



Our Ref: 12/03807

Ms Mary-Anne Crawford
Group Environmental Manager
Centennial Coal Company Limited
PO Box 1000
TORONTO NSW 2283

Dear Ms Crawford

**Centennial Western Coal Services Project (SSD-5579)
Director-General's Requirements**

I have attached a copy of the Director General's environmental assessment requirements (DGRs) for the preparation of an Environmental Impact Statement (EIS) for the Centennial Western Coal Services Project (SSD-5579).

These requirements are based on the information you have provided to date, and have been prepared in consultation with relevant government agencies. I have attached a copy of the agency comments for your information (see Attachment 2). Please note that the Director-General may alter these requirements at any time, and that further consultation with the Department is required if you do not lodge a development application and EIS for the development within two years of the date of issue of these DGRs. The Department will review the EIS for the proposed development carefully before it is publically exhibited, and will require you to submit an amended EIS if the DGRs have not been adequately addressed.

I wish to emphasise the importance of effective and genuine community consultation and the need for proposals to proactively respond to the community's concerns. Accordingly a comprehensive, detailed and genuine community consultation and engagement process must be undertaken during preparation of the EIS. This process must ensure that the community, including key special interests, is both informed of the proposal and is actively engaged in issues of concern to them. Sufficient information must be provided to the community so that it has a good understanding of what is being proposed and of the potential impacts.

Your proposal may require separate approval under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act). The Department encourages you to confirm whether such an approval is required as soon as possible. If an EPBC Act approval is required, I would appreciate it if you would advise the Department accordingly, as the Commonwealth approval process may be integrated with the NSW approval process, and supplementary DGRs may need to be issued.

As you are aware, there could be a significant expansion of coal mining development in the area of Blackmans Flat. In addition to the Western Coal Services Project, the Department is aware of Centennial's proposed Neubeck Coal Project, the proposed expansion of the existing Pine Dale Coal Mine and the proposed expansions of the Invincible and Cullen Valley Coal Mines. Further, the Mount Piper Power Station was given approval early this year to expand its ash emplacement areas adjacent to Blackmans Flat as well as concept approval to upgrade the power Station to produce up to 2000 MW.

As you can appreciate, this could result in a range of cumulative impacts on the residences of Blackmans Flat.

In this regard, you are required to include a detailed assessment in the EIS of the potential cumulative impacts of the project operating in conjunction with any existing, approved and/or proposed coal mining

development and power generation in the vicinity of the site, and to carry out a suitable sensitivity analysis of this assessment.

I would appreciate it if you would contact the Department at least two weeks before you propose to submit the development application and EIS for your development. This will enable the Department to:

- confirm the applicable fee (see Division 1AA, Part 15 of the *Environmental Planning and Assessment Regulation 2000*); and
- determine the number of copies (hard-copy and CD-ROM) of the EIS required for review.

If you have any enquiries about these requirements, please contact Paul Freeman at the details listed above.

