

# ASSESSMENT REPORT

## Moolarben Coal Mine Section 75W Modification (MP 05\_0117 MOD 6)

### 1 BACKGROUND

The Moolarben Coal Mine is located about 40 kilometres northeast of Mudgee, between the Ulan and Wilpinjong Coal Mines (Figure 1). In September 2007, the Minister approved Stage 1 of the Moolarben Coal Project.



Figure 1: Regional Context

This project approval (05\_0117) allows Moolarben Coal Pty Limited (Moolarben) to:

- construct and operate three open cut mining pits, one underground mine, a range of associated infrastructure including a coal handling and preparation plant (CHPP), and a new rail loop and coal loader off the Sandy Hollow-Gulgong railway line;
- extract up to 8 million tonnes of run-of mine (ROM) coal per annum from the open-cut mining operations;
- extract up to 4 million tonnes of ROM coal per annum from the underground mining operations; and
- process this coal on site, before loading it onto trains and dispatching it to domestic and export markets.

This approval has subsequently been modified to:

- amend approval conditions relating to offsets and road works, and relocate and rearrange some items of infrastructure;
- allow preliminary construction activities to commence prior to the completion of the site access intersection;
- modify the design of the originally-approved "figure 8" rail loop to a balloon loop; and
- modify the layout of the approved surface infrastructure, develop a water sharing pipeline from the Ulan coal mine, extend construction hours and amend the Stage 1 project boundary.

Moolarben commenced construction of the mine in December 2008 and expects to start mining in March 2010. Moolarben is now seeking approval to modify the approved layout and capacity of the rejects bin.

It has also sought separate project approval from the Minister under Part 3A of the EP&A Act for Stage 2 of the Moolarben Coal Project. This application (08\_0135) is currently being assessed by the Department.

## **2 PROPOSED MODIFICATION**

On 18 December 2009, Moolarben submitted an application to the Department which seeks to modify the Minister's approval for Stage 1 of the project under Section 75W of the *Environmental Planning and Assessment Act 1979* (EP&A Act).

The proposed modification seeks approval to relocate the coal rejects bin (which is yet to be constructed) 250 metres northwest of its approved location and double its capacity from 250 tonnes (t) to 500 t (see Figures 2 & 3). The proposal would increase the approved height by 5 m to a maximum of 30 m, and would increase the disturbance footprint of the rejects bin from approximately 20 m<sup>2</sup> to approximately 25 m<sup>2</sup>. The proposed location would be on cleared grazing land adjacent to the northeastern extent of a proposed open cut pit (OC1). Coal rejects (a by-product of the coal washing process) would be transferred from the coal washery via a conveyor to the rejects bin, where they would be temporarily stored prior to being transported via truck to be emplaced within the OC1 void.

The proposed modification would improve haul truck access to the rejects bin, which would allow more efficient handling of coarse rejects and tailings from the washing of Stage 1 coal. The proposed increase in capacity to 500 t would ensure sufficient capacity for future handling of increased reject should the Stage 2 expansion be approved.

All works would be conducted within the approved mine footprint and would not affect the extent or timing of approved mining activities. The proposed modification would not alter the size of the mine, the methods of mining, the rate of coal extraction or production, the rate of rejects delivered to the rejects bin or the number of trucks used to back-haul rejects to the OC1 void.

## **3 STATUTORY CONTEXT**

### **3.1 Approval Authority**

The Minister was the approval authority for the original project application, and is consequently the approval authority for this modification application. However, as the proposed modification involves development with a capital investment of less than \$50 million and generated less than 25 public submissions, the Executive Director, Major DA Assessments, may determine the application under the Minister's delegation of 4 March 2009.

### **3.2 Modification**

The proposed modification does not involve changes to any of the mine's operating functions. The Department is satisfied that the proposed modification would not involve a "radical transformation" of the project and that it can be determined under Section 75W of the EP&A Act.

### 3.3 Exhibition and Notification

Under Section 75W of the EP&A Act, the Department is not required to notify or exhibit the application. The Department did not consult with agencies or exhibit the application because of its minor nature. However, after accepting the EA for the modification, the Department made it publicly available on the Department's website.

