



**Lidsdale Siding
MOD 1**

**Western Coal
Services MOD 3**

**Coal Supply to
Mount
Piper Power
Station**

State Significant
Development
Modification Assessment
08_0223 MOD 1
SSD 5579 MOD 3



August 2019

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Cover photo

Lidsdale Siding

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Glossary

Abbreviation	Definition
BDAR	Biodiversity Development Assessment Report
Centennial	Centennial Coal Company Limited
Consent	Development Consent
dB	decibels
Department	Department of Planning, Industry and Environment
DRG	Division of Resources and Geoscience, within the Department
EPA	Environment Protection Authority
EP&A Act	<i>Environmental Planning and Assessment Act 1979</i>
EP&A STOP Regulation	Environmental Planning and Assessment (Savings, Transitional and Other Provisions) Regulation 2017
EPL	Environment Protection Licence
ICNG	<i>Interim Construction Noise Guideline (2009)</i>
km	kilometres
Lidsdale Siding	Lidsdale Siding Coal Loader
m	metres
Minister	Minister for Planning and Public Spaces
Mtpa	million tonnes per annum
NSW	The state of New South Wales
PAC	Planning Assessment Commission
PM _{2.5}	particulate matter with a diameter of less than 2.5 micrometres
PM ₁₀	particulate matter with a diameter of less than 10 micrometres
RailCorp	Rail Corporation New South Wales
ROM	run-of-mine
RMS	Roads and Maritime Services
Secretary	Secretary of the Department of Planning, Industry and Environment
SSD	State Significant Development
TSP	total suspended particulates



Executive Summary

Centennial Coal Company Limited (Centennial) is seeking to modify the State significant development (SSD) consents for the Lidsdale Siding Coal Loader (Lidsdale Siding) and Western Coal Services Project. These projects are located near Lithgow, in the Lithgow City Council local government area.

The Mount Piper Power Station provides up to 15 percent of the electricity needs of NSW. It has been experiencing coal supply shortfalls as a result of unfavourable geological conditions at the Springvale Coal Mine, which is the major supplier of coal to the power station. These conditions have resulted in up to 50 per cent reduction in coal production at Springvale, and production levels are not expected to recover until the end of 2020. This issue has resulted in a shortfall in the amount of coal supplied to the power station.

The modification applications seek to provide an alternative coal supply for the power station by enabling the Lidsdale Siding to receive and unload one coal train per day from Centennial's Airly Coal Mine and to transfer the coal by conveyor to the Western Coal Services site for onward delivery to the power station. This would require temporary unloading infrastructure to be developed and a new stockpile at the Lidsdale Siding. The proposed receipt of coal from Airly would occur only when coal stockpiles at Mount Piper Power Station are forecasted to fall below 400,000 tonnes of coal (which is around 5-6 weeks of coal supply).

The Department of Planning, Industry and Environment (the Department) exhibited the Lidsdale Siding modification application and Modification Report from 10 to 23 July 2019. The Department also made the Western Coal Services modification application and Modification Report available on its website. Six government agencies provided advice on the applications. One community submission was received in support of the proposals and no objections were made.

The proposed modifications represent a less intensive activity than the existing assessed and approved coal loading activities at the Lidsdale Siding. Coal unloading activities would not occur on the same day as coal loading activities, which would ensure that impacts at the site and surrounds would be minimised.

Based on its assessment, the Department considers that the modified operations would have no effect on the approved impacts at Western Coal Services. However the proposal would affect the approved environmental impacts at Lidsdale Siding, as:

- annual average dust emissions are expected to marginally increase at the Lidsdale siding, however the current operating conditions in the consent and the approved Air Quality and Greenhouse Gas Management Plan would continue to effectively manage air quality impacts;
- operational noise impacts from coal unloading would be lower than the existing approved coal loading operations;

- construction noise levels would be within established construction noise policy levels and would be managed under an existing Construction Noise Management Plan;
- rail traffic would be much lower than approved, as only one train would be received per day and be unloaded during daylight hours only; and
- construction traffic impacts would be temporary and minor and managed under the approved Lidsdale Siding Construction Traffic Management Plan.

The Department considers that the modification applications would provide an alternative coal supply to the power station in the short to medium term and increase energy security for NSW power generation. Further, the Department is satisfied that the significant social and economic benefits that would accrue from supplementing the supply of coal to the power station far outweigh the potential impacts.

Consequently, the Department considers that the proposed modifications are in the public interest and recommends that both proposed modifications are approved, subject to recommended conditions set out in the Notices of Modification.



1. Introduction

1.1 Background

The Lidsdale Siding Coal Loader (Lidsdale Siding) and Western Coal Services Project are located near Lithgow in the Lithgow City local government area (see **Figure 1**). These sites are owned and operated by Centennial Coal Company Limited (Centennial) through its subsidiaries – Ivanhoe Coal Pty Limited and Springvale Coal Pty Limited.

