



AUSCRIPT AUSTRALASIA PTY LIMITED

ACN 110 028 825

T: 1800 AUSCRIPT (1800 287 274)

E: clientservices@auscript.com.au

W: www.auscript.com.au

TRANSCRIPT OF PROCEEDINGS

TRANSCRIPT IN CONFIDENCE

O/N H-988418

INDEPENDENT PLANNING COMMISSION

MEETING WITH DEPARTMENT OF PLANNING AND ENVIRONMENT

RE: UNITED WAMBO OPEN CUT COAL MINE PROJECT

PANEL: **TONY PEARSON**
ROBYN KRUK
DR PETER WILLIAMS

ASSISTING PANEL: **ALANA JELFS**

**DEPARTMENT OF
PLANNING AND
ENVIRONMENT:** **HOWARD REED**
MEGAN DAWSON

LOCATION: **IPC OFFICE**
LEVEL 3, 201 ELIZABETH STREET
SYDNEY, NEW SOUTH WALES

DATE: **9.07 AM, TUESDAY, 5 FEBRUARY 2019**

MR T. PEARSON: Good morning and welcome. Are we recording?

MONITOR: Yes.

5 MR PEARSON: Okay. Great. Before we begin, I would like to acknowledge the
traditional owners of the land on which we meet, the Gadigal people. I would also
like to pay my respects to their elders, past and present, and to the elders from other
communities who may be here today. Welcome to the meeting today, United
Collieries Proprietary Limited, the applicant. You're seeking to expand open cut
10 mining operations at the existing Wambo Coal Mine and United Colliery to allow for
the extraction of an additional 150 million tons of run of mine coal over a period of
23 years. My name is Tony Pearson. I am the Chair of this IPC panel. Joining me
are my fellow Commissioners, Robyn Kruk down the end, and Dr Peter Williams.
The other attendees at this meeting are Alana Jelfs from the IPC Secretariat and we
15 have representing the department, Howard Reed and Megan Dawson.

In the interests of openness and transparency and to ensure the full capture of
information, today's meeting is being recorded and a full transcript will be produced
and made available on the Commission's website. This meeting is one part of the
20 Commission's decision-making process and will form one of several sources of
information upon which the Commission will base its decision. Those present would
be aware that on 12 December 2018, the Commission postponed the public meeting
as a result of a commissioner identifying a perceived conflict of interest and
withdrawing from the panel. On 18 December 2018, Robyn Kruk was appointed to
25 the panel and on that basis, the panel has decided to hold this meeting again. The
Commission acknowledges the inconvenience that the postponement of the public
meeting caused.

It is important for the commissioners to ask questions of attendees and to clarify
30 issues wherever we consider – whenever we consider it appropriate. If you are asked
a question and are not in a position to answer, please feel free to take the question on
notice and provide any additional information in writing which we will then put up
on our website. I request that all members here today introduce themselves before
speaking for the first time and for all members to ensure that they do not speak over
35 the top of each other to ensure accuracy of the transcript. We will now begin. So
Howard, thank you for coming again – well, I guess, for the first time. Megan, thank
you for coming again. We appreciate it very much.

What I thought would be helpful is – our approach will be two-fold. One you can
40 assume that we've read all the material and we've read the transcripts from the
previous meeting and so we're familiar with the project. But what I thought would
be helpful is – as we did last time, is just to ask the department to provide an
overview of its assessment of the project focusing on the key issues that it should
have identified through the process. And then I think the other thing that would be
45 helpful as part of that is any changes or updates that you've kind of made to the
assessment or to your view on the project as a result of – or between the last meeting

and this meeting would be helpful. And once we've done that, we might, sort of, go through into the issues and, kind of, elaborate on those with any questions that we might have or where there was some specific follow-up from the previous meeting, kind of, dive into those.

5

MR H. REED: Sure. Tony, I might make an introductory remark too, if I may.

MR PEARSON: Yes.

10 MR REED: For the benefit of the transcript, my name is Howard Reed. I'm a Director of Resource Assessments in the Department of Planning & Environment. And I just want to make it clear that my role here today is subsidiary. Meg was the Principal Assessment Officer during the assessment and the project and, in fact, the assessment and the consent were both finalised while I was not at work. I was on
15 long-term leave. And, indeed, I wasn't able to attend the Commission's early briefing with the department on the – I think, it was 6 December.

MR PEARSON: I can't remember the date, but it was around about then.

20 MR REED: Around about then. So I'm here as back-up if you like. Meg will be leading the briefing. I just want to make that clear.

MR PEARSON: Okay. Thank you.

25 MS M. DAWSON: Great. My name is Megan Dawson. I'm a team leader at the Department of Planning in the Resource Assessment team. And as Howard mentioned, I led the final assessment report, so I'm happy to lead most of the responses today.

30 MR PEARSON: Right.

MS DAWSON: So in terms of our going from the first merit review to the final assessment report, the main thing that the applicant focused on was really clarifying impacts and then expanding on their proposed communication and management
35 measures. They did do additional assessment work as you would have seen in terms of the mine plan in their land form, but they really didn't change the project substantially. So you will notice, there's very few actual project changes, but there were quite a few fine-tuning of communication and management measures.

40 In terms of our assessment, we addressed each recommendation systematically, but I guess there were – as I mentioned in the previous briefing, there were really four areas that we paid extra attention to and those were the offset staging in line with the disturbance, the transitional noise and how it would be conditioned and managed and regulated. We also played close consideration to the final land form and the final
45 voids and also a lot of focus was centred around the conditioning the joint venture and the transition to the project.

MR PEARSON: Okay. What we might do then is follow-up on each of the issues that that either arose with the review process or have arisen through the determination process. And the first is on noise. And I might ask you to provide some more information if you can to us around your views on the representativeness of the rock characteristics during the two year trial period with rock characteristics of the project in later years.

MS DAWSON: Sure. So the new monitoring trial has been proposed by the applicant to trial new monitoring techniques and because it's not a trial of blasting techniques, it's more a trial of monitoring technologies. We consider that two years was a sufficient time and over this time, the applicant should be able to collect representative data from a range of blasting events which are driven by various factors including geology of the rock characteristics and the meteorological conditions. So two years should be a sufficient time to collect enough data and then hopefully, implement the learnings of that trial. One other thing I would like to mention about the trial is that over the course of the two years, we – and the EPA would like to be involved in having input in that and how it's implemented, so we've carefully imposed a condition within the blast management plan to ensure that that trial is described and that the Department of EPA are consulted with.

MR PEARSON: Which condition is that?

MS DAWSON: So that is B21, paragraph (e) and that's in the SSD consent.

MR PEARSON: Okay. So there is uncertainty in relation to what the rock characteristics might be post that two year period, but you're saying that this condition will manage that uncertainty.

MS DAWSON: Not that there's uncertainty. It's just that over the two years in terms of depth of mining, they may not cover all the different strata, but they should cover a representative amount.

MR PEARSON: Right. Okay.

MS DAWSON: And really, it's about trialling monitoring rather than trialling blasting techniques.

MR PEARSON: Okay.

MS DAWSON: The intent of it is to, kind of, trial – the current methodology is really based on visual interpretation and so they really want to try some more quantitative data collection methods that don't rely on visual interpretation.

MR REED: Which was really how orange the blast plume appears to a visual observer and while that indicate says a lot or a little of nitrogen dioxide in blast fumes, it doesn't give you much quantitative information at all.

MR PEARSON: Right. Okay.

MR REED: Yes.

5 MR PEARSON: Okay. Thank you. That's all on noise unless Robyn or Peter have
- - -

MS R. KRUK: I'm fine with that. Probably just a follow-up question. I'm
10 presuming that the CCC is part of that process as well too. Is that understanding or is
that something that would need to be made clearer?

MS DAWSON: Not always with management plans. We don't have the CCC as
15 being a mandatory – they don't have to be engaged as a – like a mandatory rule. But
they will be informed of the process as regular updates on the mining activities. But
we've only conditioned ourselves and the EPA to be - - -

MS KRUK: To ensure that there's an external oversight.

