



ASSESSMENT REPORT

Proposed Modification - Donaldson Coal Mine

File No: 9036168

1. BACKGROUND

The Donaldson coal mine is located near Thornton in the Cessnock and Maitland local government areas (LGAs) (see Figure 1).

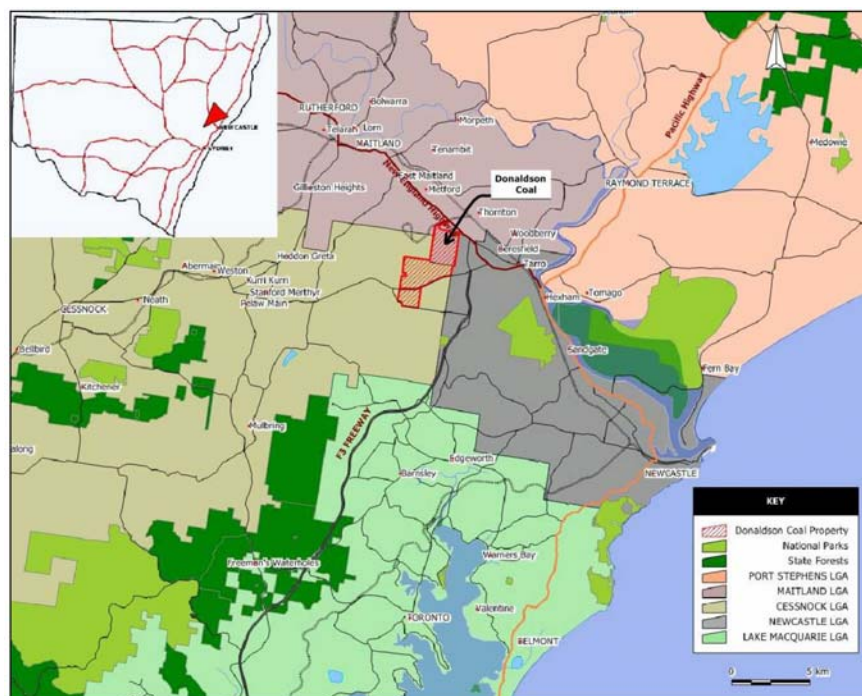


Figure 1: Regional Location of Donaldson Coal Mine

It was approved by the Minister following a Commission of Inquiry on 14 October 1999, and started operations in January 2001.

Under the Minister's consent, Donaldson Coal Pty. Ltd. (the Applicant) is allowed to:

- extract up to 20 million tonnes of Run-of-Mine (ROM) coal using open cut mining methods at a rate of up to 2.5 million tonnes of ROM coal a year;
- truck the coal along a private haul road to the nearby Bloomfield Colliery for processing and transport to domestic and export markets; and
- receive and emplace rejects from the Bloomfield Colliery at the mine.

The Applicant is proposing a small extension to the mine.

2. PROPOSAL

The proposal involves a small extension to the approved mining pit (see Figure 2) to recover about 650,000 tonnes of ROM coal. This extension would cover an area of 7 hectares, and would require little or no change to the existing operations at the mine. It would extend the operational life of the mine by about 4 months.