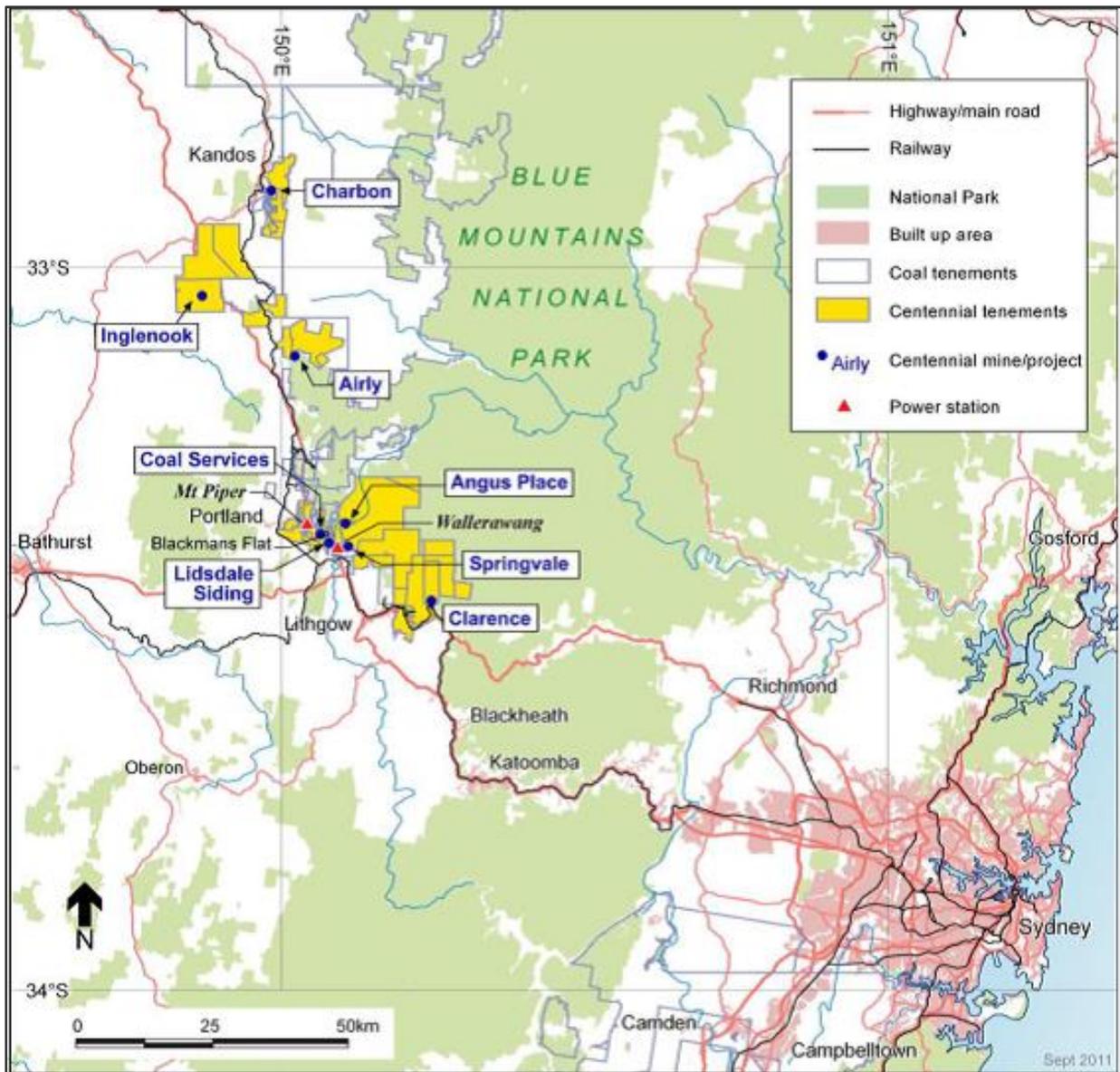


Figure 1 | Regional location

The Lidsdale Siding is a coal receipt and despatch facility which accepts coal from Western Coal Services by a coal conveyor system that connects the two sites. Coal is railed from the Lidsdale Siding to domestic and export markets. The Western Coal Services Project is a coal handling and processing facility that receives coal from Centennial's mining operations in the Western Coalfield. The site feeds coal to the adjacent Mount Piper Power Station and delivers coal to the Lidsdale Siding.

1.2 Lidsdale Siding Coal Loader

On 3 May 2013, the Lidsdale Siding Upgrade Project (MP 08_0223 – see Figure 2) was approved under the former Part 3A of the *Environmental Planning and Assessment Act 1979* (EP&A Act) by the then Planning Assessment Commission (PAC) (now, Independent Planning Commission). The approval allows:

- the receipt of up to 6.3 million tonnes per annum (Mtpa) of coal by conveyor from Western Coal Services; and
- rail transport of coal from the site until 31 December 2042, up to:
 - 5 trains per day, on average over a year; and
 - 7 trains on any single day.

Under Clause 6 of Schedule 2 of the *Environmental Planning and Assessment (Savings, Transitional and Other Provisions) Regulation 2017* (EP&A STOP Regulation), the Lidsdale Siding Upgrade Project was transitioned to SSD by order, which was published in the NSW Government Gazette on 12 October 2018.