MS DAWSON: Yes.
20

MS KRUK: Yes. Thank you.

DR P. WILLIAMS: Sorry. Just one question. Just on the policy setting for noise. I
25 think there's justification in the report of using the older industrial noise policy rather
than the – from 2000 – rather than the old – the new noise policy for industry. That
gives a better outcome in terms of – it's more conservative in the sense that at – in
terms of identification of potential receivers that receivers are potentially impacted,
so there was a recommendation of using the later of the two industrial noise policies,
30 but the justification for the earlier one is given in the – by the applicant and in your
report. You're still happy with that – the reliance on the older noise policy as the –
as a basis over which noise is assessed?

MR REED: Well, the – there is an element of the noise policy for industry that has
35 to be applied and that's in respect of low frequency noise emissions. So that came in
without a transition period. But, yes, the noise policy for industry is in some respects
less conservative, so – yes, less conservative and does not protect all residents to the
degree that the industrial noise policy did. The scientists have had their way and
they've updated certain provisions of the INP that were considered to be too
40 conservative. So, yes, they're in many cases, there would be one or two residences
that would not be protected by the mitigation or acquisition conditions. Talking in
the general case, I don't know the particulars for this.

MS DAWSON: five will lose their rights - - -

45 MR PEARSON: Yes. Correct. That's right. There's five in this particular project
that have lost their acquisition rights as a result of the – not lost, sorry, but would be
ineligible - - -

MS DAWSON: Yes.

MR PEARSON: - - - under the new policy.

5 MS DAWSON: And considering the length of the assessment, we really didn't – in the amount of community engagement and - - -

MR PEARSON: Yes.

10 MS DAWSON: - - - negotiations that have already been had and - - -

MR PEARSON: Yes.

MS DAWSON: - - - we believe that that was best community expectations and
15 also - - -

MS KRUK: Based on the existing provisions.

MS DAWSON: - - - based on the existing – yes.
20

MR REED: Yes. And - - -

MS DAWSON: Rather than changing and losing rights.

25 MR REED: And the final thing is that it was the industrial noise policy that was specified in the secretary's environmental assessment requirements for the project a number of years ago, so - - -

DR WILLIAMS: Okay. Thank you.
30

MR PEARSON: Okay. On air quality, I would be interested to know, there was some discussion around greenhouse gas emissions reduction measures that the applicant has identified and implemented and it described them as being technically feasible and financially reasonable. I would be interested to understand whether
35 there were any GHGE reduction measures that were assessed as being not technically feasible or financially reasonable that are used on other mine sites in the Hunter Valley.

MS DAWSON: Sure. I had a chance to look into this a bit more over the last - - -
40

MR PEARSON: Yes.

MS DAWSON: - - - month and it goes back to the EIS assessment as an appendix 8 with the greenhouse gas and energy assessment.
45

MR PEARSON: That's right.

MS DAWSON: And in that, they ruled out four mitigation measures, reduction measures, that as being not technically feasible and financially reasonable. So if it would help, I could just run through those four - - -

5 MS KRUK: That would be useful.

MR PEARSON: Yes. Thank you.

10 MS DAWSON: - - - and our awareness of the were. So the first one was pre-gas drainage programs and whilst that's currently undertaken at underground coal mines to maintain a safe working environment, the department is unaware of any open cut coal mines across Australia that use pre-gas drainage programs. So that was the first one. The second one was use of alternative fuels, mainly barrel diesel and again, the department is currently unaware of any coal mines in New South Wales
15 that we could be confident that are using barrel diesel. I understand that the applicant's response to that, and they may be elaborate on this, but they acknowledge that it has the potential to void their warranties on their equipment - - -

MR PEARSON: Right. Okay.

20

MS DAWSON: - - - so they switch to power diesel. But I couldn't - - -

MR PEARSON: Okay. We haven't seen a response from the applicant as yet on this question, so - - -

25

MS DAWSON: Apologies.

MR PEARSON: Yes.

30 MS DAWSON: That was how they responded in the appendix of the EIS.

MR PEARSON: Okay. Right. Okay.

MS DAWSON: That was their explanation, but we haven't been able to verify that.

35

MR PEARSON: Yes.

MS DAWSON: The third reduction measure was replacing trucks with conveyors. Again the department is unaware of any of the cut coal mines in New South Wales
40 that use conveyors to transport waste or ROM coal from the pit to the processing plant because it's different from the plant to the rail load out facility.

MR PEARSON: Yes.

45 MS DAWSON: We understand this to be the case because trucks are generally more flexible and efficient and cost effective, particularly over a short haul distance – all distances. Conveyors alternatively are generally capital intensive less flexible

and are sensitive to materials size which would mean you would have to do some sort of processing or crushing sizing in the pit before you load it out. There are, however, commonly used underground coal mines, so they are straight from the – you go the long of the continuous conveyor system transporting your coal out of the underground.

MR REED: If I can just break in there – it would be unusual to have significant quantities of waste rock removed from an underground mine. Occasionally that happens. We have to mine through an igneous intrusion or something like that but for the most part the mining is confined to the coal seam so that – that’s, if you like, a resource-rich raw product. It can be crushed and put on the conveyer. As soon as you start to convey large quantities of overburden the it’s a very different story.

MS DAWSON: So there are open cut coal and metal and ferrous mines elsewhere in Australia that use a system called in-pit crushing and conveying and that system does have some limitations in terms of cost and mine design and mine planning so it really has to be done upfront with the mine designing. It’s – I’m aware that it’s undertaken in Queensland and there are some new projects in New South Wales looking into it but it’s not currently used in the Hunter Valley. The last one was electric drills and shovels. That is used in other coal mines in the Hunter Valley so electrical equipment such as drive lines and electric shovels are used at mines such as HVO Ravensworth, Liddell, Bengalla and Mount Arthur. But, again, this equipment is quite capital intensive and really relies on a nearby supply of electricity.

MR REED: And we understand that some of those electric shovels – not the drag lines but some of those electric shovels are not being used at the moment.

MS DAWSON: That’s my understanding; yes.

MR PEARSON: Okay. That’s very useful, actually. Thank you.

MR REED: If I can add - - -

MS DAWSON: Can I - - -

MS KRUK: And you may be picking it up hard. In your conditioning or your proposed conditioning on this one what are the mechanisms to ensure that there is an ongoing review as to what is both, you know, technically feasible and reasonable as the state of knowledge changes domestically. Do you know what I’m saying in relation to - - -

MS DAWSON: Yes, technology is - - -

MS KRUK: Yes.

MS DAWSON: - - - yes, changing quite rapidly.

MR KRUK: Just give me a sense of how that works – that was my unanswered question in that area.

MS DAWSON: Sure.

5

MR REED: Well, there are a number of prompts for regular review of management plans. One is if the consent is ever modified then there has to be a review of all management plans and revision if required or if appropriate. The same is true with every annual review and every tri-annual audit, independent audit. So there are – we've got inbuilt systems, if you like, for the regular review of management plans and our experience is that most companies make minor or more significant changes to management plans as a result of those prompts. We don't have many cases where coal mining companies effectively say, "Well, there has been an audit or we've modified the consent but there's no need to change the existing management plans." Would you agree with that, Meg?

10
15

MS DAWSON: Yes, definitely.

MS KRUK: It's particularly relevant to the diesel-based issues as well - - -

20

MS DAWSON: Yes.

MS KRUK: - - - given there seems to be a limitation in terms of the Australian supply chain in that area so - - -

25

MS DAWSON: Yes and that was discussed quite at length at the EPA.

MR PEARSON:

30

MS DAWSON: So the applicant identified that.

MS KRUK: Yes, yes.

35

MS DAWSON: And a majority, I think, of their emissions is mainly from off-road diesel equipment and there was a – the EPA was – based on the US EPA Tier 4 engines - - -

40

MR PEARSON: And I think I recall somewhere there was an obligation that new equipment would be – new equipment commissioned on site would be of a certain sort of emission standard so - - -

MS DAWSON: Yes.

45

MR PEARSON: - - - as equipment is replaced - - -

MS DAWSON: Yes, so we put in an operating conditions – B28.