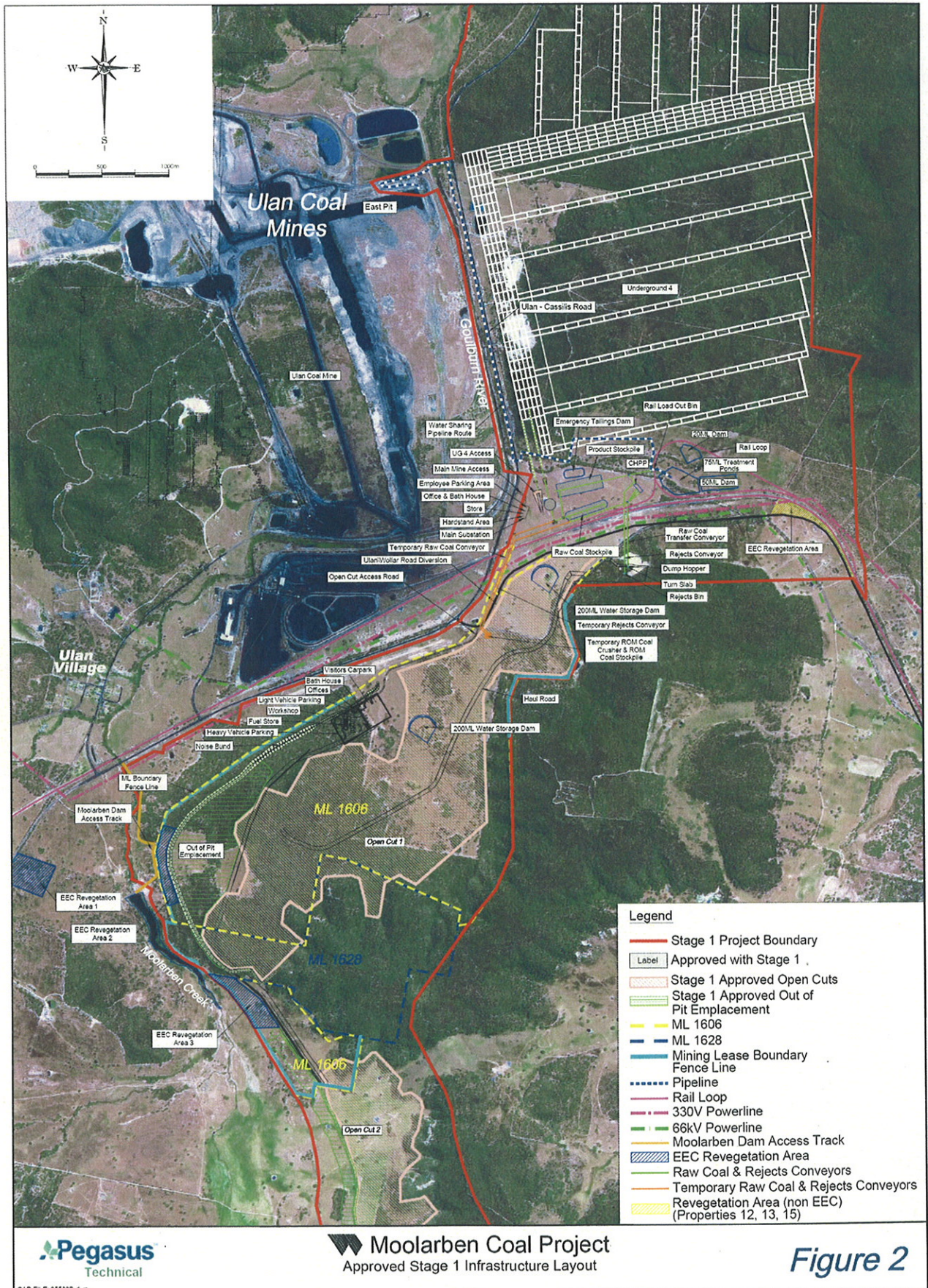


Figure 2: Current Rejects Bin Location

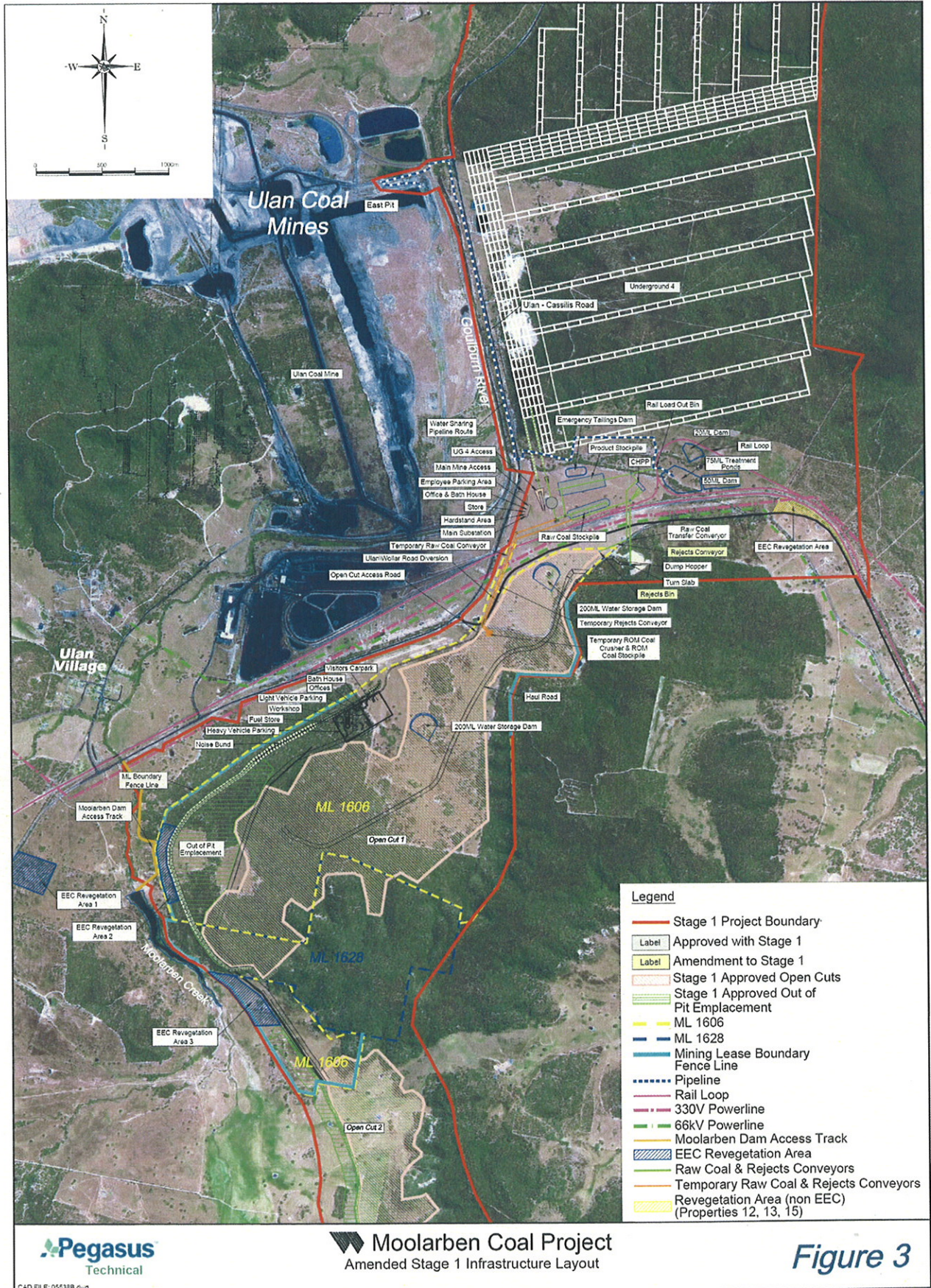


Figure 3: Proposed Rejects Bin Location

## 4 ASSESSMENT

The Department's assessment of the key issues is summarised in Table 1 below.