Yours sincerely



David Kitto

Director, Mining and Industry

As delegate of the Director-General

Director General's Environmental Assessment Requirements

Section 78A(8A) of the *Environmental Planning and Assessment Act 1979*

State Significant Development

Application Number	SSD 5579
Development	<p>The Centennial Western Coal Services Project, which includes:</p> <ul style="list-style-type: none"> • use of existing systems and infrastructure to transport a combined total of up to 9.5 million tonnes per annum (Mtpa) of run-of-mine (ROM) coal to the site from Springvale Colliery, Angus Place Colliery and the proposed Neubeck Coal Mine; • upgrade of the coal handling and preparation plant (CHPP) at the former Lamberts Gully Colliery site to wash up to 7 Mtpa of ROM coal; • delivery of ROM coal and product coal via an existing coal conveyor to the Lidsdale Siding, Mount Piper Power Station and Wallerawang Power Station; • delivery of coal by road to domestic customers; • disposal of coal reject material on-site; • construction of ancillary infrastructure, including a private haul road, road bridge and water management structures; and • decommissioning all site infrastructure on completion of operations, and rehabilitating the site.
Location	Castlereagh Highway, Blackmans Flat
Applicant	Centennial Coal Company Limited
Date of Issue	6 November 2012
General Requirements	<p>The Environmental Impact Statement (EIS) for the development must meet the form and content requirements in Clauses 6 and 7 of Schedule 2 of the <i>Environmental Planning and Assessment Regulation 2000</i>.</p> <p>In addition, the EIS must include:</p> <ul style="list-style-type: none"> • a detailed description of the development, including: <ul style="list-style-type: none"> – need for the proposed development; – likely staging of the development - including construction, operational stage/s and rehabilitation; – likely interactions between the development and any approved and proposed mining operations, including detailed assessments of any required modifications to the approvals for these operations; – likely interactions with other approved developments/projects at the site; and – plans of any proposed building works; • consideration of all relevant environmental planning instruments, including identification and justification of any inconsistencies with these instruments; • a risk assessment of the potential environmental impacts of the development, identifying the key issues for further assessment; • a detailed assessment of the key issues specified below, and any other significant issues identified in this risk assessment, which includes: <ul style="list-style-type: none"> – a description of the existing environment, <u>using sufficient baseline data</u>; – an assessment of the potential impacts of all stages of the development, taking into consideration relevant guidelines, policies, plans and statutes; – a description of the measures that would be implemented to avoid, minimise and, if necessary, offset the potential impacts of the development, including proposals for adaptive management and/or contingency plans to manage any significant risks to the environment; and – an assessment of the potential cumulative impacts of the project operating, in this regard, you are required to include a detailed assessment in the EIS

	<p>of the potential cumulative impacts of the project operating in conjunction with any existing, approved and/or proposed coal mining development and power generation in the vicinity of the site, and to carry out a suitable sensitivity analysis of this assessment;</p> <ul style="list-style-type: none"> • a consolidated summary of all the proposed environmental management and monitoring measures, highlighting commitments included in the EIS. <p>The EIS must be accompanied by a report from a qualified quantity surveyor providing:</p> <ul style="list-style-type: none"> • a detailed calculation of the capital investment value (as defined in clause 3 of the <i>Environmental Planning and Assessment Regulation 2000</i>) of the proposal, including details of all the assumptions and components from which the CIV calculation is derived; • a close estimate of the jobs that will be created by the development during the construction and operational phases of the development; and • certification that the information provided is accurate at the date of preparation.
<p>Key Issues</p>	<p>The EIS must address the following specific issues:</p> <ul style="list-style-type: none"> • Land Use Planning – including a clear description of: <ul style="list-style-type: none"> - all approved and proposed developments for the site, the parties responsible for these developments and the potential interactions and/or conflicts of the approvals and consents for these developments; and - how any identified conflicts have been, or are proposed to be, resolved; • Land Resources – including a detailed assessment of impacts to: <ul style="list-style-type: none"> - soils and land capability (including salinisation and land contamination); - landforms and topography; and - land-uses, including forestry and agriculture; • Water Resources – including: <ul style="list-style-type: none"> - detailed assessment of potential impacts on the quality and quantity of existing surface water and ground water resources in accordance with the NSW Aquifer Interference Policy, including; <ul style="list-style-type: none"> ○ impacts on affected licensed water users and basic landholder rights; ○ impacts on riparian, ecological, geo-morphological and hydrological values of watercourses, including groundwater dependent ecosystems and environmental flows; ○ a clear description of the interactions between surface and ground water resources on the site, including water within underground mine voids and pathways to water discharges from the site; and ○ whether the development can operate to achieve a neutral or beneficial effect on water quality in the drinking water catchment, consistent with the provisions of <i>State Environmental Planning Policy (Sydney Drinking Water Catchment) 2011</i>; - a detailed site water balance, including a description of site water demands, water disposal methods (inclusive of volume and frequency of any water discharges), water supply infrastructure and water storage structures; and - identification of any licensing requirements, including existing or future Environment Protection Licences (EPLs) or Pollution Reduction Programs (PRPs), and approvals under the <i>Water Act 1912</i> and/or <i>Water Management Act 2000</i>; - demonstration that water for the construction and operation of the development can be obtained from an appropriately authorised and reliable supply in accordance with the operating rules of any relevant Water Sharing Plan (WSP); - a description of the measures proposed to ensure the development can operate in accordance with the requirements of any relevant WSP or water source embargo; - a detailed description of the proposed water management system (including sewerage), water monitoring program and all other proposed measures to mitigate surface water and groundwater impacts; • Biodiversity – including: <ul style="list-style-type: none"> - measures that would be taken to avoid, reduce or mitigate impacts on biodiversity;

