

## Planning Assessment Commission's determination of the Shenhua Watermark Coal Project: An overview

After careful consideration of the project, including the findings of the earlier review and public hearing, public submissions and the issues subsequently raised at the recent public meeting, along with further inspections of the area, the Planning Assessment Commission has now determined that the Shenhua Watermark Coal Mine Project can be approved with stringent requirements.

In determining the application the Commission has particularly noted the following key points.

### 1. The Black Soil Plains must be protected

The Watermark Coal Project is proposed to be developed on the hills above the black soils of the Liverpool Plains. The black soil plains are highly important agricultural land. Significant concern about the potential impacts of mining on this rare and highly productive region were heard, both during the review and at the recent public meeting.

The Commission agrees with earlier findings that the NSW Government should do more work to prohibit mining on the highly valuable black soil plains.

This proposed mine, however, will be in the hills above the black soil plains and will not directly disturb those fertile soils.

The Commission acknowledges the mine will generate dust, noise and blasting impacts on land around the mine, but that this can be managed satisfactorily and would not preclude the continued productive use of the black soils for agricultural purposes.

### 2. Water impacts now adequately modelled and assessed

Significant concern about the potential surface and groundwater impacts of the project were raised during both the public hearing and at the recent public meeting. Notwithstanding that the water impacts had been assessed by various experts including peer reviews, the Commission engaged an independent expert to review the groundwater modelling at both the review and determination stages. During the review, Dr Mackie raised a number of questions about the applicant's modelling, and the Review found that these uncertainties needed to be resolved prior to determining the application.

The applicant subsequently provided additional modelling, which has been thoroughly reviewed by the Commission's independent expert. Dr Mackie, along with the Department's independent groundwater expert, and the NSW Office of Water are now all satisfied that the project would have modest impacts on groundwater, particularly noting the site's location in the hard rock aquifers, rather than the Upper Naomi alluvial aquifers relied on by the agricultural sector.

The Commission is now satisfied the potential water impacts of the project have been comprehensively assessed and that the project's impacts on water would be relatively small and acceptable, with groundwater drawdowns well within the levels permitted by the NSW Aquifer Interference Policy.

### 3. Aboriginal Cultural Heritage

The Commission heard significant concern about impacts to Aboriginal cultural heritage sites during the public hearing. The Commission accompanied by some members of the Aboriginal community subsequently visited two grinding grooves sites which are proposed to be relocated ahead of mining. The Commission acknowledges the significance of these sites to the Aboriginal community and has strengthened requirements to protect the sites during the relocation process and into the long term.

### 4. Koalas

The region also supports a koala population and the protection of koalas was a particular concern raised during the recent public meeting, and previously at the public hearing. The earlier Review Report considered this issue and made a number of recommendations to minimise impacts and commence habitat enhancement works as soon as possible. The Commission is satisfied the specific requirements for a Koala Plan of Management and Working Group will ensure that koalas are given the best chance of survival both in any translocation programs and through the establishment of additional habitat in the longer term. The conditions of consent require establishment of a Koala Technical Working Group including representation from the Australian Koala Foundation, if the available.

### 5. Other issues managed in accordance with NSW Government Policy

The Department of Planning and Environment recommended that other issues, including the management of impacts on biodiversity, air, noise and blasting are managed in accordance with NSW Government policies. In the absence of a relevant policy, the Commission's Review Report recommended more generous acquisition and mitigation options for those people living in the vicinity of the project site that would be impacted by the project. The Government produced a formal policy on this issue in December 2014 and the Commission has accepted the Department's recommendations to apply the levels specified in the recent *Voluntary Land Acquisition and Mitigation Policy*, and only applied a more generous option where the Department has gained the applicant's agreement to do so.

### 6. Social and Economic Impacts

Divergent views were expressed about the social and economic impacts of the proposal. After a thorough look into the issues, the Commission is satisfied that the proposal will generate significant employment, royalties and other economic benefits to the community. It has sought to manage the environmental impacts to ensure the sustainability and growth of the important agricultural sector on the Liverpool Plains.

### Determination

After careful consideration, including a review and public hearing, and a later public meeting on the project, the Planning Assessment Commission has now approved the Watermark Coal Mine Project, subject to comprehensive conditions and management requirements. The Commission's Determination Report and the Conditions of Consent are available on the Commission's website, [www.pac.nsw.gov.au](http://www.pac.nsw.gov.au).