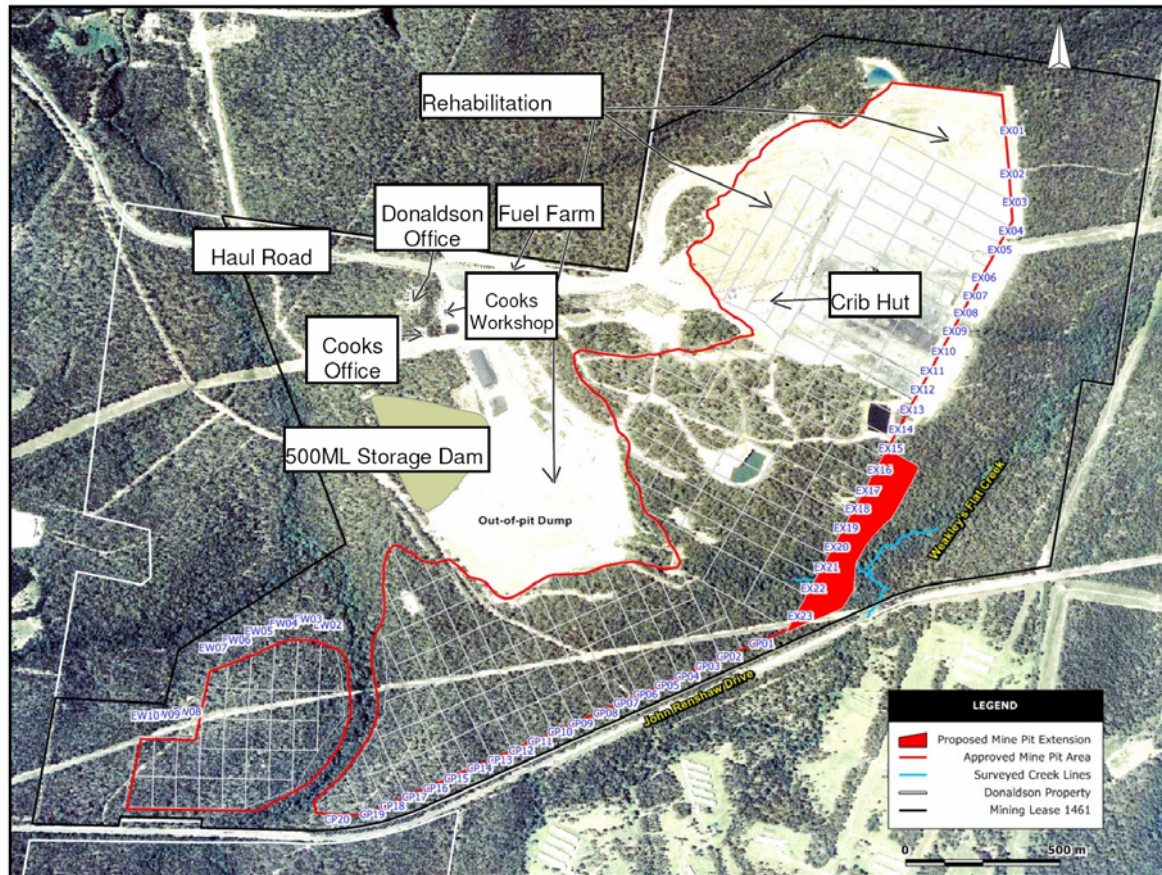


Figure 2: Location of Approved Mining Area and Existing Infrastructure

On 18 November 2004, the Applicant lodged an application with the Department seeking approval for the proposal under section 96(2) of the *Environmental Planning and Assessment Act 1979* (EP&A Act).

3. STATUTORY CONTEXT

Permissibility

The land is zoned 1(a) Rural 'A' under the Cessnock Local Environmental Plan (LEP) 1989. Mining is permissible with development consent in this zone. Consequently, the proposal is permissible with consent.

Consent Authority

The Minister was the consent authority for the original development application (DA) for the mine, and is therefore the consent authority for this application.

Section 96

Under section 96(2) of the EP&A Act, a consent authority is allowed to modify a development consent if it is satisfied that the "development to which the consent as modified relates is substantially the same development as the development for which consent was originally granted and before that consent as originally granted was modified (if at all)".

The Department is satisfied that the mine with the extension is substantially the same as the approved mine as it would increase the area of disturbance by less than 3%, and be within an existing Mining Lease.

4. CONSULTATION

The Department exhibited the application between 22 November and 10 December 2004, and notified the application in accordance with the requirements for public participation in the *Environmental Planning and Assessment Regulation 2000*.

During the exhibition period, the Department received 3 submissions on the proposal: one from the Department of Primary Industries, which supported the proposal; one from the Roads and Traffic Authority, which did not object to the proposal; and one from the Department of Environment and Conservation, which recommended changes to the current development consent for the mine.

The Department did not receive any submissions from the general public on the proposal.

