Department of Planning, Housing and Infrastructure

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Moolarben Coal Complex Stage 1 Modification 16 and Stage 2 Modification 5

State Significant Development Modification Assessment Report (MP05_0117-Mod-16 and MP08_0135-Mod-5)

October 2024



Acknowledgement of Country

The Department of Planning, Housing and Infrastructure acknowledges that it stands on Aboriginal land. We acknowledge the Traditional Custodians of the land and show our respect for Elders past, present and emerging through thoughtful and collaborative approaches to our work, seeking to demonstrate our ongoing commitment to providing places in which Aboriginal people are included socially, culturally and economically.

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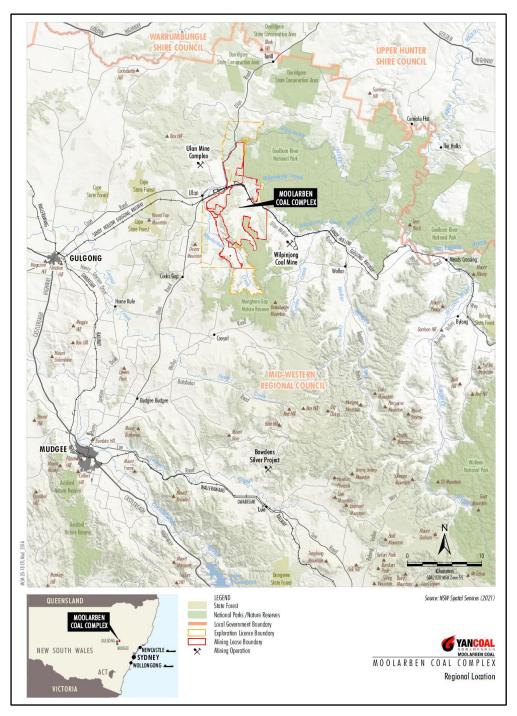
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1 Introduction

The Moolarben Coal Complex (the complex) is an open cut and underground coal mine located approximately 40 kilometres (km) north-east of Mudgee (see Figure 1). The complex is operated by Moolarben Coal Operations Pty Limited (MCO), on behalf of the Moolarben Joint Venture which is owned by Yancoal and a consortium of Korean power companies.





The complex operates under two integrated development consents referred to as 'Stage 1' and 'Stage 2'.

Stage 1 (MP 05_0117) was approved by the Minister for Planning in September 2007 and comprises three open cut pits (OC1, OC2 and OC3), one underground mining area (UG4) and coal processing and transport facilities.

Stage 2 (MP 08_0135) was approved by the Planning Assessment Commission as delegate of the Minister for Planning in January 2015 and comprises one open cut pit (OC4) and two underground mining areas (UG1 and UG2). Coal extracted by the Stage 2 operations is transported to the Stage 1 processing and transport facilities.

The development consents have been modified on 15 and 4 occasions, respectively, and collectively they permit:

- the extraction of up to:
 - 16 million tonnes per annum (Mtpa) of run-of-mine (ROM) coal from open cut pits; and
 - 8 Mtpa of ROM coal from underground mining areas;
- mining operations at the complex until 31 December 2038.

2 Proposed modification

The Central-West Orana Renewable Energy Zone Transmission Project (SSI-48323210) (the CWO transmission line) was approved by the NSW Minister for Planning and Public Spaces (the Minister) on 26 June 2024. The CWO transmission line is located partially within the approved Moolarben Coal Complex including within biodiversity offset properties and two Aboriginal heritage management/conservation areas (see Figure 2).

MCO is seeking to modify the consents to facilitate the changes required for the CWO transmission line. The proposed modification also includes separate administrative changes to facilitate the production of potable water from the existing water treatment plant and simplify conditions regarding coal handling and processing.

Modifications required to the Stage 1 consent (MP 05_0117) and approved operations include:

- modifications to the existing approved layout to accommodate the CWO transmission line;
- modification of biodiversity conditions to excise areas of interaction/fragmentation associated with the CWO transmission line;
- removal of heritage conservation requirements in the Bora Creek Management Area as the area will be impacted by the CWO transmission line;

- modifications to facilitate potential water sharing with the CWO transmission line project during construction;
- addition of the existing water treatment plant as a potable water supply source for the Moolarben Coal Complex;
- simplification of coal handling and processing conditions; and
- updates to figures in the consent to include the alignment of CWO transmission line.