- accurate estimates of proposed vegetation clearing;
- a detailed assessment of potential impacts of the development on any:
 - o terrestrial or aquatic threatened species or populations and their habitats, endangered ecological communities and groundwater dependent ecosystems; and
 - o regionally significant remnant vegetation, or vegetation corridors; and
- an offset strategy to ensure the development maintains or improves the terrestrial and aquatic biodiversity values of the region in the medium to long term, having regard to any provisions for biodiversity enhancement under existing consents or approvals for the site;
- **Heritage** – including:
 - an Aboriginal cultural heritage assessment (including both cultural and archaeological significance) which must:
 - o demonstrate effective consultation with the Aboriginal community in determining and assessing impacts, and developing and selecting mitigation options and measures;
 - o outline any proposed impact mitigation and management measures (including an evaluation of the effectiveness and reliability of the measures); and
 - a Historic heritage assessment (including archaeology) which must:
 - o include a statement of heritage impact (including significance assessment) for any State significant or locally significant historic heritage items; and,
 - o outline any proposed mitigation and management measures (including an evaluation of the effectiveness and reliability of the measures);
- **Air Quality** – including a quantitative assessment of potential:
 - construction and operational impacts, with a particular focus on dust emissions including PM_{2.5} and PM₁₀ emissions and dust generation from coal transport;
 - reasonable and feasible mitigation measures to minimise dust emissions, including evidence that there are no such other available measures; and
 - monitoring and best practice management measures, in particular real-time air quality monitoring;
- **Greenhouse Gases** – including:
 - a quantitative assessment of potential Scope 1, 2 and 3 greenhouse gas emissions;
 - a qualitative assessment of the potential impacts of these emissions on the environment; and
 - an assessment of reasonable and feasible measures to minimise greenhouse gas emissions and ensure energy efficiency;
- **Noise** – including a quantitative assessment of potential:
 - construction, operational (including coal and reject truck haulage movements on the site) and off-site transport noise impacts, particularly for residents of Blackmans Flat;
 - reasonable and feasible mitigation measures, including evidence that there are no such measures available other than those proposed; and
 - monitoring and management measures, in particular real-time and attended noise monitoring;
- **Traffic & Transport** – including:
 - a detailed economic justification of transporting coal on public roads, including assessment of the costs and benefits of alternative transport methods;
 - a consideration of alternative locations for haul road access to the site, including alternative locations for the proposed haul road bridge crossing the Castlereagh Highway, and the impacts of each alternative for traffic on the Highway and noise and dust impacts for residents of Blackmans Flat;
 - an assessment of potential traffic impacts on the capacity, efficiency and safety of the road network; and
 - a description of the measures that would be implemented to maintain and/or improve the capacity, efficiency and safety of the road network in the surrounding area over the life of the development;

	<ul style="list-style-type: none"> • Visual – including: <ul style="list-style-type: none"> - a detailed assessment of the: <ul style="list-style-type: none"> o changing landforms on site during the various stages of the development; o potential visual impacts of the development on private landowners in the surrounding area as well as from key vantage points in the public domain; and - a detailed description of the measures that would be implemented to minimise the visual impacts of the development; • Waste – including: <ul style="list-style-type: none"> - accurate estimates of the quantity and nature of the potential waste streams of the development, including tailings and coarse reject; - a tailings and coarse reject disposal strategy, including contingency tailings disposal plans in the alternative to the proposed belt press dewatering facility; and - a description of measures that would be implemented to minimise production of other waste, and ensure that that waste is appropriately managed; • Hazards – paying particular attention to public safety, including bushfires; • Social & Economic – including an assessment of the: <ul style="list-style-type: none"> - potential direct and indirect economic benefits of the development for local and regional communities and the State; - potential impacts on local and regional communities, including: <ul style="list-style-type: none"> o any increased demand for local and regional infrastructure and services (such as housing, childcare, health, education and emergency services); and o impacts on social amenity, particularly impacts on residents of Blackmans Flat and other nearby landowners and residents; - a detailed description of the measures that would be implemented to minimise the adverse social and economic impacts of the project, including any infrastructure improvements or contributions and/or voluntary planning agreement or similar mechanism; and - a detailed assessment of the costs and benefits of the development as a whole, and whether it would result in a net benefit for the NSW community; and • Rehabilitation – including the proposed rehabilitation strategy for the site, having regard to the key principles in <i>Strategic Framework for Mine Closure</i>, including: <ul style="list-style-type: none"> - rehabilitation objectives, methodology, monitoring programs, performance standards and proposed completion criteria; - nominated final land use, having regard to any relevant strategic land use planning or resource management plans or policies; and - the potential for integrating this strategy with any other rehabilitation and/or offset strategies in the region.
Plans and Documents	The EIS must include all relevant plans, architectural drawings, diagrams and relevant documentation required under Schedule 1 of the <i>Environmental Planning and Assessment Regulation 2000</i> . These documents should be included as part of the EIS rather than as separate documents.
Consultation	<p>During the preparation of the EIS, you must consult with relevant local, State and Commonwealth Government authorities, service providers, community groups and affected landowners.</p> <p>In particular you must consult with the:</p> <ul style="list-style-type: none"> • Commonwealth Department of Sustainability, Environment, Water, Population and Communities; • Office of Environment and Heritage (including the Heritage Branch); • Environment Protection Authority; • Division of Resources and Energy within the Department of Trade and Investment, Regional Infrastructure and Services; • Department of Primary Industries (including the NSW Office of Water, Forestry NSW, NSW Agriculture, Fisheries NSW and Catchments and Lands (Crown