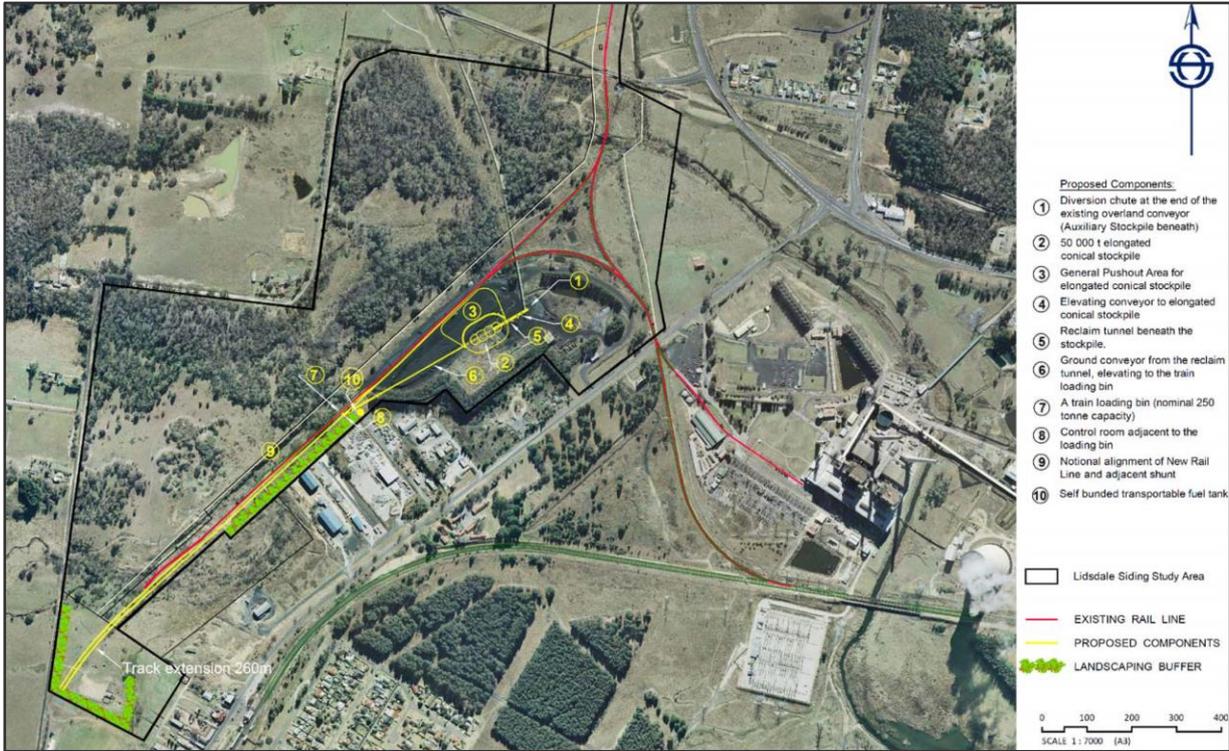


Figure 2 | Lidsdale Siding

1.3 Western Coal Services Project

On 4 April 2014, development consent was granted by the then PAC for the Western Coal Services Project (SSD 5579 – see **Figure 3**). The development consent allows coal transportation and processing operations at the site until 2039, including:

- receipt of up to 9.5 Mtpa of run-of-mine (ROM) coal, including up to 1 Mtpa from sites other than Angus Place Colliery or Springvale Coal Mine;
- processing of up to 7 Mtpa of ROM coal; and
- transport of up to 6.3 Mtpa of product coal to Lidsdale Siding by conveyor.

The development consent has been modified on two previous occasions. MOD 1 allowed it to receive waste from the Springvale Water Treatment Plant. MOD 2 revised the application of noise criteria and increased coal import from Springvale Coal Mine from 4.5 Mtpa to 5.5 Mtpa.

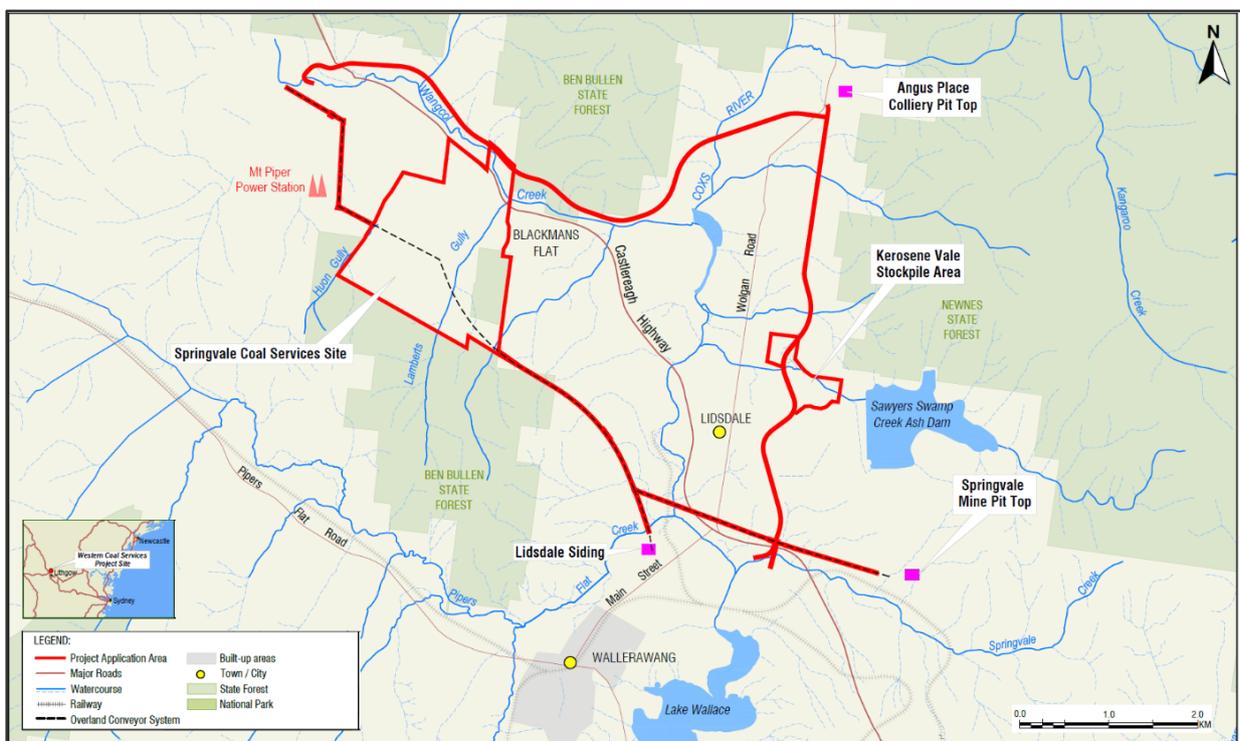


Figure 3 | Western Coal Services Project

1.4 Strategic context

1.4.1 Coal Supply to Mount Piper Power Station

Mount Piper Power Station is a coal fired power station located 17 km north-west of Lithgow. The power station is owned and operated by EnergyAustralia NSW Pty Limited. It has the capacity to provide around 15 per cent of NSW energy demand.