Modifications required to the Stage 2 consent (MP 08_0135) and approved operations include:

- modifications to the existing approved layout to accommodate the CWO transmission line;
- excision of areas of the Red Hills Conservation Area impacted by the CWO transmission line
- modification of biodiversity conditions to excise areas of interaction/fragmentation associated with the CWO transmission line;
- modifications to facilitate potential water sharing with the CWO transmission line project during construction;
- addition of the existing water treatment plant as a potable water supply source for the Moolarben Coal Complex;
- simplification of coal handling and processing conditions; and
- updates to figures in the consent to include the alignment of CWO transmission line.

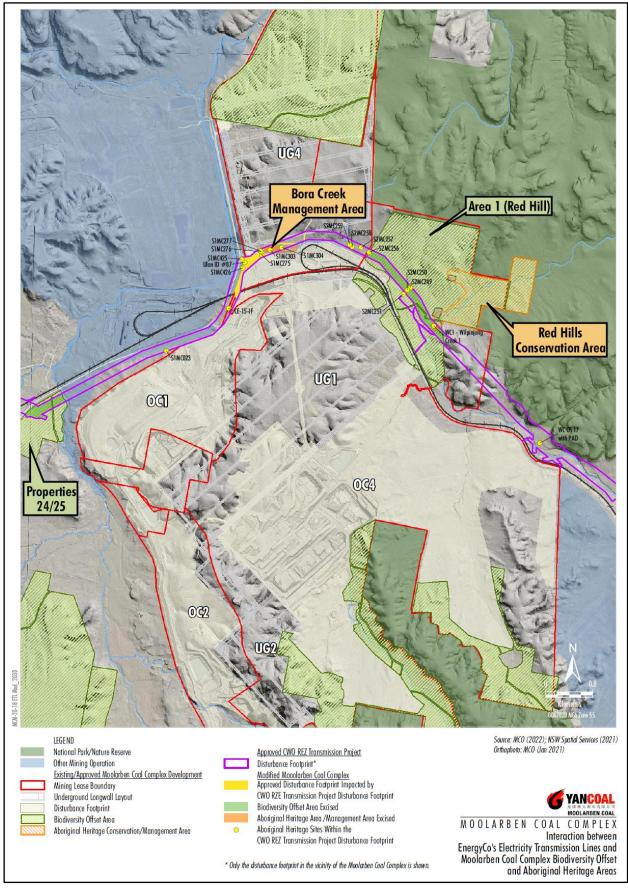


Figure 2 | Alignment of CWO transmission line within the Moolarben Coal Complex (Source: Modification Report)

3 Statutory context

3.1 Scope of modification

The modification applications were lodged under Section 4.55(1A) of the *Environmental Planning and Assessment Act 1979* (EP&A Act). The Department has reviewed the scope of the modification applications and considers that the applications are administrative, would not increase the environmental impacts of the projects as approved and that the projects would remain substantially the same as originally approved. Therefore, the Department is satisfied that the proposals can be assessed as modifications under 4.55(1A) of the EP&A Act.

3.2 Consent authority

The Minister for Planning and Public Spaces is the consent authority for the modifications under Section 4.5(a) of the EP&A Act. Under the Minister's delegation dated 9 March 2022, the Director of Resource Assessments may determine the modification applications.

3.3 Biodiversity development assessment report

Section 7.17 of the *Biodiversity Conservation Act 2016* specifies that if the approval authority is satisfied a modification would not increase the impact on biodiversity values, a Biodiversity Development Assessment Report (BDAR) is not required. The Department's assessment concluded that there would be no increase on impacts to biodiversity values and therefore a BDAR is not required.

3.4 Mandatory matters for consideration

The Department has previously conducted an assessment of the approved projects against the mandatory matters for consideration. The Department considers that the modifications would not result in significant changes that would alter the mandatory matters for consideration under section 4.15 of the EP&A Act and conclusions made as part of the original assessment.

3.5 Objects of the EP&A Act

All decision-making under the EP&A Act is underpinned by objects of the EP&A Act. When determining a development application under the EP&A Act, these principles must be considered by the consent authority. The Department has therefore assessed the modified projects against the objects found in Section 1.3 of the EP&A Act.

4 Engagement

The Department did not seek advice from government agencies given the administrative nature of the modification.

5 Assessment

The modifications involve updating the Stage 1 and Stage 2 consents to facilitate the changes to the Moolarben Coal Complex required for the approved CWO transmission line.

