



31 May 2019

Mr Steve O'Donoghue
Acting Director - Resource and Energy Assessments
NSW Department of Planning & Environment
GPO Box 39
Sydney NSW 2001

Dear Mr O'Donoghue

Re: Lidsdale Coal Loader (08_0223) Modification

Background

Springvale Mine is the primary source of coal for the EnergyAustralia owned Mount Piper Power Station. In early 2019, due to continued lower yields from the Springvale Mine being experienced since mining commenced in the southern longwall blocks, a forecast shortfall in coal supply to Mount Piper Power Station was identified. As a result, Centennial Coal conceptualised and implemented supplementary coal supply measures to ensure coal demands by Mount Piper the Power Station could be met.

In implementing an immediate and short-term measure, Centennial Coal sought a modification to the Clarence Colliery development consent to:

- increase total allowable coal haulage off-site from the Clarence Colliery by road from 200,000 tonnes (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 the 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 the Mount Piper Power Station, in the event coal supply shortfalls are experienced again in the future.

As a result, Centennial Coal has investigated other opportunities to provide supplementary coal supplies to the Mount Piper Power Station, should these shortfalls be experienced again.

The most viable opportunity identified is to modify/upgrade Centennial Coal's Lidsdale Coal Loading facility to allow coal to be received via rail from other Centennial Coal mining operations. The proposed upgrade / modifications would allow coal to be unloaded, handled and transported offsite to the Mount Piper Power Station using the exiting overland conveyor system via the Springvale Coal Services Site.

A modification to the Lidsdale Coal Loader development consent (SSD 08_0223) would be required to facilitate this activity. Details on the modification elements proposed by Centennial to the Lidsdale Coal Loader development consent to enable this activity are outlined below.

Lidsdale Coal Loader Facility

Centennial Ivanhoe Pty Limited (Centennial Ivanhoe), a subsidiary of Centennial Coal, own and operate the Lidsdale Coal Loader Facility located adjacent to the Wallerawang Power Station, approximately 12 kilometres north-west of Lithgow in the Lithgow Local Government Area (LGA). Development consent for the Lidsdale Coal Loader Facility was issued on 3 May 2013 by the Planning Assessment Commission. The development consent was granted as a transitional Part 3A project under Part 4 of the EP&A Act. The consent has since been transitioned to a State Significant Development.

The Lidsdale Coal Loader development consent authorises:

- The construction and operation of additional infrastructure to support the coal loading operations,
- The receipt of up to 6.3 Mtpa of coal from the Springvale Coal Services Site via overland conveyor; and
- The transport of coal from site by rail.

Proposed Modification

Centennial Ivanhoe is seeking to modify the Lidsdale Coal Loader development consent to allow the delivery of coal to the facility by train (one train per day); coal unloading, handling and stockpiling; and coal dispatch.

Coal dispatched from the Lidsdale Coal Loader Facility will be conveyed to the Springvale Coal Services Site utilising the existing overland conveyor system, where it will be handled and transported on to the Mount Piper Power Station in accordance with the activities approved by the Western Coal Services Project development consent (SSD 5579).

Activities authorised under the Western Coal Services Project development consent (SSD 5579) will remain unchanged.

Additional temporary infrastructure will be required to be installed and operated at the Lidsdale Coal Loader site to facilitate the proposed train unloading and coal handling activities however it is noted that:

- The operation of additional infrastructure will be within existing disturbed areas.
- The coal stockpiling will be within the footprint of existing approval coal stockpiles.
- No additional vegetation clearing will be required.
- No changes to the existing water management system will be required.
- Proposed coal unloading operations and train loading operations (approved) will not be undertaken simultaneously so there will be no cumulative impacts from these combined activities.

The train unloading activities would only be implemented in an emergency event, where on site coal stockpiles at the Mount Piper Power Station are reduced to a point where continued electricity generation supplies are threatened. The activities at Lidsdale Coal Loader Facility would only be undertaken until a suitable margin of coal stockpile at Mount Piper is re-established and maintained.

Environmental Assessment

A Statement of Environmental Effects (SEE) will be prepared to support the modification application to the Lidsdale Coal Loader development consent. The key issues to be assessed as part of the proposed modification will be noise and, to a lesser degree, dust.

Preliminary noise modelling of the proposed activities has been undertaken, which indicates that the proposed rail unloading and associated coal handling activities can be undertaken with negligible change to the existing noise environment. A range of management and mitigation measures have been identified to reduce noise below current assessed operational levels. These mitigation measures include:

- Only undertaking rail unloading and coal handling during daytime hours (Monday to Saturday between 7am and 6pm, and Sunday between 8am to 6pm).
- Restricting mobile equipment to a single dozer or front end loader.
- Conducting specialised train operations with the aim to reduce noise emissions from wagon noise and eliminate noise from wagon stretch or come together/bunching.

As such, a limited noise assessment is proposed to be prepared as part of the SEE to present the outcomes of noise investigations and demonstrate that noise levels from the proposed modified operations are equal to or less than current approved operational noise levels for the site.

In addition to the noise assessment, a semi-quantitative qualitative review of potential changes to air quality impacts as a result of unloading the coal and handling will also be provided in the body of the SEE along with a socio-economic effects analysis of the proposed modification.

The SEE will also define through a Trigger Action Response Plan the events where the temporary rail unloading infrastructure will be installed and operated and when these activities would subsequently cease.

Consultation

Consultation with key surrounding sensitive receptors, the Wallerawang Progress Association, the Western Region Community Consultative Committee and the Lithgow City Council has commenced and will be finalised as part of the preparation of the SEE.

Approval Pathway

Development consents may be modified under Section 4.55 of the EP&A Act provided that the development as modified will be substantially the same development as the development for which consent was originally granted.

The proposed modification, of unloading a single coal laden train, would be within 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 substantially the same development as the original project.

As the proposed modification; will not require any additional surface disturbance or vegetation clearing; will operate within the existing operational footprint of the Lidsdale Coal Loader site, will comply with existing air quality criteria; have a negligible change to the noise environment, and will only be operational for limited periods of time during emergency coal supply shortfall events. Centennial Coal considers that the modification will have a minimal environmental impact.

Regardless, Centennial Coal considers an appropriate approval pathway would be a modification to the Lidsdale Coal Loader development consent pursuant to Section 4.55(2) of the Environmental EP&A Act.

Conclusion

Centennial Coal is seeking to modify the Lidsdale Coal Loader development consent to facilitate the supply of supplementary coal to the Mount Piper Power Station during emergency coal supply shortfall events. These events are proposed to be clearly defined within a Trigger Action Response Plan as part of the SEE. It is proposed to modify the Lidsdale Coal Loader development consent pursuant to Section 4.55(2) of the EP&A Act to enable to proposed coal unloading and handling activities. The proposed scope of assessments to support the Statement of Environmental Effects has been detailed above. Centennial Coal is seeking confirmation from the Department of Planning & Environment on the proposed approval pathway for the modification and level of assessment proposed to support the SEE.

Please contact me on my mobile 0407 207 530 if you have any questions or require any further information in regards to this matter.

Yours sincerely



James Wearne

Group Approvals Manager