Centennial Coal is currently the only supplier of coal to the power station, mainly through its Springvale Coal Mine. Springvale Coal Mine has approval to extract up to 5.5 million tonnes of coal a year, and the power station requires around 3.5 million tonnes of coal a year to operate at full capacity. The power station has the capacity to stockpile around 1 million tonnes of coal on site.

However, since July 2018, the Springvale Coal Mine has encountered unfavourable geological conditions during underground mining. It has therefore needed to increase coal washing to remove additional reject material extracted with the coal and blend more to meet the required coal specification for the power station.

These factors have reduced the amount of product coal expected to be extracted from Springvale by around 50 per cent. This has resulted in significant and immediate coal supply shortfalls to the power station. The unfavourable geological conditions are expected to continue at least until the end of 2019, however there is also a longwall change planned for early 2020.

Centennial predicts that its coal production would recover to approved levels by the end of 2020. Centennial has also removed three longwall panels from the approved mine plan to protect threatened swamp communities, which has reduced the anticipated mine life by four years (ie from 2028 to 2024).

There is therefore an urgent need to supplement the coal supply to the Mount Piper Power Station.

To address this issue, Centennial has already increased the amount of coal trucked from Clarence Colliery from 100,000 tonnes to 200,000 tonnes per annum until the end of 2020 (which was approved in August 2019). Centennial has investigated additional longer-term options to supplement supply from its Western Coalfield mines, including:

- railing from the Airly Coal Mine via the Lidsdale Siding;
- recommencing coal mining at Angus Place Colliery (which is currently under care and maintenance). Centennial is undertaking the necessary environmental impact assessment studies for an application to recommence mining at Angus Place Colliery; and
- constructing the approved rail unloading facility at Mount Piper Power Station.

Delivering coal to Lidsdale Siding by rail is therefore a feasible short to medium-term option to supplement coal supply to the power station, as it could deliver around 3,900 tonnes of coal per day from the Airly Coal Mine.

1.4.2 Lidsdale Siding – history and surrounding land uses

The Lidsdale Siding was constructed in the 1950s and has been used for coal storage and rail coal loading since 1974.

Surrounding land uses include power stations, underground coal mines, the Ben Bullen State Forest (1 km north-west of the site) and various industrial and agricultural uses. There are a number of isolated residences within 300-400 m from the site. The Lidsdale and Wallerawang townships, which were originally established to service the mining industry, are located within 1 km of the site. The site drains into Pipers Flat Creek and then the Coxs River.

1.4.3 Western Coal Services – history and surrounding land uses

The Western Coal Services site has a long history of mining operations. Underground and open cut mining operations have been carried out on the site and the surrounding area for over 70 years, with coal processing and reject disposal activities occurring for over 40 years. Land uses adjoining the site include coal mining operations, an operating coal-fired power station - Mount Piper Power Station, state

forests and land zoned for primary production. The Lidsdale township, which was originally established to service the mining industry, is located within 1 km of the overland conveyor.



2. Proposed Modifications

In June and July 2019, Centennial lodged modification applications for the Lidsdale Siding and Western Coal Services, respectively.

2.1 Lidsdale Siding MOD 1

Centennial's modification application for Lidsdale Siding Coal Loader MOD 1 seeks approval to:

- receive and unload one laden coal train per day at Lidsdale Siding from the Airly Coal Mine (between 7:00 am and 6:00 pm Monday to Saturday; and between 8:00 am to 6.00 pm on Sundays); and
- transfer coal from Lidsdale Siding to Western Coal Services using an existing overland conveyor.

These activities would only occur when coal stockpiles at Mount Piper Power Station are forecast to fall below 400,000 tonnes (which represents approximately 5-6 weeks of coal demand at Mount Piper Power Station) for two consecutive months, and would continue until stockpiles are forecast to stay above 400,000 tonnes for a six-month period. Each train would deliver approximately 3,900 tonnes of coal, which represents almost half the daily coal supply requirement at the power station.

The proposed modification would require a number of temporary site construction works (see **Figure 4**), including:

- modification of the train loading facility to enable unloading and capture of coal;
- installation of conveyors and radial stackers in an existing stockpile area;
- establishment of a new stockpile;
- installation of tunnel reclaimers to feed coal from the new stockpile to a conveyor; and
- installation of a conveyor system and stacker between the tunnel reclaimers and overland conveyor.

The proposed changes to site infrastructure would only be required during emergency supply situations, and the conveyor systems would be assembled and disassembled as they are required. This would likely be one or two times per year at most, if necessary. The assembly and disassembly processes would take up to six weeks and occur during standard daytime construction hours.

No changes are proposed to Lidsdale Siding's project lifetime, maximum coal throughput, maximum train movements, stockpile capacity or operating hours.

2.2 Western Coal Services MOD 3

Centennial's modification application and accompanying Modification Report for the Western Coal Services Project MOD 3 seeks approval to:

- allow coal to be transferred from the Lidsdale Siding to Western Coal Services using an existing overland conveyor, 24 hours per day, 7 days per week; and
- increase the amount of coal that can be received at Western Coal Services from sources other than the Springvale Mine and Angus Place Colliery from 1 Mtpa to 1.5 Mtpa.

The maximum amount of coal received at Western Coal Services from all sources would remain unchanged at 9.5 Mtpa. No changes are proposed to the site's infrastructure, stockpiles, project area or maximum conveyor capacity.

