

Date: Your reference: Our reference: Contact: 27th September 2013 SSD 5579 DOC13/66863 Liz Mazzer 68835325

Colin Phillips Infrastructure Projects NSW Department of Planning & Infrastructure GPO Box 39 Sydney NSW 2001

Dear Mr Phillips

RE: Centennial Western Coal Services Project (SSD 5579)

I refer to a letter sent on 20th August 2013 by RPS on behalf of Springvale Coal seeking comment from the Office and Environment and Heritage (OEH) on the Environmental Assessment (EA) for the Western Coal Services Project.

OEH has reviewed the documentation and, in summary, considers that the following is required:

- A clear commitment to offset impacts on native vegetation,
- A more detailed assessment of the values of planted / rehabilitated vegetation, and
- Inclusion of the proposed water management for the Western Coal Services Project in the Regional Water Strategy.

Further detail is provided in Attachment A.

If you have any questions regarding this matter further please contact Liz Mazzer on 02 6883 5325 or email liz.mazzer@environment.nsw.gov.au

Yours sincerely

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ATTACHMENT A

Biodiversity and Water Management

ISSUE 1

Interaction with previous consents and commitment to offset impacts on biodiversity.

Background

OEH understands that the impact of the proposed project (where Haul Road 2 is the preferred option) includes removal of up to:

- 0.05ha of Tableland Gully Snow Gum Ribbon Gum Montane Grassy Forest (MU 11),
- 10.62ha of Cox's Permian Red Stringybark Brittle Gum Woodland (MU 37), and
- 30.67ha of planted / regenerating vegetation.

OEH is aware that previous consents, including part of the Mt Piper Ash Placement consent (application 09_0186) held by Delta Electricity, apply to parts of the proposed impact area. This includes areas of planted / regenerating vegetation and 10.35ha of MU 37, which is located in Lamberts South within the proposed Reject Emplacement Area (REA) footprint.

In the Conditions of Consent for the Mt Piper Ash Placement (09_0186), Delta Electricity is required to develop a Biodiversity Offset Management Plan which includes an offset for direct and indirect impacts of the proposal to maintain or improve biodiversity values. Consistent with Condition B6 of the consent for application 09_0186, Delta Electricity has produced a Biodiversity Offset Management Plan for Lamberts North and a Biodiversity Offset Strategy Outline for Lamberts South.

The Western Coal Services Project proposal, if approved, will result in the remnants of MU37 in Lamberts South being cleared and rehabilitated over a 25 year period. During this time, this area will not be available for use for the Mt Piper Ash Placement project, and there is uncertainty as to whether it will be used for this purpose after 25 years. The Western Coal Services Project will therefore have the more immediate impact on remnant native vegetation in the area. It is unclear as to whether the requirement for providing a biodiversity offset for the remnant native vegetation to be cleared in Lamberts South will be the responsibility of Delta Electricity or Centennial Coal.

Section 9.5.6.7 of the EA states that,

Centennial is developing a regional biodiversity offset strategy in close consultation with OEH which will cover a number of projects in the Western Coalfield including the Western Coal Services Project. OEH has indicated that it has a preference for a regional approach rather than individual strategies for each project as a regional package would yield greater environmental benefits. Consultation on the regional strategy is ongoing.

While this statement demonstrates that Centennial is developing a regional biodiversity offset strategy, there is no clear commitment within the Western Coal Services Project EA to indicate that the clearing of native vegetation associated with this project will be included in the overall offset calculations for the regional offset package.

Recommendations

- That the EA include a clear commitment (ie in the Statement of Commitments) to offset the impacts of this proposal on native vegetation as part of a regional offset package for Centennial's operations.
- That impacts on native vegetation be clearly quantified in such a way that they can be included as part of the overall offset calculations for such a regional offset package.

ISSUE 2

The biodiversity values of planted / regenerating vegetation have not been assessed.

Background

The proposal would result in the clearing of approximately 30.67 ha of Planted Regenerating Vegetation. Section 4.3 of the Ecological Assessment (Appendix 8) describes this as,

These areas of the site are mostly comprised of young Eucalyptus and Acacia species, planted as part of rehabilitation efforts over the site.

There is no detail provided regarding species, age or potential habitat values of this vegetation.

Recommendation

That the age and species comprising Planted Regenerating Vegetation be identified, and this community's habitat values be considered as part of the biodiversity assessment for the project.

ISSUE 3

Relationship with the proposed Regional Water Strategy.

Background

The EA states that the existing coal processing operation uses 0.885 MI per day which will increase to a total of 2.725 MI per day with the increase coal processing and dust controls. The project has incorporated increased water recycling capability to remove and recover water from the tailings. This will result in approximately 1.5 MI per day of water recovery and recycling and only 0.34 MI per day of make-up water required.

The water balance modelling presented in the EA indicates that the Western Coal Services Project will be a net producer of water during average rain years but there will be a water deficit for 20 to 30% of days in future. During low rainfall periods and drought conditions, water makeup will be provided from the Springvale Mine via a water supply pipeline along the overland conveyor (Table i).

The Statement of Commitments includes the development of a single Water Management Plan to be prepared for the entire project application area.

OEH understands that a Regional Water Strategy is in development which should include water usage and disposal by the Western Coal Services Project. No information regarding the Regional Water Strategy has been included in the EA.

Recommendation

That a commitment be made to include the water management associated with the Western Coal Services Project as part of the Regional Water Strategy.