MR PEARSON: Yes, B28(b) I think it is.

MS DAWSON: (b), yes, about ensuring that any new non-road mobile diesel
5 diesel emissions technology. We were intentionally vague there. We didn't actually
explicitly say Tier 4 engines. I guess that's just future-proofing that.

MR PEARSON: Yes.

10 MS KRUK: You're providing the flexibility in future-proofing.

MS DAWSON: Yes. Yes, making it adaptive.

MR PEARSON: I did have a question on that condition and if you will allow me
15 perhaps I could ask that question now.

MS DAWSON: Sure.

MR PEARSON: It deals – so it says that in short any new non-road – so I just
20 wonder whether the word “new” – what happens if second-hand equipment is
acquired and commissioned? Is it captured under this wording?

MR REED: Well, I don't suppose it is but I didn't think that was a very likely
25 situation particularly with a big company like Glencore.

MR PEARSON: Right.

MR REED: Perhaps the area where it might be a problem is equipment transported
30 from one mine to another. Yes.

MS KRUK: So possibly replacement – what is it - - -

MR REED: Yes.

35 MS KRUK: It may be a capture - - -

MR PEARSON: Yes, some other word that might capture second-hand equipment
perhaps. Yes. Okay.

40 MS KRUK: Obviously, the issue is because diesel has been raised as being a
concern in so many submissions that the company themselves acknowledges it and I
think what we're trying to do is to ensure that the conditioning is both adaptive but
also quite indicative of the expectation of changes.

45 MR PEARSON: Yes.

MR REED: Fair enough. If I can just cast back to one or two points in what Meg said about pre-gas drainage programs so I thought it was relevant to add that underground mines – underground coal mines generally operate at greater depth or commonly operate at greater depth than open cut mines and for that reason there is commonly more gas in the seams but not always the case. Some underground mines don't have a lot of gas and it may be that some open cut mines have more than other open cut mines but the fact of the matter is that there is a need, a common need to de-gas of working underground mines – as Meg said, for mine safety reasons – and that's the real driver for either in-seam drainage or drilling from surface ahead of the mining face to drain that gas.

So there's that fundamental difference between open cut mines and underground mines. The other thing I just thought I would mention is harking back a little bit earlier to when you were talking about the CCC. CCCs are essentially a review and advisory committee. They don't have a regulatory or an oversight role but they're a consultation, review, community engagement and for that reason it would be very open to a CCC to say to its mine that it would like to look at draft management plans and there may be some complexities with that in terms of how often the CCC meets but I'm sure that most mining companies would want to cooperate with the CCCs in that regard.

MS KRUK: Okay. That's very useful. Thank you.

MR PEARSON: We might move on from air quality, if that's okay. Yes. So on the biodiversity side of things I guess there were sort of two areas we're particularly interested in. One was around the cost relatively as associated with retiring ecosystem credits versus acquiring biobank sites versus rehabilitating sites and just getting some understanding of, you know, what the costs and the imposts are around each of those three different mechanisms for retiring credits.

And the second was around the impacts relating to the EPBC and I guess the concerns we would like to understand a little bit more about there relate to, (1), the rehabilitation that has been used in stage 1 and what the risks and uncertainties and issues are around that in a little bit more detail. And then in relation to the stage 2 and 3 biodiversity impacts that have been assessed under the EPBC what's the likelihood that the applicant will be able to acquire land-based offsets for that, noting that's really the only avenue for the applicant to retire those credits at this point in time.

MS DAWSON: Sure and I will just start with your first question.

MR PEARSON: Yes. Thank you.

MS DAWSON: Unfortunately, we're not in a position to answer it directly in terms of costs relativities but I guess I can provide you more context in terms of the policy and the intent that – our understanding of the intent that are behind how they drafted they policy.

- MR PEARSON: I think we understand the policy. I think it's more the issue of the practical sort of implementation of that policy in terms of how you go about achieving the outcomes under each of those three pathways was probably the area

- 5 MS DAWSON: Sure.
- MR PEARSON: --- we weren't really quite sure on so ---
- 10 MS DAWSON: We will try and elaborate as much as we can. So essentially ---
- MR PEARSON: Yes. Yes. Look, it may not be possible to answer the question

- 15 MS DAWSON: Yes.
- MR PEARSON: --- and so again it is – I know it's a difficult question but it is one that we're kind of wrestling with on our side of the fence as to ---
- 20 MS DAWSON: Yes.
- MR PEARSON: --- just trying to understand the magnitude and the issues and the risks around each of those different pathways.
- 25 MS DAWSON: So within the mechanisms in the new – in the policies, they're intentionally not prioritised so there's not one preferred over the other.
- MR PEARSON: Correct.
- 30 MS DAWSON: And that's really because the angle is to ensure a successful biodiversity outcome and how this is achieved is really up to the – like, how the credits are retired is a ultimately – ultimately a business decision and that comes down to each business' capabilities, costs, the access to land.
- 35 MR REED: So that means it's essentially a market-based mechanism and if it's cheaper for a company to buy land than to pay into an – the offset fund, that's what it will do. If there is only a small amount of land available or the owners of that land don't want to sell it might be forced to a different – a different outcome. I know that companies work hard to try and find land and it's not as easy as you might think ---
- 40 MR PEARSON: I mean, we've had feedback from ---
- MR REED: --- and it will get more difficult ---
- 45 MR PEARSON: Yes, I think that's right.
- MR REED: --- over the years.

MR PEARSON: We've certainly had feedback from some of the councils in that region that - - -

MS KRUK: Howard, that was - - -

5 MR PEARSON: - - - it's become increasingly - - -

MS KRUK: That was some of our concerns in relation to potential scenarios, because it's identified as a risk at the moment in relation to the interaction between
10 EPBC and the State Provisions. Is that going to be manageable given there is limited land available, the like for like issues, and they've only got a certain number of credits. We just wanted your view on that, and - - -

MS DAWSON: Sure.

15 MS KRUK: - - - we understand ultimately that's a market decision. Policy I think is quite clear from your statement.

MS DAWSON: Sure. If we want to – maybe it's best to jump to the - - -

20 MR PEARSON: Next question.

MS DAWSON: - - - EPBC credits then.

25 MR PEARSON: Let's do that.

MS DAWSON: So they have 3190 residual EPBC credits to retire, and that's 22 per cent of the package. And so to date we've already identified three land based offsets to help satisfy – to satisfy the existing offsets, and they're using so, what we've
30 considered is, based on the track record to date and identifying land, and that it's only – the residual is also 22 per cent of the package and they have seven years to identify the land or identify the credits, that that would be sufficient time to mitigate those risks.

35 MR PEARSON: Okay. And so what happens if – if they aren't able – so, if the regime doesn't change, so there isn't a new mechanism introduced under the EPBC Act, what – what – and they – and the applicant is unable to acquire land based offsets at the point they get to stage – into stage 1, what happens?

40 MS DAWSON: They can't proceed to stage 2 and 3.

MR REED: That would depend on the terms of the EPBC Act approval, but yes, that's certainly - - -

45 MS DAWSON: The way we've - - -

MR REED: - - - a potential outcome.

MS DAWSON: - - - conditioned it is that - - -

MR PEARSON: Right.

5 MS DAWSON: In terms of the New South Wales equivalent credits.

MR PEARSON: And so – and so how long do we allow that – or do you allow – do you allow that situation to persist, I guess is the – does the applicant have the ability to just sit tight until – for a year, two years, 10 years to – to wait until they can
10 acquire that land or - - -

MR REED: Well, I see that as a Commonwealth matter.

MR PEARSON: The state is left with the impact, though mining operation.
15

MR REED: Well, there are two approvals. If the terms of our approval can be satisfied, then it can proceed under one approval, but it has to satisfy the terms of two approvals and - - -

20 MR PEARSON: Right.

MR REED: - - - it depends on what will be in the new EPBC Act approval.

MS DAWSON: It may be worthwhile mentioning that there is an amendment to the
25 bilateral agreement currently on exhibition, and in that there's commitments from the Commonwealth that they are looking to endorse the fund, so I guess that's a - - -

MS KRUK: I was unaware of that.