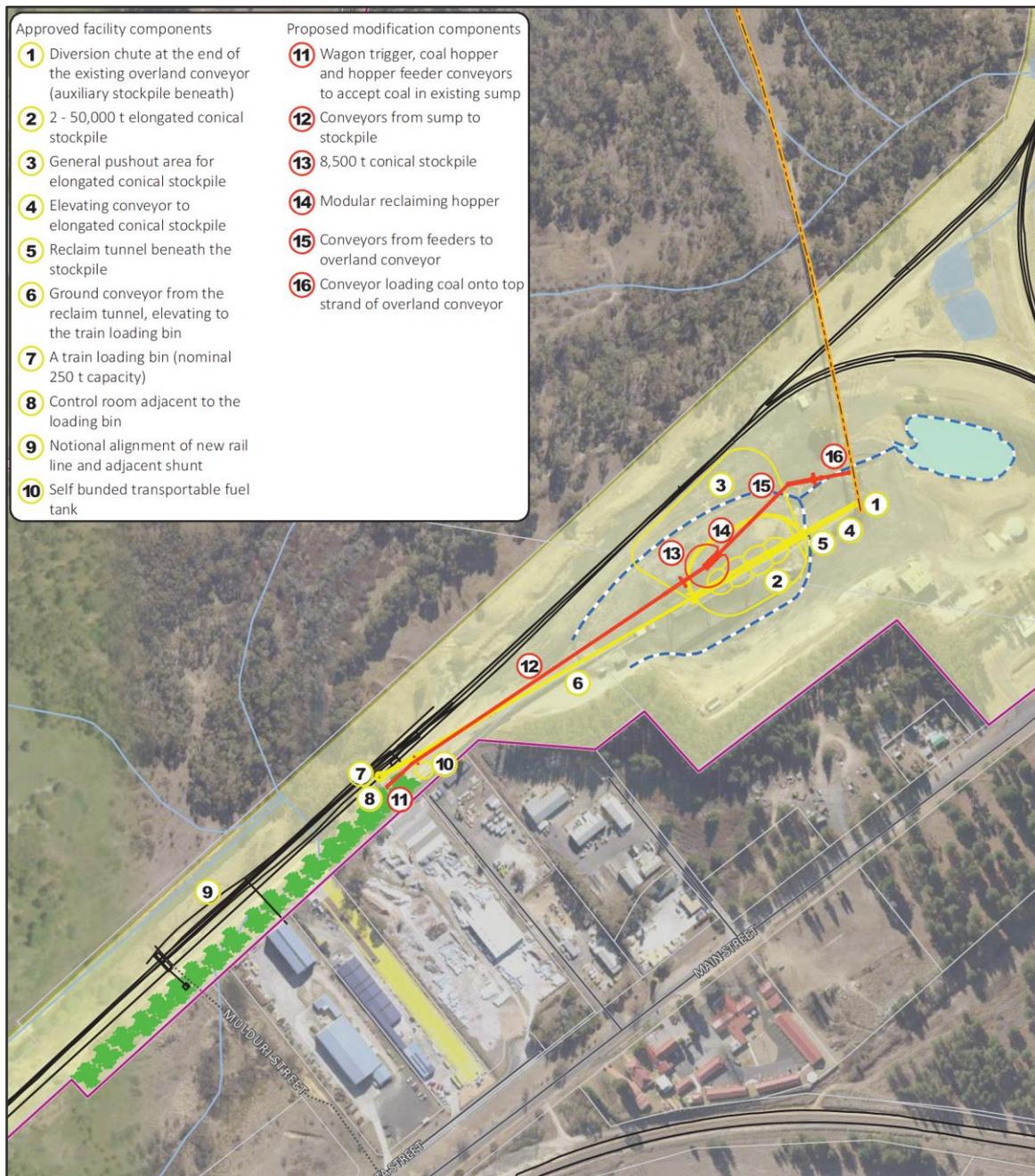


Figure 4 | Lidsdale Siding – proposed modifications



3. Statutory Context

3.1 Scope of Modifications

3.1.1 Lidsdale Siding

The Lidsdale Siding modification application and Modification Report were lodged under s4.55(2) of the EP&A Act. The Department has reviewed the scope of the modification and considers that it:

- would not significantly increase the environmental impacts of the project as approved (see Section 5);
- is substantially the same development as originally approved (see Section 3.2); and
- would not involve any further disturbance outside of the already approved disturbance areas for the project.

Therefore, the Department is satisfied the proposed modification is within the scope of section 4.55(2) of the EP&A Act and does not constitute a new development application. Accordingly, the Department considers that the application should be assessed and determined under section 4.55(2) of the EP&A Act.

The Department has also:

- notified the application in accordance with relevant requirements (see Section 4.1.1);
- considered submissions made and advice provided concerning the proposed modification (see Section 4); and
- considered the relevant matters in Section 4.15(1) of the EP&A Act, including:
 - the provisions of any relevant environmental planning instrument (see Section 3.4);
 - the likely impacts of the proposed modification, including environmental impacts on both the natural and built environments, and social and economic impacts in the locality (see Section 5);
 - the public interest, including any relevant objects of the EP&A Act (see Section 6); and
 - the reasons given by the approval authority for the grant of the original approval (see Section 3.5).

3.1.2 Western Coal Services

The Western Coal Services modification application and Modification Report were lodged under s4.55(1A) of the EP&A Act. The Department has reviewed the scope of the modification and considers that the application can be characterised as a modification involving minimal environmental impacts as it:

- would not increase the environmental impacts of the project as approved (see Section 5);
- is substantially the same development as originally approved (see Section 3.2); and
- would not involve any further disturbance outside the already approved disturbance area for the project.

Therefore, the Department is satisfied the proposed modification is within the scope of section 4.55(1A) of the EP&A Act and does not constitute a new development application. Accordingly, the Department considers that the application should be assessed and determined under section 4.55(1A) of the EP&A Act.

3.2 Substantially the Same Development

The Department is satisfied that both projects as modified would be substantially the same developments as approved, and that the proposals should be characterised as modifications to the respective development consents, as:

- there is no change to the project areas or life of operations;
- rail movements would remain within approved limits;
- infrastructure upgrades at Lidsdale Siding are similar in nature to existing infrastructure; and
- the impacts of the developments as modified would be similar to the impacts of the approved project (see Section 5).