Table 1: Assessment of Key Issues

<b>Issue</b>	<b>Potential Impacts and Consequences</b>	<b>Conclusion</b>
Noise	<ul style="list-style-type: none"> <li>The environmental assessment (EA) includes a review of potential noise impacts of the proposal, undertaken by Spectrum Acoustics Pty Limited.</li> <li>The review indicates that there would be no measurable or perceivable noise impacts from the proposed relocation of the rejects bin above those predicted for the project.</li> <li>Moolarben is required to comply with noise limits already specified within its project approval.</li> <li>The Department is satisfied that the overall noise level would remain at or below applicable intrusive noise and amenity criteria at all privately-owned receptors.</li> </ul>	<ul style="list-style-type: none"> <li>No additional control measures required, above and beyond those set out in the approved Construction Noise Management Plan.</li> </ul>
Air Quality	<ul style="list-style-type: none"> <li>The EA includes a review of potential air quality impacts from the proposal, undertaken by PAE Holmes.</li> <li>The review assessed the effects the proposed relocation of the rejects bin would have on air-quality effects and recalculated the emissions inventory for Year 2 of operations.</li> <li>The assessment found that the proposal would result in a minor decrease in Total Suspended Particulates (TSP), from 2,612 t to 2,352 t for Year 2, which is primarily due to shortening the haul road length by 250 m from approximately 9.2 km to approximately 8.9 km.</li> <li>The Department is satisfied that potential air quality impacts on surrounding residents as a result of the proposal would be negligible.</li> </ul>	<ul style="list-style-type: none"> <li>No additional control measures required, above and beyond those set out in Moolarben's existing Statement of Commitments and approved Air Quality Management Plan.</li> </ul>
Visual	<ul style="list-style-type: none"> <li>The proposed location of the rejects bin is approximately 750 m from Ulan-Cassilis Road, 150 m from Ulan-Wollar Road and over 3.8 km from Ulan School.</li> <li>The proposed location of the rejects bin is in an area characterised by mine infrastructure, including the CHPP, ROM coal facilities, and raw and product coal stockpiles.</li> <li>The Department is satisfied that the proposal would have minimal visual impact above any beyond those approved for the project.</li> </ul>	<ul style="list-style-type: none"> <li>No additional control measures required.</li> </ul>
Water Resources	<ul style="list-style-type: none"> <li>The original EA for the project and included a detailed assessment of impacts on both surface water and groundwater resources.</li> <li>Water use associated with the rejects bin would be primarily required for dust suppression during construction.</li> <li>Water use for the proposed relocation and construction of the rejects bin is considered by the Department to be minimal in the context of the overall water requirements of the project.</li> </ul>	<ul style="list-style-type: none"> <li>No additional control measures required, above and beyond those set out in the approved Water Management Plan.</li> </ul>
Biodiversity	<ul style="list-style-type: none"> <li>The proposed works would be confined to areas that have approval to be disturbed.</li> <li>The proposed modification would therefore have minimal effect on existing biodiversity values in the area.</li> </ul>	<ul style="list-style-type: none"> <li>No additional control measures required.</li> </ul>

## 5 RECOMMENDED CONDITIONS

As no additional control measures are required, the Department has prepared a simple administrative condition to reflect the modification within the project approval. The Department has also taken the opportunity to clarify and make minor corrections to existing administrative conditions. Moolarben has reviewed and accepted these conditions.

## 6 CONCLUSION

The Department has assessed the application in accordance with the relevant requirements of the EP&A Act. This assessment has found that the proposed modification would not cause any additional environmental impacts associated with the approved project. The proposed modification would enable Moolarben to more efficiently handle coarse rejects and tailings from the washing of Stage 1 coal.

Consequently, the Department believes the modification is in the public interest and should be approved.

## 7 RECOMMENDATION

It is RECOMMENDED that the Executive Director, as delegate of the Minister:

- consider the findings and recommendations of this report;
- determine that the proposed modification would not "radically transform" the approved project;
- approve the application, subject to conditions; and
- sign the attached notice of modification.



Howard Reed 8.1.10  
A/Director  
Industry and Mining



Chris Wilson  
Executive Director  
Major DA Assessments

11.1.10