30 MR PEARSON: Yes, I was unaware.

MS DAWSON: So it's on exhibition until – I think late February.

MR PEARSON: Okay.
35

MS DAWSON: And there's – there are - - -

DR WILLIAMS: There's an actual draft of the bilateral agreement?

40 MS DAWSON: Yes, on - - -

DR WILLIAMS: Sorry to interrupt.

MS DAWSON: - - - the Commonwealth website.
45

DR WILLIAMS: Right. Thank you.

MS DAWSON: And within that they've committed to - - -

MR REED: They are looking at - - -

5 MS DAWSON: - - - looking at endorsing the funds.

MS KRUK: So, it's under consideration, in effect.

MR PEARSON: But there's - - -

10 MS KRUK: the two provisions operate.

MS DAWSON: Yeah, there's a bit of compromise in terms of the like for like. So, New South Wales has variation rules and there's I guess from the New South Wales perspective – or there's potential and opportunity to amend some of the regulation to - - -

15 MS KRUK: That's very useful. I was unaware of that.

20 MR PEARSON: Yes, I was too.

MS DAWSON: So I guess it's another sign for the - - -

MR PEARSON: Do you regard it – I mean, maybe you can't comment, but do you regard it as likely that that additional pathway will be introduced in the final amendments?

25 MR REED: I guess my take on that is that at an officer level the Commonwealth are talking with – with their state counterparts, and those conversations are constructive. But beyond that, I couldn't comment.

30 MR PEARSON: Okay.

MS KRUK: Tony, if I may go back to your point about the fact – and to – to – we're looking at a risk proposition basically, because of the offsets issue being so significant. If at the end of stage 1 it were – is not possible, I want you to elaborate – so, in effect the development would stop until there is alternative land provided - - -

35 MR REED: I think - - -

40 MS KRUK: - - - biodiversity offset.

MR REED: - - - Glencore would move heaven and earth - - -

45 MS KRUK: Sorry?

MR REED: - - - to find something.

MS KRUK: Yes.

5 MR REED: It's a big project and it's got a good MPV. I don't think they would allow themselves to be stopped in their tracks. They would – they would do what was necessary to - - -

MS KRUK: To do it. It was more to get an understanding in your current proposed conditions, show me exactly where that – that – that clarity is there.

10 MS DAWSON: Sure.

MS KRUK: Yes, read it out to me, that's fine.

15 MS DAWSON: Okay, sure. So, B – it's in B50. So, the first stage is within 12 months. B51 is prior to the commencement of surface disturbance associated with stage 2 or stage 3, or other timeframe agreed by the planning secretary, the applicant must retire the relevant credits for these stages as specified in table 5. Table 5 just has a breakdown of the - - -

20 MS KRUK: Okay.

25 MS DAWSON: So there is – we have included other timeframe agreed by the planning secretary, but we're not intending to – to use that as a default out clause. That's just to provide some flexibility. We've included that similar wording – so, generally where we rely on the third-party agencies – so, if we're relying on the BCTROH to help retire the credits and we don't have, like, the applicant or the department up until that decision, we put in some flexibility in the wording.

30 MS KRUK: But the intention – and make sure that I'm getting your intentions clear – is that unless those offsets were available and provided, state 2 cannot proceed, yes?

MS DAWSON: Yes.

35 MS KRUK: Yes.

MS DAWSON: Okay.

40 MR REED: Yes.

MS DAWSON: Notwithstanding that stage 2 is really only a small - - -

MS KRUK: No, no, I understand - - -

45 MS DAWSON: - - - in terms of area.

5 MS KRUK: It's more getting an understanding in terms of what exactly the
hardness of the barriers is on staging, because it's an issue that's come through quite
a few times and there's been a lot of discussion between the agencies and the
proponent on this area, but it's just a matter of making sure we understand your
intent at this point.

MR REED: Well, to emphasise that, our intention is that it's a firm barrier.

10 MS KRUK: Yes.

MR REED: Right. The department has been bitten, I guess, a number of times in
the past where it's drafted conditions that are so firm that process related delays
cannot be accommodated. So, in terms of retiring credits, certainly the experience in
the past or establishing BCAs or restrictive covenants and a number of mechanisms
15 like that, the experience in the past has been that with the best will in the world there
have at times been bureaucratic delays that have prevented hard timeframes being
met. So, the purpose of that drafting is to allow for those process – those unexpected
process related delays, rather than get out of jail clause.

20 MS KRUK: Okay. Thank you for that.

MR PEARSON: And then presumably if upon moving heaven and earth Link was
unable to find suitable offset land, in 2041 the license lapses and they move into
remediation mode at the point; is that - - -
25

MR REED: I think that would be the outcome. I think it would be a very brave
secretary of a major government department that effectively took action to make a
condition of no effect, and I think it would be actionable in the courts.

30 MS KRUK: Thank you for that. Very useful.

MR PEARSON: Okay. Yes. That's all I had on biodiversity. Thank you, Robyn.
You can

35 MS KRUK: I needed to understand the firmness of the barrier - - -

MR PEARSON: Yes. Yes. Yes.

40 MS KRUK: - - - so I appreciate that discussion.

MR PEARSON: That's good.

DR WILLIAMS: Sorry.

45 MR PEARSON: Yes, go

DR WILLIAMS: I don't know, it may be a question – well, I will ask the applicant but do you know what they are trying to do at the moment in terms of resolving – have they had any ongoing discussion with - - -

5 MS DAWSON: My understanding is they're looking at some of their land-based offsets at the moment.

DR WILLIAMS: They are looking at it; yes.

10 MS DAWSON: Yes.

DR WILLIAMS: So, okay. So - - -

MS DAWSON: There might be other

15

DR WILLIAMS: Yes. Okay. Thanks.

MS A. JELFS: That's a question we've asked them.

20 MR PEARSON: Yes. Yes, that's right. All right. We will move onto rehab and final voids. So I think the issue we're sort of grappling with here is we've heard at the last meeting – and it's in the transcript – some of the information around the economic impact of filling one, both or no voids and we would be interested to understand a little bit more here around your views on what the more – so setting
25 aside the economic impact, what's the more desirable outcome here from an environmental perspective of filling probably the Wambo void, I suspect, but I mean if you've got some views on the United void as well – because I think – I think you deal with that quite comprehensively in the assessment report – but what's the preferred environmental outcome here in relation to filling particularly the Wambo
30 void but, you know, perhaps also there are other – other – more information you have on the United void as well we would welcome that.

MS DAWSON: Yes, sure. So the way we concluded our assessment was that we were satisfied that the land form as proposed – so with the two voids – was an
35 acceptable environmental outcome and really we also acknowledge that that was a good starting point for refinements in the future so progressively investigating for the opportunities to minimise the size, extent of the final void and the number of voids and that could be done progressively and nearer to mine closure. As you've acknowledged - - -

40

MR PEARSON: What do you mean by that, sorry? So upfront they're permitted to have two voids and are you saying that down the track through consultation there might be opportunities to eliminate one of those voids through discussion or - - -

45 MS DAWSON: Yes so - - -

MR PEARSON: - - - I didn't quite understand.

MS DAWSON: As part of the rehab strategy we've included a condition – I just
– so B87(c).

MS KRUK: Can you read it out, Meg, if you don't mind.

5

MS DAWSON: Sure I can. Yes:

*Include a program to periodically review and refine the final land form and
final void outcomes to meet the relevant rehab objectives in table 6.*

10

MR REED: So it's the rehab objectives that are set in stone.

MR PEARSON: Right.

15 MS DAWSON: And those are minimise the size, extent of the final void.

MR PEARSON: Okay but not the number of voids.

20 MS DAWSON: Yes. Sorry. Correct. Yes. To minimise the – not necessary
remove them. So we were satisfied with the land form as proposed but we also
acknowledge that – and we would support them for their investigating opportunities
to make improvements.