3.3 Consent Authority

The Minister for Planning and Public Spaces (Minister) is the consent authority for both applications under Section 4.5(a) of the EP&A Act. However, under the Minister's delegation dated 11 October 2017, the Director - Resource Assessments, may determine the applications, as:

- Lithgow City Council did not object;
- Centennial Coal's subsidiaries did not report any political donations; and
- no public submissions in objection were received.

3.4 Environmental Planning Instruments and Objects of the EP&A Act

In undertaking its assessment, the Department has considered the objects of the EP&A Act and the provisions of relevant environmental planning instruments including:

- Lithgow Local Environmental Plan 2014;
- State Environmental Planning Policy (State and Regional Development) 2011 (SRD SEPP);
- State Environmental Planning Policy (Mining, Petroleum Production and Extractive Industries) 2007 (Mining SEPP);
- State Environmental Planning Policy 55 (SEPP No. 55) – Remediation of Land;
- State Environmental Planning Policy 44 (SEPP No. 44) – Koala Habitat Protection; and
- State Environmental Planning Policy 33 (SEPP No. 33) – Hazardous and Offensive Development.

3.5 Reasons for Granting Original Consents

In determining the original Lidsdale Siding and Western Coal Services applications, the decision makers concluded that the benefits of the projects outweighed the impacts and imposed a range of strict conditions to appropriately manage impacts. The Department has considered the proposed modification against the reasons the decision makers gave for determining the projects and is satisfied that the proposed modifications do not affect the decision that was previously made. The proposed modifications would allow similar benefits to be realised at local, regional and State levels.



4. Engagement

4.1 Department's Engagement

4.1.1 Lidsdale Siding Modification

The Department exhibited the Lidsdale Siding modification application from 10 to 23 July 2019:

- on its website;
- at its Sydney office;
- at the office of Lithgow City Council; and
- at the office of the Nature Conservation Council.

The modification application was advertised in the Lithgow Mercury on 9 July 2019. Previous submitters were notified of the modification application and invited to make a submission. The modification application was also referred to relevant NSW Government agencies for advice.

On Wednesday 17 July 2019, Department officers inspected the site with representatives of the Environment Protection Authority and Lithgow City Council.

One public submission in support was received for the modification application.

4.1.2 Western Coal Services Modification

The Department made the Western Coal Services modification application and report available on its website from 29 July 2019. Given the minor nature of the modification application, the Department did not formally seek submissions on the application, but forwarded the application to Lithgow City Council, the Environment Protection Authority (EPA), WaterNSW, Roads and Maritime Services (RMS) and the Division of Resources and Geoscience (DRG).

4.2 Summary of Agency Advice

A summary of the advice received from government agencies is provided below, and a full copy of the advice is provided in **Appendix B**.

On 26 July 2019, the Department asked Centennial to respond to the advice received on the Lidsdale Siding proposal and provide additional information relating to coal supply forecasting, assembly and disassembly impacts, greenhouse gas emissions and social and economic impacts.

Centennial provided a Submissions Report for the Lidsdale Siding, which was made available on the Department's website in August 2019 (see **Appendix C**).

4.2.1 Transport for NSW

Transport for NSW requested that:

- train notification boards are located outside the rail corridor; and
- Centennial comply with the rail operator's Environment Protection Licence (EPL) and Network Rules and Procedures, and that these requirements are included as conditions of consent.

In its Submissions Report, Centennial advised that the proposed notification boards would be installed outside the rail corridor, and the trains would continue to operate in accordance with the EPL and the rail operator's Network Rules and Procedures

In response to the Submissions Report, Transport for NSW reiterated its request to include the rail operator's requirements as conditions. It also commented that Centennial would be required to apply for a rail path to operate the train. The Department considers that the rail operator's requirements are largely commercial arrangements (eg a Safety Interface Agreement), and therefore these issues lie outside of scope of the modification and do not require to be included as conditions of consent.

4.2.2 Environment Protection Authority

The EPA asked for more information about the potential noise impacts of the Lidsdale proposal.

In its Submissions Report, Centennial advised that it would implement a number of reasonable and feasible noise mitigation actions, including:

- only unloading coal during the day time;
- using no more than one front end loader or dozer at the coal stockpile;
- not operating additional infrastructure concurrently with existing material handling infrastructure; and
- operating trains to reduce wagon noise.

The EPA was satisfied with Centennial's response and did not provide further comment.

4.2.3 Roads and Maritime Services

RMS sought additional information regarding traffic impacts associated with the proposal, including heavy vehicle movements during construction.

In its Submissions Report, Centennial advised that it records coal volumes and train numbers leaving the site and that an approved Construction Traffic Management Plan would manage traffic associated with construction and demolition activities.

Centennial subsequently advised that construction and demolition traffic would comprise four oversize loads that would require transport permits and 10 other non-oversize loads.

RMS was satisfied with Centennial's response.

4.2.4 WaterNSW

WaterNSW requested that:

- an updated Erosion and Sediment Control Plan for the proposed construction works is provided for comment; and
- an on-site dam is cleaned prior to commencement of construction work.

In its Submissions Report, Centennial advised that:

- the Water Management Plan for the site had recently been updated to ensure it is adequate to accommodate proposed operational changes at Lidsdale Siding and had already been provided to WaterNSW; and
- the dam would be cleaned out prior to construction.

WaterNSW was satisfied with Centennial's response.

4.2.5 Other Public Authority Advice

Responses were also received from the Department's Division of Resources and Geoscience and Lithgow City Council, which did not raise any issues requiring further assessment.

4.3 Community Submissions

No objecting submissions were received on either proposal.