5. SECTION 79C ASSESSMENT

Environmental Planning Instruments

The Applicant assessed the proposed mine against the relevant provisions of the *Cessnock LEP 1989* in Chapter 2 of the 1998 EIS, and demonstrated that it would be consistent with the aims and objectives of the LEP.

The *Hunter Regional Environmental Plan 1989 (HREP)* applies to the proposal. The Applicant addressed the provisions of the HREP in the 1998 EIS, particularly its provisions relating to the likely effects of coal mining, the creation of buffer zones, effective land rehabilitation and undertaking a comprehensive environmental investigation.

The Applicant addressed the provisions of *State Environmental Planning Policy (SEPP) No. 44 – Koala Habitat Protection* by undertaking a Species Impact Statement to investigate the presence of Koalas and Koala habitat.

The provisions of *SEPP No. 11 – Traffic Generating Developments* were complied with by the referral of the DA to the Roads and Traffic Authority.

The Applicant considered other relevant planning instruments (SEPP 14, 33 & 55) are not applicable to the proposal due to the location of the proposal away from coastal wetlands, the ability of the proposal to gain an Environmental Protection Licence, and the past history of the site as relatively undisturbed bushland.

The Department considers that the proposed extension of the mine would not alter the conclusions reached in the 1998 EIS in respect of these environmental planning instruments.

Environmental Impacts

In general, the impacts associated with the proposal would be much the same as the approved impacts. Appendix A contains a screening of environmental impacts. Issues having a potential for other than minimal impact are assessed in the following sections.

Noise, dust and blasting

The proposal would move mining operations slightly closer to the properties to the south east of the mine, and therefore slightly increase the noise, dust and blasting impacts of the mine on these properties. However, apart from a slight exceedance of the noise criteria at the closest property (1 dB(A) at the former Steggles chicken farm), it would comply with the relevant noise, dust and blasting criteria for the mine. Although an exceedance of 1 dB(A) is generally considered to be minor, the Applicant has an agreement with the owner of the former Steggles chicken farm property which allows for exceedances of the noise criteria.

Initially the Department of Environment & Conservation (DEC) recommended that the noise limits in the consent should be revised to more accurately reflect the requirements of the *NSW Industrial Noise Policy*. However, after further negotiations with the Applicant, DEC decided that the current noise limits should be retained as there was unlikely to be any difference between existing and revised limits.

Flora and fauna

The proposal would clear 7 hectares of Spotted Gum – Grey Gum – White Mahogany vegetation (woodland), and remove habitat or potential habitat for several threatened species. However, after assessing the Applicant's 8 – part tests for these species (including the recently listed Lower Hunter Spotted Gum – Ironbark Forest Endangered Ecological Community), the Department is satisfied that the proposal would be unlikely to have any significant effect on any threatened species (see section 5A of the EP&A Act).

Nevertheless, the proposal would remove 3 hectares of vegetation from the mine's Bushland Conservation Area of 646 hectares, which was established to offset the flora and fauna impacts of the original proposal. While the Department considers this impact to be relatively minor, it believes the Applicant should be required to revise the existing Bushland Conservation Area to provide suitable compensation for the proposed loss of vegetation.

Groundwater

The proposal would move mining operations as close as 40 metres to Weakleys Flat Creek, resulting in increase in groundwater make at the mine (around 10 Megalitres (ML) or 0.14 ML/day), and reductions in the baseflow of the creek (around or 21.1 m³/day). While the Department considers these impacts to be minor, it believes the Applicant should be required to monitor the impacts of the proposal to ensure they are consistent with the predicted impacts.

Surface water

With good erosion and sediment control management, the Department is confident the proposal would have little or no impact on the quality of the water in the creek.

Public Interest

The Department believes the proposal is in the public interest as it would recover a valuable natural resource (about 650,000 tonnes of ROM coal), offer ongoing employment for up to 100 people over a 4 month period, and generate export revenue and royalties for NSW without causing any significant environmental impacts.