25 MR PEARSON: And because there was – I think from memory that the applicant
looked at – there's a whole table they had in their presentation. They've got six or
seven columns and it looked at filling one void, two voids, etcetera - - -

MS DAWSON: Combining - - -

30 MR PEARSON: Yes, combining all – there's a whole range of different scenarios
that it went through. In your assessment, did you reflect on whether filling the
Wambo void presented a better environmental outcome than not filling it?

35 MS DAWSON: We didn't elaborate on it because we generally tried to focus on,
like, the - - -

MR PEARSON: Or a less attractive environmental outcome even? Like - - -

40 MS DAWSON: So we – we have acknowledged that it's – so from an economic it's
..... but from an environmental perspective that backfilling the Wambo void and
making it a free-draining landform could be a better environmental outcome. But
generally focus – we try and focus our assessment on the triple bottom line – the
environmental, the social and the economic.

45 MR REED: So the specific question - - -

MR PEARSON: Yes, as were we, but it's just trying to break it down for us, like, you know - - -

MS DAWSON: Yes, yes.

5

MR PEARSON: - - - so we know the economic – I think we had a lot of information on that.

MS DAWSON: Yes, we

10

MR PEARSON: And so we've got the discrete, sort of, package of information around that. We would like to try and get a discrete, sort of, understanding around the environmental benefit or detriment, if you like, of filling that void.

15 MR REED: Well, the specific question that we were asked by the commission is for the department to provide its views on the most desirable environmental outcome in relation to the Wambo void, setting aside economic and other considerations and our view is that the department would support changing the Wambo void to a backfilled, free-draining landform, setting aside economic and other considerations.

20

MR PEARSON: Okay.

MR REED: But that's the framework in which we're asked to make decisions.

25 MR PEARSON: I completely agree – no, and I - - -

MR REED: We're asked to make decisions in a tripe bottom line framework. So yes.

30 MR PEARSON: It's – you need to look at all of the different – correct. Correct. But for us, to help our understanding that that – that information around each of those discrete elements is actually quite useful.

35 MR REED: Yes. No, the department supports minimisation of the number of voids and recognising – excuse me for a moment – I'm sorry for that – the department supports the minimisation of the number of final voids and that's not always an achievable outcome for a number of reasons. Economics is an ugly word to raise in that context, but nonetheless it has to be taken into account. Coal is a low-value commodity, when you get down to it. It sells for about the price of top soil or thereabouts.

40

45 It's just an earth material, it's not a mineral concentrate – it's just an earth material in a raw form. But apart from that, there are environmental considerations as well, in particular the management of groundwater. So there are a number of factors to take into account. The department sees final void policy as a – how can I say – in a state of change. There are a number of initiatives that are underway within government at

the moment in that regard and it's not certain where we will end up, but it's not a simple question.

5 MR PEARSON: No, I would agree with that. It's a very complicated assessment process. And are you able to – would you be able to talk through how you balance all those different things to arrive at the position you did? So noting that there's a preference to support the elimination of the void and there's an economic cost to that, are you able to kind of unpack that a little bit more?

10 MR REED: Sure.

MR PEARSON: Is there a threshold value, for instance, that you kind of regarded as being – if the void costs less than X to fill, you would tip that way; if it costs more than X, you would tip a different – like - - -

15

MR REED: Well, there are many factors to take into account, Tony. If the final mine proposal is two voids close to one another, then that's different than if there were two voids at considerable distance apart. In this case, if I remember correctly, there was the possibility of linking the two voids, but that didn't seem to offer any great benefit. Our initial considerations were confused a little by the company's and its consultant's errors in identifying their salinity of the two final voids.

20

MR PEARSON: Yes, yes.

25 MR REED: And once the unbelievably high projected salinity of – I think it was the smaller void – was removed from the equation, it became – there were less warning bells ringing after that. If there are three voids proposed, then you would begin to look at ways where they can be reduced to two. If there are two voids proposed, then you do look at ways to eliminate one, but sometimes the mine planning would be the order and the rate at which individual seams are extracted or individual mining faces are completed – it limits opportunities in that regard. There are other limiting factors. A company may wish to leave a void open, in part for future access to underground coal reserves.

30

35 It doesn't want to fill in a hole that's 100 metres or even 150 metres below the land surface because it's a very cheap way to then access underground coal reserves. It – from an economic perspective or from a shareholder perspective, it would be foolish for the company to fill that in only to then drill a deep line in a different area to access perhaps the same seam at the same height. As it stands, there's a flat area for infrastructure and a road going straight to the preparation plant. So many companies would look to make use of those opportunities.

40

45 Long-term groundwater behaviour is a complex matter that I won't go into, but that is also clearly important. I think it's also important as to whether the land is going to be returned to native ecosystem or to pasture or to some other usage. Now we're beginning to look at use of voids for pumped hydro generation, where they contain water, or to use rehabilitated mine landforms and potentially voids for solar

generation. Things change is what I'm saying. Basically, the understanding and the policy is in a state of flux and I'm fairly confident to predict that it won't be the way it is today in 10 years time.

5 MR PEARSON: Yes. And I'm sure the – I'm not sure – I will assume that the applicant made representations to you that backfilling the Wambo void, for instance, would render the project uneconomic.

MS DAWSON: Yes, that was what I did. Yes.

10

MR PEARSON: And is that an assertion that you accepted?

MS DAWSON: Based on accepting the current landform, I guess it is, yes.

15 MR REED: We reviewed all the economic information put forward by the company subject to the criticisms that I believe were corrected – were put forward by the Centre for International Economics. We basically – tell me if I'm wrong, Meg, but basically we've accepted the economic assertions of the company.

20 MS DAWSON: Yes, yes.

MR PEARSON: Okay. All right. That's all I had on rehab and final voids. Robyn and Peter?

25 MR REED: There was a question earlier that perhaps wasn't addressed in respect of rehab – rehab and offsets.

MS KRUK: That would be worth restating because that has been the subject of a lot of discussion between agencies and I think in response to the IPC review.

30

MS JELFS: How the proposed rehab

MR PEARSON: Yes, sorry. No, you're right. Yes.

35 MS DAWSON: That's fine. So this was discussed - - -

MR PEARSON: Thanks, Howard. No, that's useful. Thank you.

40 MS DAWSON: - - - a bit in our final assessment report, but I'm happy to summarise that section of the report which is on page 45. So, essentially, the department acknowledges that there are inherent risks associated with satisfying biodiversity offset requirements using mine rehabilitation. This is due to the time it takes to establish mature, self-sustaining vegetation and complexities in establishing diverse ecological communities. To mitigate these risks, the department has
45 recommended a number of conditions. These include strict completion criteria in the rehab objectives and a further condition requiring – stating that if the completion

criteria cannot be achieved, the applicant must provide supplementary offsets or if there's a deficiency, they must find alternate offsets.

5 DR WILLIAMS: This where they're using mine rehab land itself?

MS DAWSON: Correct – ecological mine rehab is the terminology used.

MR REED: So that's condition B57.

10 MS DAWSON: B57.

MR PEARSON: Yes, 56 and 57. Yes.

15 MS DAWSON: So if they can't demonstrate that they've met the listing criteria – and generally that's a few life cycles - - -

MR PEARSON: Yes.

20 MS DAWSON: - - - then they've got to find credits elsewhere.

MR PEARSON: Yes. Okay.

DR WILLIAMS: Yes. All right.

25 MR PEARSON: Can I ask you, actually, what, if you wouldn't mind – again, I have a series of questions on the conditions, but given that you've touched on them here - - -

30 MS DAWSON: Yes.

MR PEARSON: B56, you talk about up to 25 per cent of the CEC ecosystem can be used to satisfy the credit requirements. How did you arrive at the 25 per cent?

35 MS DAWSON: That's been a number that's been largely discussed between the applicant and the Commonwealth.

MR PEARSON: Right.

40 MS DAWSON: And, in fact, it's - - -

MR PEARSON: Okay.

MS DAWSON: - - - lower than that. I think it's sitting at 17 per cent.

45 MR PEARSON: Okay.

MS DAWSON: It's, really, just to formalise that cap - - -

MR PEARSON: Okay.