One supporting submission was received for the Lidsdale Siding proposal from a local accommodation operator, advising that its business had not been impacted by the coal loading operations and did not expect this to change by undertaking coal unloading at the site.



5. Assessment

5.1 Introduction

The Department considers that the key issues for consideration in the assessment of the proposed modifications relate to air quality and noise. The Department has also considered rail transport-related impacts, and the scale of impacts in comparison to previously approved impacts.

5.2 Noise

5.2.1 Construction noise

Construction noise impacts associated with assembly and disassembly of infrastructure at the Lidsdale Siding would last for approximately six weeks and would only occur during standard daytime construction hours. Construction noise would meet limits within the *Interim Construction Noise Guideline* (2009) (ICNG) and would be managed under existing conditions and the Construction Noise Management Plan for the site, which includes a range of measures to minimise and manage construction noise.

5.2.2 Operational noise

Lidsdale Siding

Centennial's noise impact assessment found that noise levels associated with coal unloading at Lidsdale Siding (i.e. train manoeuvring and the use of mobile plant at stockpiles) would be 2 to 3 dB lower than noise levels during loading operations. Unloading activities would not occur on the same day as loading activities. Only one coal laden train would operate during the daytime period (7am to 6pm Monday to Saturday; and 8am to 6pm on Sundays and public holidays) compared to up to seven trains operating 24 hours per day as currently approved. Unloading activities would take approximately 6 hours to complete.

The area surrounding Lidsdale Siding is a long-established industrial area that has been noise affected for many decades. The nearby Wallerawang Power Station had historically been the main noise

contributor, however it stopped operating in 2015. The Lidsdale Siding, which has been continuously operating on the site for more than 35 years, then became the dominant noise in the area. The Main Western Railway and the Castlereagh Highway also lie immediately east of the site and contribute to elevated noise levels in the area.

The Department considers that Centennial has applied all reasonable and feasible noise mitigation measures to reduce operational noise on site associated with the proposed activities, which would include:

- operating trains in a specialised method to reduce wagon noise and eliminate noise from wagon stretch or bunching;
- not operating the new infrastructure (i.e. conveyors and reclaimers) concurrently with the existing material handling infrastructure;
- carrying out the proposed operations during the daytime period only; and
- restricting mobile equipment use to a single bulldozer or front-end loader.

Operational noise at the site would continue to be managed under the existing operating conditions, which require regular noise monitoring and implementation of best practice noise mitigation measures to minimise noise. Centennial would also continue to manage noise using an existing approved Noise Management Plan. The Department has recommended conditions to ensure unloading activities only occur during the daytime period; and management measures to minimise noise impacts for the activities are incorporated in the Noise Management Plan for the site.

Western Coal Services

No increases to current noise levels at Western Coal Services are expected, as there would be no change to the overland conveyor system between Western Coal Services and Lidsdale Siding. Noise impacts at Western Coal Services would continue to be managed under the approved Western Region Noise Management Plan. No changes to the existing conditions of consent are required.

5.3 Air quality

As the sites are located in an industrial setting, background air quality is influenced by a number of emission sources in the region (including coal mines and the Mount Piper Power Station).

The air quality impact assessment found that the proposed modification would introduce potential additional particulate emission sources, including: rail wagon unloading, conveyor transfer points, and a new coal stockpile. A worst-case scenario was considered involving both loading and unloading operations being undertaken during the year. The assessment found total annual emissions of total suspended particulates (TSP), PM_{2.5} and PM₁₀ would increase by 0.9%, 1.5% and 2.2%, respectively, compared to approved operations.

This potential increase in emissions is considered low, and air quality impacts from the proposed modification would not significantly increase air quality impacts at surrounding sensitive receivers.

Air quality impacts would continue to be managed under the existing operating conditions, which require regular air quality monitoring and implementation of best practice measures to minimise dust emissions.

Centennial would also continue to manage air quality impacts in accordance with the approved Air Quality and Greenhouse Gas Management Plan for the site, which would be updated to include measures to manage air quality impacts from the proposed modification.

No changes to the existing conditions of consent are required in relation to the proposed modification. However, the air quality criterion for annual average PM₁₀ has been updated from 30 µg/m³ to 25 µg/m³ to reflect the updated *National Environment Protection (Ambient Air Quality) Measure*.

5.4 Other Issues

The Department has considered a range of other issues in its assessment, which are summarised in **Table 1**.

Table 1 | Summary of other issues

Issue	Findings	Recommended Condition
Traffic and transport	<ul style="list-style-type: none"> The rail traffic impacts would be significantly less than the approved project because the approved project allows 5 movements a day on average, and proposed receipt of one coal train and associated coal unloading activities would not occur on the same day as coal loading activities. Minor delays at the Main Street level crossing in Wallerawang are expected. Centennial would install notification boards to provide notice of train movements at the level crossing. A relatively small amount of construction traffic would be required to deliver and install the additional infrastructure at Lidsdale Siding. Construction traffic impacts would be minor, as state trucking routes would be used to bring in plant and equipment. Construction traffic impacts would be managed in accordance with the existing Construction Traffic Management Plan. 	<ul style="list-style-type: none"> Allow one coal-laden train per day to be received at the Lidsdale Siding.
Coal handling	<ul style="list-style-type: none"> Western Coal Services is currently approved to receive up to 1.0 Mtpa from sources other than the Springvale Mine or Angus Place Colliery. This would increase to 1.5 Mtpa under the proposal. However there would be no increase to the total 9.5 Mtpa limit of coal received at the Western Coal Services site or the 6.3 Mtpa capacity of the conveyor between Western Coal Services and Lidsdale Siding. 	<ul style="list-style-type: none"> Allow up to 1.5 Mtpa of coal to be received at Western Coal Services from the Lidsdale Siding.
Biodiversity	<ul style="list-style-type: none"> The proposed rail loading/unloading infrastructure areas are heavily disturbed and cleared. Under the relevant provisions of the <i>Biodiversity Conservation (Savings and</i> 	<ul style="list-style-type: none"> No changes to existing conditions of consent required.

