



Shire of
Gunnedah
Land of Opportunity



Ms Lynelle Briggs AO
Chair
Planning Assessment Commission
GPO Box 3415
SYDNEY NSW 2001

4 December 2014

Dear Madam

**Watermark Coal Project
SSD 4975**

I refer to the above Project and the meeting of the Commission at Gunnedah on 11 December 2014 to hear submitters views on the assessment report and recommendation.

Council notes the rigorous level of assessment and evaluation to which this Project has been subjected. It also notes that the assessment report prepared by the NSW Department of Planning & Environment has recommended that the Project be approved subject to conditions.

Council concurs with the recommendations given the positive employment and economic development potential that the Project will deliver to the Gunnedah Local Government Area as well as the immediate region. In doing so Council recognises and expects that there will be a high level of scrutiny on environmental monitoring, particularly in respect of community concerns regarding impacts on ground and surface water, implications for agriculture and overall rural amenity.

Council notes that the Project will require considerable ongoing air quality monitoring. It is a concern that the proposed regional air quality monitoring program being undertaken by the Environmental Protection Authority to establish baseline data with ongoing monitoring is yet to be initiated. Clearly, it is desirable for this program to be in place before this Project extracts coal to allay community concerns regarding health implications from the Project.

It is understood that the air quality monitoring program is proposed to be a joint initiative of the coal companies in the Gunnedah Basin and the NSW Government. Accordingly it is Council's expectation that Shenhua Watermark Pty Ltd will financially contribute to the implementation and ongoing management of this program.

As you would be aware, Council has reached a mutually acceptable position with the proponent on the terms of a Voluntary Planning Agreement for the Project. Council believes that the offered amounts are an appropriate contribution, as set out in Appendix 11 to the recommendation, to enhance the Gunnedah community and address cost implications for Council and the Community as a consequence of the Project.

Council has since the initiation of the Watermark Coal Project developed a sound working relationship with Shenhua Watermark Pty Ltd. During this time Shenhua Watermark Pty Ltd has worked collaboratively with the Council in the progression of the Project.

Gunnedah Shire Council



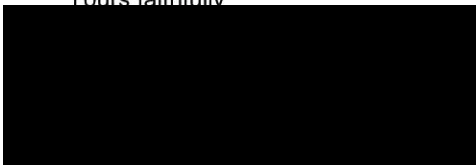
The presence of the Shenhua Watermark Pty Ltd office in Gunnedah is a significant component of the Gunnedah business sector. Council trusts that Shenhua Watermark Pty Ltd's presence will remain in the Gunnedah CBD in the future.

The \$5 million Community Fund provided by Shenhua Watermark Pty Ltd during the course of the exploration phase of the Project has made a considerable difference to important local projects that support and embellish the lifestyle of the Gunnedah community.

In particular, the \$1 million contribution to the Gunnedah Rural Health Centre effectively ensured this vital public health initiative, driven by the community, was able to be realised.

Finally, should the Project receive approval, Council looks forward to working productively with Shenhua Watermark Pty Ltd to ensure that the Project operates to the benefit of the Gunnedah community as a whole.

Yours faithfully



OC Hasler
MAYOR

Contact: 67402120
Reference: ms.vg