MS DAWSON: - - - in the conditions.

5 MR PEARSON: It's a path through, essentially, of the Commonwealth discussion into – and you've just added a margin to the - - -

MS DAWSON: Yes.

10 MR REED: Well - - -

MS DAWSON: It was, like, the - - -

MR REED: - - - the - - -

15 MS DAWSON: The initial discussions were always around 25 - - -

MR PEARSON: Okay.

20 MS DAWSON: That would be acceptable and we'd sign a reason - - -

MR PEARSON: Okay.

MS DAWSON: - - - to lock it at 17, based on - - -

25 MR PEARSON: Okay.

MS DAWSON: - - - the current - - -

30 MR PEARSON: Yes. Yes.

MS DAWSON: - - - package. We were happy with 25. And that's really to set some community expectations around mine – ecological - - -

35 MR PEARSON: I see. Right. Okay.

MS DAWSON: - - - mine rehabilitation as well.

MR PEARSON: So have you thought about tracking the rehab percentage down to the level that's currently being negotiated with the Commonwealth Government?

40 MS DAWSON: They're kind of hamstrung by the land the area of the land - - -

MR PEARSON: Right.

45 MS DAWSON: - - - regardless, so there's not much land left to do more rehab to satisfy the CEC.

MR PEARSON: No, I see. But what I'm asking is what – why wouldn't you just match the seven – the Commonwealth percentage and just - - -

MR REED: Well, this - - -

5 MR PEARSON: - - - mirror that in the conditions here?

MR REED: This percentage represented discussions that the Commonwealth had with the company.

10 MR PEARSON: Right.

MR REED: So we're reflecting, really, our understanding of the Commonwealth's position. And if the companies can do better than that, then that's a great outcome.

15 But I'm not sure that it should be used to – what would, effectively, be a precedent that would potentially discussions that the Commonwealth has had - - -

MR PEARSON: Okay.

20 MR REED: - - - that I'm sure it had – were going to other projects while it was having those discussions.

MR PEARSON: Then, on B57, it talks about within 10 years of the cessation of mining operations, the rehab needs to have, essentially, demonstrated its efficacy.

25 MS DAWSON: Yes.

MR PEARSON: How did you arrive at the 10 years? What was the basis for that?

30 MS DAWSON: Look, it's generally based around – there's lots of, like, rules of thumb about how long life cycle is, to demonstrate that the ecosystem is successful.

MR PEARSON: Right.

35 MS DAWSON: Generally, it's around 20 years. So it acknowledges that there should be some progressive rehabilitation. We didn't want to wait 20 years post-mining; that's way too long.

MR PEARSON: Yes.

40 MS DAWSON: We also didn't want to do it right at mine closure, so it's kind of a - - -

MR PEARSON: Yes.

45 MS DAWSON: - - - balance between the two.

MR PEARSON: Okay.

MS DAWSON: The company will want to – will be incentivised to do it as - - -

5 DR WILLIAMS: To start as soon as possible.

MS DAWSON: - - - early as possible, because there'll - - -

MR REED: Yes.

10 MS DAWSON: - - - be a bank guarantee sitting - - -

MR PEARSON: Yes. Of course.

15 MS DAWSON: - - - with resources regulator.

MR PEARSON: Yes.

MR REED: So that's the - - -

20 MR PEARSON: Okay. All right. No, that's - - -

MR REED: That's - - -

25 MR PEARSON: That's – yes.

MR REED: That's in the order of 2050 - - -

MR PEARSON: Yes.

30 MR REED: - - - and 10 years after – well, the consent - - -

MR PEARSON: 2051.

35 MR REED: - - - has a life to 2041.

MR PEARSON: '41. Yes.

MR REED: So around 2050. That's when there has to be that demonstration. But

40 it's – it really forces the company to do the ecological mine rehabilitation up-front
- - -

MR PEARSON: Yes.

45 MR REED: - - - rather than delaying it till the end of project life.

MR PEARSON: Yes. Okay. Okay.

DR WILLIAMS: Sorry. Just on that, how much rehabilitation is expected to occur by the end of stage 1 or soon after stage 1? So what's the staging of the – within the three stages of rehabilitation? Is there any conditions about when they have to – like milestones for - - -

5 MS DAWSON: We don't include them in – other than require them to do it progressively, we don't include milestones in the conditions.

DR WILLIAMS: Okay.

10 MS DAWSON: We generally set that through the rehab management plan and the rehab strategy. I think I can - - -

MR REED: So the rehab strategy is, essentially, a life of mine document - - -

15 DR WILLIAMS: All right.

MR REED: - - - that sets out how the rehab objectives are going to be achieved. And then the rehab management plan breaks that down into smaller bites that – that has a focus, really, on short and mid-term goals in order to achieve the requirements of the strategy.

20 DR WILLIAMS: Okay. Yes.

MS DAWSON: We've - - -

25 DR WILLIAMS: Yes.

MS DAWSON: We've included a table in our assessment report, but it comes from the applicant with indicative rehabilitation that will be undertaken in each stage.

30 DR WILLIAMS: Stage. Right. What page is that, sorry?

MS DAWSON: It's in – on page 30 of our report.

35 DR WILLIAMS: Yes. Yes.

MS DAWSON: So you can see there that in stage 1 they're proposing 570 hectares of surface disturbance and they're also proposing 483 hectares of rehab.

40 DR WILLIAMS: Yes. So - - -

MS DAWSON: It's more of a sign of commitment to do it progressively. It doesn't show, like, the - - -

45 MR PEARSON: Yes.

DR WILLIAMS: Yes.

MR PEARSON: It's a good point, actually. I – you might have covered this last time and it might have just - - -

5 MS DAWSON: We did. Yes.

MR PEARSON: - - - lost my – just escaped my brain over the Christmas, New Year hiatus, but - - -

10 DR WILLIAMS: Yes. I've got scribbles all over - - -

MR PEARSON: Just so – the rehab – so after six years, stage 1, the rehab that's proposed to be used to offset in that stage 1 component – that needs – and then what happens if that's failing or is not demonstrating the progress that's needed, in terms of being able to progress onto stage 2? What's - - -

15 MS DAWSON: So we haven't linked any of the operation or progression of operations to the success of rehab. I guess we – we think the rehab is strong enough - - -

20 MR PEARSON: Right. Okay.

MS DAWSON: - - - to not be linked, to not - - -

25 MR PEARSON: Okay.

MS DAWSON: - - - make them stop mining if the rehab is not tracking.

30 MR PEARSON: Okay. And is there this same timeframe of 10 years? That – within the – this might have been your question, perhaps, but the rehab in stage 1, after 10 years, there's no – there's no cut-off at that point.

MS DAWSON: We haven't given them - - -

35 MR REED: No.

MS DAWSON: - - - a deadline for a total rehab.

40 DR WILLIAMS: Yes. The - - -

MR PEARSON: Progressive rehab, did you say

MS DAWSON: Or, say, like, the – when it reaches the final point of mining. We haven't said 10 years post-mining you need to have all your rehab done. We haven't - - -

45

DR WILLIAMS: I - - -

MR PEARSON: No. No, I'm talking about – sorry, Peter.

5 DR WILLIAMS: No, please go on.

MR PEARSON: Is that – talking about stage 1. So if you start – they're doing rehab as part of the offset strategy for stage 1, 10 years down the track they're four years into stage 2, the whole thing's just gone pear-shaped from a rehab perspective,
10 how – you know, so how does that – what happens then?

MR REED: Well, those risks are normally managed through post-approval processes. So management plans and the department's compliance activities and also the compliance activities – when I say the department, I mean the planning
15 services of the department and – but also the compliance activities of the division of resources in geoscience, which is, you know, also in the department. So there's an ongoing review of – of all aspects of site management, including rehabilitation. The first thing will be for us to be happy with the rehab - - -

20 MR PEARSON: Yes.

MR REED: - - - strategy and what's set out in - - -

MR PEARSON: Yes. Okay.

