at the Rocglen Coal Mine.

The Department has recommended a range of conditions relating to the transportation of coarse and fine rejects. These conditions would require Whitehaven to:

- transport material using the approved haulage route;
- restrict haulage vehicles to speeds of no more than 40km in the vicinity of a school bus;
- minimise and promptly managed spillage from haul vehicles;
- transport material during specified hours; and
- maximise the backfilling of haul trucks.

The Department has also recommended a number of administrative conditions including updates to various definitions, to reflect recent changes to government departments, and provisions allowing Whitehaven to carry out the project generally in accordance with the relevant Environmental Assessments.

The Department notes that Whitehaven has received a copy of the recommended conditions, and has raised no objections.

## 7 CONCLUSION

The Department has assessed the modification application and supporting information in accordance with the relevant requirements of the EP&A Act.

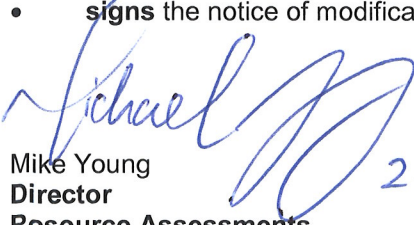
The Department notes that the proposed modification would allow Whitehaven to operate more efficiently with no material increase in any of the approved impacts.

Consequently, the Department believes that the proposed modification is in the public interest and should be approved, subject to conditions.

## 8 RECOMMENDATION

It is RECOMMENDED that the Executive Director, Resource Assessments and Business Systems, as delegate of the Minister:

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

  
Mike Young  
Director  
Resource Assessments

24.8.15.

 24/8/15

David Kitto  
Executive Director  
Resource Assessments and Business Systems

## **APPENDIX A: NOTICE OF MODIFICATION**

## **APPENDIX B: ENVIRONMENTAL ASSESSMENT**

## **APPENDIX C: SUBMISSIONS**