	<p>Lands Division));</p> <ul style="list-style-type: none"> • Transport for NSW (including the Centre for Transport Planning, and Roads and Maritime Services); • NSW Health; • Sydney Catchment Authority; • Lithgow City Council; • Delta Electricity; and • relevant Aboriginal stakeholders <p>The EIS must describe the consultation process and the issues raised, and identify where the design of the development has been amended in response to these issues. Where amendments have not been made to address an issue, justification should be provided.</p>
Further consultation after 2 years	<p>If you do not lodge a DA and EIS for the development within 2 years of the issue date of these DGRs, you must consult further with the Director-General in relation to the lodgement requirements.</p>
References	<p>The assessment of the key issues listed above must take into account relevant guidelines, policies, and plans as identified. While not exhaustive, Attachment 1 contains a list of some of the guidelines, policies, and plans that may be relevant to the environmental assessment of this development.</p>

ATTACHMENT 1 Technical and Policy Guidelines

The following guidelines may assist in the preparation of the Environmental Impact Statement. This list is not exhaustive and not all of these guidelines may be relevant to your proposal.

Many of these documents can be found on the following websites:

<http://www.planning.nsw.gov.au>

<http://www.bookshop.nsw.gov.au>

<http://www.publications.gov.au>

Policies, Guidelines & Plans

Risk Assessment

AS/NZS 4360:2004 Risk Management (Standards Australia)

HB 203: 203:2006 Environmental Risk Management – Principles & Process (Standards Australia)

Biodiversity

Threatened Species Survey and Assessment Guidelines: Field Survey Methods for Fauna – Amphibians (DECCW 2009)

Threatened Biodiversity Survey and Assessment: Guidelines for Developments and Activities – Working Draft (DECC 2004)

BioBanking Assessment Methodology and Credit Calculator Operational Manual (DECCW 2008)

The Threatened Species Assessment Guideline – The Assessment of Significance (DECC 2007)

NSW State Groundwater Dependent Ecosystem Policy (DLWC)

Policy & Guidelines - Aquatic Habitat Management and Fish Conservation (NSW Fisheries)

Principles for the Use of Biodiversity Offsets in NSW (OEH)

State Environmental Planning Policy No. 44 – Koala Habitat Protection

Water Resources

National Water Quality Management Strategy: Australian Guidelines for Fresh and Marine Water Quality (ANZECC/ARMCANZ)

National Water Quality Management Strategy: Australian Guidelines for Water Quality Monitoring and Reporting (ANZECC/ARMCANZ)

National Water Quality Management Strategy: Guidelines for Sewerage Systems – Effluent Management (ARMCANZ/ANZECC)

National Water Quality Management Strategy: Guidelines for Sewerage Systems – Use of Reclaimed Water (ARMCANZ/ANZECC)

Using the ANZECC Guideline and Water Quality Objectives in NSW (DEC)

State Water Management Outcomes Plan

Water Sharing Plan for the Greater Metropolitan Region Unregulated River Water Sources 2011

Surface Water

NSW Government Water Quality and River Flow Objectives (OEH)

Approved Methods for the Sampling and Analysis of Water Pollutants in NSW (DEC)

Managing Urban Stormwater: Soils & Construction (Landcom) and associated Volume 2E: Mines and Quarries.