25 MR REED: - - - the first generation rehab management plan.

MR PEARSON: Okay. And so then, presumably, stage 2 just keeps moving on. But that stage, when rehabilitation is assessed and – and either further remediation is
30 required or an alternative pathway needs to be pursued or - - -

MR REED: Well, I - - -

MS DAWSON: It's not - - -
35

MR REED: I don't know if - - -

MS DAWSON: It's not our - - -

40 MR PEARSON: If there's no - - -

MR REED: - - - here you could have a hiatus - - -

MR PEARSON: - - - interaction between the two stages - - -
45

MS DAWSON: No.

MR REED: - - - between stage 1 and stage 2 - - -

MR PEARSON: Yes.

5 MR REED: - - - while you're waiting for trees to grow.

MR PEARSON: Yes.

MR REED: I don't know - - -

10 MR PEARSON: Yes.

MR REED: - - - how that works.

15 MR PEARSON: Yes.

MR REED: I think the two have to be managed side by side.

MR PEARSON: Yes. Okay.

20 MR REED: Yes.

MR PEARSON: Okay. That's good.

25 MS KRUK: Tony, if I – sorry. Peter, you're first.

MR PEARSON: Yes. Go for it first.

DR WILLIAMS: I – without going over the – because I think I've raised this last
30 time, but it just seems that most of the site disturbance is – the bulk of it occurs in
stage 1. And I understand there's lags in all of these things, but there's really no
serious commitment, in one sense, to start rehab until stages 2 and 3. And the
condition says, well, you have to – basically, have to satisfy within 10 years of mine
closure, you would expect they would have done that easily, because a lot of this
35 rehab should have commenced within four or five or six or seven or 10 years of stage
1 commencement. So by that stage, they should have had 30 years of – almost of
- - -

MR REED: With some of - - -

40 DR WILLIAMS: Or 25 years.

MS DAWSON: Yes.

45 MR REED: With some of it. Yes.

MS DAWSON: Yes.

MR REED: Yes.

DR WILLIAMS: Yes.

5 MR REED: Yes. And - - -

DR WILLIAMS: So it's just a whole – just it seems to be that a lot's happening up-
front, but then there's – it just appears to me a lot of the rehab is then back-loaded of
– and they're offsetting a rehab. And compounded by the fact that we've got this
10 whole situation with the biodiversity fund as well – conservation fund. So it just
seems a little bit – a bit of - - -

MR PEARSON: Yes.

15 DR WILLIAMS: - - - a leap of faith – and it's just that – how things are going to
occur later down in the track - - -

MR PEARSON: Yes.

20 DR WILLIAMS: - - - and reliance upon the retiring credits and things like that.

MR REED: Well, the department's strongly committed to progressing
rehabilitation, as indeed are all regulators. But there are limits on how much can be
done, particularly in the early years of – of mining. So, if a waste dump – an over
25 burden of placement hasn't reached its height, you can't put topsoil on it. And then
to begin the – the process of – well, you can't – can't even shape it. So, there are –
there are – there's a succession of stages in rehabilitation where you're shaping the
landform, you're putting on topsoil and other – other soil ameliorants, you're putting
on habitat features, you're installing streams and – and structures and so on, and
30 you're seeding or direct planting at an appropriate time of the year, and then you
have to get good seed strike with favourable climatic conditions, otherwise you have
to go back and do some of those stages again.

So, to some degree, mine – mine rehabilitation planning has a significant lag time.
35 There's a large operational area that has to be left open, as well as – and that may be
larger again because a mine is taking coal from two or three seams and wanting to
blend it to get a particular set of characteristics, so it's not a matter of necessarily
moving forward on one face at a constant rate, and the capacity to keep that quite
narrow in – in time.

40 A wide face has different economics than – than two narrows faces. There are many,
many factors that come into play, whether they're mine planning or rehab staging or
climate, and with the best will in the world those factors combine to delay some
rehabilitation beyond where, if you like, your eye would like it to be. So, we have to
45 be cognisant of those factors and in the end produce a balanced framework that
provides for a mine to operate according to the normal strictures of mining, and at

the same time give as much pressure or direction towards achieving quick and successful rehabilitation as we can reasonably require.

5 Of course, rehabilitation is not just good in – in itself for the sake of the environment, it also minimises air pollution that – that comes from the overall unvegetated area of the mine. So, there are many reasons; community reasons and environmental reasons why you want to keep the pressure on, but nonetheless we have to be reasonable.

10 DR WILLIAMS: Thanks for that. Sorry thank you. Sorry about that.

MS KRUK: No, Peter, I had a similar question, because it's obviously the disturbance in relation to an existing vegetated area. The current submission assumes that the national park and reserved areas can probably accommodate in that transition. Were there any other options that were explored or proposed by OEH in this exercise to minimise any uncertainty? Because it is the sequencing that's concerning. I think how it has identified some of the risk factors in terms of that progression occurring in a too-predictable manner. Were there other options and – considered, and is OEH without reservation comfortable with this option?

20 MS DAWSON: Based on their advice to us, yes, they're comfortable with the staging proposal.

MS KRUK: Okay.

25 MS DAWSON: And I'm unaware of any other – like, discussions with OEH alternatives, if that was had.

MS KRUK: Okay. Is there anything else that you could contemplate in your proposed draft conditions that would actually put the bias to earlier action in relation to rehabilitation occurring? Are there any other avenues that could do that, or do you believe they are sufficient?

35 MS DAWSON: I think we're satisfied with, I guess, the two main conditions. One is over an operating condition around progressive rehabilitation.

MS KRUK: Yes.

MS DAWSON: So it's:

40 *The applicant must rehabilitate the site progressively –*

that is, as soon as reasonable practicable –

45 *following disturbance, and all reasonable steps must be taken to minimise the total area exposed at any one time.*

And then we acknowledge that interim stabilisation and temporary vegetation should also be used to minimise dust. So that's - - -

5 MS KRUK: Okay. And, presumably, having an agreement on what the quality of the site will be – the rehabilitated site will be – that's the hard barrier.

MS DAWSON: Yes, and we will be heavily involved in the development of the rehabilitation strategy, which will include those milestones and those commitments around – and mine rehabilitation.

10 MS KRUK: Yes. Okay.

MS DAWSON: So that's something we're quite involved in in the post-approval space.

15 MS KRUK: Okay. Thank you for that.

MR REED: The department – Robyn, the department has strengthened its rehabilitation management plan conditions recently in terms of an added focus on progressive rehabilitation.

MS KRUK: Yes, that was my memory. Yes.

25 MR REED: In years past the condition that required progressive rehabilitation, while it was strong and sound in itself, in reality it was, perhaps, a little too aspirational in that it wasn't adequately reflected in the requirements of the rehab management plan that we're basically saying the company's – well, how well you progressively rehabilitate. And there's a level which we would not be satisfied and which, in review of management plans – certainly in my team – over the last several

30 years where we haven't been satisfied, and kick back and said that's not enough.

MS KRUK: So do I take that it has become more prescriptive in relation to what the desirable sequencing will look like?

35 MR REED: We've increased our regulatory oversight as – coupled with that prescription.

MS KRUK: Okay. Tony, if I may, can I ask one question. This has to do with the salinity readings, which I found disturbing – the variants. How do I – how should I read that? Was that an error? It was quite a significant difference.

MR REED: It was a very great error.