6. PROPOSED CONDITIONS

The Department has reviewed the existing conditions of the Minister's consent for the mine, and recommended several changes to these conditions to:

- minimise the impacts of the proposal;
- update some of the performance criteria to current standards; and
- rationalise the environmental management, monitoring, auditing and reporting requirements.

The Applicant has reviewed the proposed changes to the Minister's conditions for the mine and supports them.

7. CONCLUSION

The Department has assessed the proposal in accordance with the requirements in section 79C of the EP&A Act, and concluded that it would recover about 650,000 tonnes of coal that would otherwise be sterilized without causing any significant impacts on the surrounding environment or local residential amenity.

Consequently, the Department believes the proposal should be approved subject to conditions.

8. RECOMMENDATION

It is RECOMMENDED that the Minister:

- consider this assessment report;
- determine that the development to which the consent as modified relates is substantially the same as the development for which consent was originally granted and before the consent as originally granted was modified;
- approve the application under section 96(2) of the EP&A Act; and
- sign the attached notice of modification (see Tag A).

David Kitto
Manager
Mining and Extractive Industries

Chris Wilson
Acting Deputy Director-General

APPENDIX A

SCREENING OF ENVIRONMENTAL IMPACTS FOR DETAILED CONSIDERATION

Issue	Assessed Environmental Significance	Assessed Public Interest/ Concern	Comment
Noise Impacts	Major significance	Low significance	See Section 5
Flora and Fauna Impacts	Major significance	Low significance	See Section 5
Surface and Ground Water Impacts	Moderate significance	Low significance	See Section 5
Air Quality Impacts	Low significance	Low significance	The Applicant compared predicted dust emissions from the mine with the original estimates contained in the EIS submitted with the DA. A slight increase (about 3%) was predicted, primarily as a result of the slightly increased haul distance from the mine extension area. The predicted increase in dust concentrations and dust deposition is small at all residences. Also, there are no instances where the predicted dust levels are above the DEC's air quality goals . Energy consumed due to the mine extension is predicted to generate 36,000 tonnes of CO ₂ , which represents an increase of 3.7% in the mine's greenhouse gas emissions. The Department is satisfied that air quality impacts will not have a significant impact on the environment.
Waste Generation and Management	Low significance	Low significance	There will be no new waste streams generated by the mine extension area. All waste-generating activities within this area will be incorporated into the mine's existing Waste Management Plan.
Traffic and Transport Impacts	Low significance	Low significance	There will be no change in existing coal transport arrangements. All coal is transported from the site by rail and no train loading occurs between 10 pm and 7 am. There will be no change to workforce numbers, and consequently no change to the volume of traffic generated by workers entering or leaving the mine.
Visual Amenity Impacts	Low significance	Low significance	The Applicant provided a visual impact assessment, which predicted the proposed extension of the mine would have no impact on the visual amenity as the mine is surrounded by vegetation to an average height of 16 m, which provides a natural visual screen.
Blasting Impacts	Low significance	Low significance	The mine conducts blasting operations in accordance with an approved Blast Management Plan and monitors all blasts at 6 permanent blast monitoring stations. A review of historical blast monitoring data indicates that the mine is in compliance with the blast overpressure and ground vibration criteria. Blasting operations are predicted to comply with the relevant criteria, and the existing Blast Management Plan would apply to manage impacts.
Impacts on Heritage	Low significance	Low significance	There are no known Aboriginal or European heritage sites in the mine extension area, which was surveyed prior to the submission of the DA. The mine produces an annual Aboriginal Sites Management Plan in association with the Mindaribba LALC. The Plan requires further surveys, by the Mindaribba LALC, during all vegetation clearing and topsoil removal operations in the mine extension area. Accordingly, there are no predicted impacts on heritage items and a management plan in place to help prevent unintended impacts.

Frequency of Environmental Audits	Low significance	Low significance	The Applicant requested a change to condition 117 of the Minister's consent to require Independent Environmental audits at 3 year intervals rather than 2 year intervals. The Department supports the proposed change in order that the frequency of Environmental Audits at Donaldson mine is similar to other coal mines.
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