Managing Urban Stormwater: Treatment Techniques (DECC)

Managing Urban Stormwater: Source Control (DECC)

Floodplain Development Manual (DIPNR)

Floodplain Risk Management Guideline (DECC)

A Rehabilitation Manual for Australian Streams (LWRRDC and CRCCH)

Technical Guidelines: Bunding & Spill Management (DECC)

Environmental Guidelines: Use of Effluent by Irrigation (DECC)

<i>Groundwater</i>	Office of Water Guidelines for Controlled Activities (2012)
	State Environmental Planning Policy (Sydney Drinking Water Catchment) 2011
	National Water Quality Management Strategy Guidelines for Groundwater Protection in Australia (ARMCANZ/ANZECC)
	NSW State Groundwater Policy Framework Document (DLWC, 1997)
	NSW State Groundwater Quality Protection Policy (DLWC, 1998)
	NSW State Groundwater Quantity Management Policy (DLWC, 1998)
	Murray-Darling Basin Groundwater Quality. Sampling Guidelines. Technical Report No 3 (MDBC)
	Murray-Darling Basin Commission. Groundwater Flow Modelling Guideline (Aquaterra Consulting Pty Ltd)
	Guidelines for the Assessment & Management of Groundwater Contamination (DECC, 2007)
	Any relevant Water Sharing Plan for groundwater and surface water resources
Air Quality	
	Protection of the Environment Operations (Clean Air) Regulation 2002
	The Assessment and Management of Odour from Stationary Sources in NSW: Technical Framework and Notes (OEH)
	Approved Methods for the Modelling and Assessment of Air Pollutants in NSW (DEC)
	Approved Methods for the Sampling and Analysis of Air Pollutants in NSW (DEC)
Noise & Blasting	
	NSW Industrial Noise Policy (DECC)
	Environmental Noise Management – Assessing Vibration: a technical guide (DEC)
	NSW Road Noise Policy (DECCW)
	Technical basis for guidelines to minimise annoyance due to blasting overpressure and ground vibration (ANZECC)
Land Resources	
	Draft Agricultural Impact Assessment Guidelines 2011 (DP&I)
	Agfact AC25: Agricultural Land Classification (NSW Agriculture)
	State Environmental Planning Policy No. 55 – Remediation of Land
	Australian and New Zealand Guidelines for the Assessment and Management of Contaminated Sites (ANZECC)
Traffic & Transport	
	Guide to Traffic Generating Development (RTA)
	Road Design Guide (RTA)
Heritage	
<i>Aboriginal</i>	Draft Guidelines for Aboriginal Cultural Heritage Assessment and Community Consultation (DEC 2005)
	The Burra Charter (The Australia ICOMOS charter for places of cultural significance)
<i>Historic</i>	NSW Heritage Manual (NSW Heritage Office)
	The Burra Charter (The Australia ICOMOS charter for places of cultural significance)
Greenhouse Gases	
	National Greenhouse Accounts Factors (Australian Department of Climate Change (DCC))
	Guidelines for Energy Savings Action Plans (DEUS)
Waste	
	Waste Classification Guidelines (DECC)
Hazards	
	State Environmental Planning Policy No. 33 – Hazardous and Offensive Development
	Hazardous and Offensive Development Application Guidelines - Applying SEPP 33
	Hazardous Industry Planning Advisory Paper No. 6 – Guidelines for Hazard

Analysis

Rehabilitation

Mine Rehabilitation – Leading Practice Sustainable Development Program for the Mining Industry (Commonwealth of Australia)

Mine Closure and Completion – Leading Practice Sustainable Development Program for the Mining Industry (Commonwealth of Australia)

Strategic Framework for Mine Closure (ANZMEC-MCA)

Socio-Economic

Draft Economic Evaluation in Environmental Impact Assessment (DoP)

Techniques for Effective Social Impact Assessment: A Practical Guide (Office of Social Policy, NSW Government Social Policy Directorate)