Issue	Findings	Recommended Condition
	<i>Transitional) Regulation 2017</i> , the Department is satisfied that a BDAR report is not required to be submitted with the applications as the modifications would not increase the impacts on biodiversity values at the sites.	
Climate change	<ul style="list-style-type: none"> The current approved total coal limits at Lidsdale Siding and Western Coal Services would not change. There would also be no change to the total amount of coal required to operate the power station. Therefore there would be unlikely to be any material change in the level of greenhouse gas emissions that were assessed and approved for the sites. 	<ul style="list-style-type: none"> No changes to existing conditions of consent required.
Socio-economic	<ul style="list-style-type: none"> The proposed modification would provide a critical alternative coal supply to the Mount Piper Power Station, which provides substantial energy security benefits as it generates around 15 per cent of NSW electricity needs. Approximately 10 local contractors and tradespeople would be employed during construction and disassembly of the coal unloading infrastructure. 	<ul style="list-style-type: none"> No changes to existing conditions of consent required.



6. Evaluation

The Department has assessed the merits of the proposed modifications and has considered the potential environmental, social and economic impacts in accordance with the requirements of the EP&A Act, and in consultation with Lithgow City Council and relevant Government agencies, including EPA, RMS, WaterNSW and Transport for NSW.

Significant reduction in the amount of coal being extracted at the Springvale Coal Mine has resulted in a reduction in the amount of coal stockpiled at the Mount Piper Power Station. To address this issue, Centennial Coal has applied to modify its Lidsdale Siding and Western Coal Services Project. The proposals would allow Lidsdale Siding to import coal by rail from the Airly Coal Mine. This would provide around 3,900 tonnes of coal a day to the power station, which is around half the daily supply requirement.

As the proposed coal unloading activities at the Lidsdale Siding would be restricted to operating during daytime hours only, the proposed modifications would represent a less intensive activity than the existing assessed and approved coal loading activities which are allowed to occur 24 hours a day. Impacts of

the proposal would be further limited by coal importation activities not occurring on the same day as the existing coal loading and despatch activities.

The Department's assessment has found that the construction and operational noise impacts, air quality impacts and rail and road traffic related impacts at Lidsdale Siding would be minimal and able to be managed within the existing strict regulatory framework provided by the development consents. The modified operations would create no additional impacts at the Western Coal Services site.

Centennial would review and update existing management plans at both sites to incorporate measures to manage impacts from the proposed modifications.

The Department has recommended strict limits on the amount of coal that can be brought in from Airly Coal Mine. It has also recommended that administrative updates are made to the consents, including updating Government agency names.

The Department acknowledges that there is an urgent need to supplement coal supply to Mount Piper Power Station. The modification applications represent a feasible short to medium term way of supplementing coal supply. The Department considers that the significant social and economic benefits associated with supplying coal to the power station far outweigh the potential minimal incremental impacts compared to the approved projects.

Consequently, the Department considers that the proposed modifications are in the public interest and should be approved, subject to the recommended conditions.



7. Recommendation

It is recommended that the Director – Resource Assessments, as delegate of the Minister for Planning and Public Spaces:

- **considers** the findings and recommendations of this report;
- **determines** that the application 08_0223 MOD 1 falls within the scope of section 4.55(2) of the EP&A Act;
- **determines** that the application SSD 5579 MOD 3 falls within the scope of section 4.55(1A) of the EP&A Act;
- **accepts and adopts** all of the findings and recommendations in this report as the reasons for making the decision to grant consent to the applications;
- **agrees** with the key reasons for approval of 08_0223 MOD 1 listed in the draft notice of decision;
- **modifies** the consents 08_0223 and SSD 5579; and
- **signs** the attached approvals of the modifications (**Appendix E**).

Recommended by:

22 August 2019

Andrew Rode

Senior Environmental Assessment Officer
Energy and Resources

Recommended by:

22.8.19

Paul Freeman

Team Leader
Energy and Resources



8. Determination

The recommendation is **Adopted** / Not adopted by:

 23/8/19

Steve O'Donoghue

Director – Resource Assessments

Energy and Resources

as delegate of the Minister for Planning and Public Spaces



9. Appendices

Appendix A – Modification Reports

Regarding Lidsdale Siding, see the Department's website at:

<https://www.planningportal.nsw.gov.au/major-projects/project/14771>

Regarding Western Coal Services, see the Department's website at:

<https://www.planningportal.nsw.gov.au/major-projects/project/16191>

Appendix B – Submissions and Advice from Public Authorities

Regarding Lidsdale Siding, see the Department's website at:

<https://www.planningportal.nsw.gov.au/major-projects/project/14771>

Regarding Western Coal Services, see the Department's website at:

<https://www.planningportal.nsw.gov.au/major-projects/project/16191>

Appendix C – Submissions Report

Regarding Lidsdale Siding, see the Department's website at:

<https://www.planningportal.nsw.gov.au/major-projects/project/14771>

Regarding Western Coal Services, see the Department's website at:

<https://www.planningportal.nsw.gov.au/major-projects/project/16191>

Appendix D – Consolidated Consents

Regarding Lidsdale Siding, see the Department's website at:

<https://www.planningportal.nsw.gov.au/major-projects/project/14771>

Regarding Western Coal Services, see the Department's website at:

<https://www.planningportal.nsw.gov.au/major-projects/project/16191>

Appendix E – Notices of Modification

Regarding Lidsdale Siding, see the Department's website at:

<https://www.planningportal.nsw.gov.au/major-projects/project/14771>

Regarding Western Coal Services, see the Department's website at:

<https://www.planningportal.nsw.gov.au/major-projects/project/16191>