Proposed modifications to the consent to facilitate water sharing with the CWO transmission line project, use potable water from the existing water treatment plant and simplify coal handling and processing conditions in the consents are administrative and would not represent an increase to approved environmental impacts.

Modifications to coal handling and processing conditions would not change the approved extraction, processing or transport limits.

Administrative changes to conditions relating to biodiversity offsets and heritage conservation areas are considered below.

Biodiversity offsets

Impacts to offset areas for the Moolarben Coal Complex would be offset under the approval for the CWO transmission line. These approved offsets include allowance for both direct impacts from construction of the transmission line and also replacement of the offsets/ conservation areas required under the Stage 1 and Stage 2 consents.

Heritage conservation areas

The Moolarben Coal Complex operates under a Heritage Management Plan approved under the Stage 1 and Stage 2 consents.

The Stage 2 consent requires the establishment and management of the Red Hills Conservation Area (see Figure 2). The CWO transmission line will traverse a one hectare (ha) component of the conservation area with the potential disturbance of one Aboriginal cultural heritage site. This area is proposed to be excised from the Stage 2 consent and MCO would continue to manage the residual area.

The Heritage Management Plan also includes the establishment and management of the Bora Creek Management Area, a small management area established along the north side of Bora Creek (see Figure 2). The CWO transmission line will traverse the majority of the Bora Creek Management Area including disturbance of approximately 2.6 ha and the potential disturbance of the two cultural heritage sites in the area. Given the majority of the management area would be disturbed it is proposed that MCO would no longer manage the area under the Heritage Management Plan.

Impacts to Aboriginal heritage within the Red Hills Conservation Area and Bora Creek Management Area were assessed as part of the CWO transmission line project and measure to mitigate and/or manage impacts are included in that project approval.

6 Evaluation

The Department has assessed the modification application and supporting information in accordance with the relevant requirements of the EP&A Act, including the objects of the of the EP&A Act, and advice from government agencies.

The Department considers that that the modification is an administrative update, with no increase to environmental impacts. The proposed modification would ensure the consent is consistent with the approved alignment and impacts of the CWO transmission line.

Accordingly, the Department considers that the modification is in the public interest and should be approved, subject to the recommended conditions in the Instrument of Modification (Appendix B).

7 Determination

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 applications MP05_0117-Mod-16 and MP08_0135-Mod-5 fall within the scope of section 4.55(1A) of the EP&A Act;
- forms the opinion under section 7.17(2)(c) of the *Biodiversity Conservation Act 2016* that a biodiversity development assessment report is not required to be submitted with the applications as the modification would not increase the impact on biodiversity values on the site;
- accepts and adopts the findings and recommendations in this report as the reasons for making the decision to approve the modifications;
- modifies the approvals for the Moolarben Coal Complex Stage 1 MP05_0117 and Stage 2 MP08_0135; and
- signs the attached instruments of modification (Appendix B).

Prepared by:

Sarah Cavaleri Assessment Officer Resource Assessments

Recommended by:

la

16/10/2024

Jack Turner A/Team Leader Resource Assessments

This recommendation is Adopted/not adopted by:

17/10/2024

Stephen O'Donoghue Director Resource Assessments as a delegate of the Minister for Planning and Public Spaces

Appendices

Appendix A – Consolidated Consents

Stage 1 – Refer to the folder 'Determination' under the 'Assessment' tab on the Department's Major Projects Planning Portal: <u>https://www.planningportal.nsw.gov.au/major-projects/projects/mod-16-</u> <u>cwo-transmission-line</u>

Stage 2 – Refer to the folder 'Determination' under the 'Assessment' tab on the Department's Major Projects Planning Portal: <u>https://www.planningportal.nsw.gov.au/major-projects/projects/mod-5-</u> <u>cwo-transmission-line</u>

Appendix B – Instrument of Modification

Stage 1 – Refer to the folder 'Determination' under the 'Assessment' tab on the Department's Major Projects Planning Portal: <u>https://www.planningportal.nsw.gov.au/major-projects/projects/mod-16-</u> <u>cwo-transmission-line</u>

Stage 2 – Refer to the folder 'Determination' under the 'Assessment' tab on the Department's Major Projects Planning Portal: <u>https://www.planningportal.nsw.gov.au/major-projects/projects/mod-5-</u> <u>cwo-transmission-line</u>