45 MS KRUK: Yes.

MR REED: That a number of community groups and the department independently recognised and went back to the company and – about, and initially, I think, it's very

- fair to say that the company disputed our views as – and defended the accuracy of the material on the salinity and final voice that was in the EIS, and we kept pushing because it didn't make sense. And, finally, the company came back to us, rather shame-faced I have to say, and they had interrogated, first of all, their principal consultant, then the principal consultant had interpreted a – one of the water consultants, and that was where the error was made. It was an error made in a subsidiary consultancy report which flowed right through documentation and was not picked up until well after exhibition before the RTS was finalised.
- 5
- 10 MS KRUK: Were there any other issues of concern in that area, because it does trigger alarm bells. There's no doubt about it.
- MR REED: It – there was nothing of that scale and – to be perfectly honest, that's the most egregious error I've seen in an EIS for many, many years.
- 15 MS KRUK: Same here. That's why it caught my attention. It's huge.
- MR REED: Yes.
- 20 MS KRUK: A final question on water. I read with interest the views of the independent expert scientific committee. Your view on the proponent's response to that commentary?
- MS DAWSON: Any – like, anything specific on the IESC or just a general - - -
- 25 MS KRUK: No, just whether you're comfortable with the response that they've made. They undertook some additional studies, as I read the documents.
- MS DAWSON: Yes.
- 30 MS KRUK: What is the department's view? Is it acceptable? I understand the role of the Independent Expert Scientific Committee, well and truly.
- MS DAWSON: It has been some time since I looked at the water section, but generally the way we've concluded our report would presume that we're – acknowledges that we're happy with how the applicant addressed the IESC comments. And we have used their advice to help with drafting the conditions.
- 35 MS KRUK: I notice that you picked it up in some of the conditions – some of the GO work.
- 40 MS DAWSON: Yes. Yes.
- MS KRUK: Well, Tony, that's - - -
- 45 MR PEARSON: Okay.

MS KRUK: Thank you. Thank you both.

MR PEARSON: So we might move on to final landform economics. I think one of
5 of the questions we had from last time was around whether the department was aware
of any examples where rehabilitation had been successfully used as an offset. Can
you point us to examples of successful rehabilitation offset?

MS DAWSON: Yes, sure. I was able to do a little research on this, and what I
10 found was there was a number of Hunter Valley mines that have approval to use
mine rehabilitation towards their offset requirements. These include Mount Owen,
Bulga, Hunter Valley Operations, Mouth Thorley Warkworth and Mount Arthur.
And these all include commitments to establish not only credit generating, but it's
15 also woodland, which is directly comparable to what they're proposing in this
project. However, due to the long lead times to demonstrate the success – we were
talking about the lifecycle approach in 20 years – and the fact that the current
completion criteria around requiring specific vegetation communities is a relatively
new criteria. So that's – from my understanding it's roughly about five years old.

20 Because of this, the lifecycle of the veg and that – we've only recently imposed
completion criteria based on communities, we don't have any successful final rehab
in the Hunter Valley. But that's not to say that there aren't – there isn't rehabilitation
trending towards a successful outcome. So that's one of the key things that we're
acknowledging, is that there are such long lead times that we need to have a close
25 eye on it as it's progressively being undertaken. And I guess just one side that I'm
sure Glencore will also bring to your attention was Mount Owen.

MR PEARSON: That's a Glencore mine, isn't it, from memory?

MS DAWSON: It is. Yes.

30

MR REED: Yes, it is. Yes, yes.

MS KRUK: Yes. Yes.

35 MR PEARSON: Yes, right.

MS DAWSON: So they - - -

MS KRUK: I can't remember, did they talk about that in the meeting last year,
40 Mount Owen? Is it - - -

MS JELFS: I think it might have been the report that they provided to us, yes.

MS KRUK: I think it's in the document. Yes, they've made reference to it in terms
45 of their bona fides, I think, in this area.

MR PEARSON: Yes.

- MS DAWSON: Yes. It's pretty well known, and it's presented in a lot of conferences and ACARP research programs. But they made substantial progress in establishing the native woodland vegetation communities, and they continue to lead research programs with the University of Newcastle to improve and inform rehab techniques, and I think that's important, that they've shown that they're in the Hunter Valley for this, and that it's a Glencore mine, so the – I guess the skills and learning should be directly transferable to this project.
- 5
- MR PEARSON: So how far along is that Mount Owen project in terms of its rehab? Is it kind of six years, 10 years, 12 years into that 20 year journey?
- 10
- MS DAWSON: They have a whole range of plots, but I understand there's some quite mature – yes – vegetation.
- MR PEARSON: The most advanced. Is it? Yes, okay.
- 15
- MS DAWSON: Some of it was also described in – I understand they produce a paper from Umwelt, the CEC - - -
- MS JELFS: That's what I was referring to.
- 20
- MR PEARSON: Yes. Yes.
- MS DAWSON: - - - Central Hunter – at the last meeting, and it was – that paper was more around - - -
- 25
- MR PEARSON: I think that was in the review stage, that paper they provided. Yes, it was in the review, they provided that paper. Yes.
- MR PEARSON: Possibly, yes. Yes, that's right. It was a review, but it was - - -
- 30
- MR PEARSON: It was for the minerals council, I think. Yes.
- MS DAWSON: Yes.
- 35
- MS JELFS: It wasn't something that the department had considered in their report.
- MR PEARSON: No.
- MS DAWSON: No.
- 40
- MS JELFS: It was given to us when we
- MR PEARSON: Yes, that's right.
- 45
- MS DAWSON: We did consider it in the final assessment report, but that was the first time we had really seen it.

MS JELFS: Yes.

MR PEARSON: Yes.

5 MS DAWSON: But, again, that just focused on Mount Owen as well, the rehab that has been undertaken there.

MS JELFS: Yes.

10 MS DAWSON: And one of the vegetation committees there is the Central Hunter Valley eucalypt forest and woodland, which is the key CEC on this site.

MR PEARSON: Yes.

15 MR REED: And so the bottom line is that there are no other mines in the Hunter Valley that have reached completion with rehabilitating land for use as offsets.

MR PEARSON: Yes.

20 MR REED: But there are a number that are in process – or progress, and some of them are doing quite well.

MR PEARSON: Yes. Okay. Good. That's all I had on final landform and economics. Robyn and Peter, if you wanted to jump in?

25

DR WILLIAMS: No, that's it.

MS KRUK: Thank you.

30 MR PEARSON: So that's actually – actually, sorry, there is one – sorry, so the applicant at our last meeting last year requested that we consider changes to conditions B95 – to exclude Bulga – and B64 and 65 – to not require cessation of work if I think Indigenous artefacts are found on-site. These are obviously new questions. They weren't provided to you earlier, but - - -

35

MS DAWSON: That's okay. I saw them on the presentation so I was able to look into it.

40 MR PEARSON: Okay. Yes, great. We would be interested if you had a view on both of those.

MS DAWSON: Yes. With regards to the removing Bulga from the list of communities, we're happy to do that. I think they acknowledged that they're closer – the other areas are the more affected local communities and we would be comfortable removing Bulga. Again, it's more of a – they're just in brackets and they're just including – it's not intended to be a comprehensive list, but we would be comfortable.

45

MR PEARSON: The most proximate mine to Bulga is the Glencore mine, is it?

MS DAWSON: No, it's actually – well, it's probably Mount Owen – sorry; Mount Thorley Warkworth in Bulga.

5 MR PEARSON: Okay.

MS DAWSON: So Bulga is Glencore.

10 MR PEARSON: Yes, that's what I thought.

MS DAWSON: It's a Bulga town – Bulga Milbrodale is just west.

MR REED: Then on the other side, it's Mount Thorley Warkworth which is now

15 Yancoal.

MR PEARSON: Mount Thorley, is it? Okay. And so the joint ownership between Bulga and this project isn't an issue in terms of separating Bulga out of the

20 condition?

MS DAWSON: I didn't read into it that way, no.

MR PEARSON: Okay.

25 MS DAWSON: I thought more it was around proximity and the other areas were much closer to the mine.

MR PEARSON: No, no, my question was if Bulga was separately owned – so if for whatever reason it ceased to be a Glencore-owned property, does the deletion of

30 Bulga impact on this condition in any way?

MR REED: No.

MS DAWSON: No.

35 MR PEARSON: No. Okay. And then - - -

MS KRUK: It'll be interesting the extent to which that issue is raised in the public meeting, to be honest.

40 MR PEARSON: Yes.

MS KRUK: I mean, their rationale is this community has been consulted so many times, wasn't it, I think? Yes.

45 MS DAWSON: Yes.

MR PEARSON: It's a question we've got for council as well when we head up there to get their views on these two particular requests.

MS KRUK: Okay.

5

MR PEARSON: And then B64/65 was to not require cessation of work - - -

MR REED: So does that – if I may, does that lead to a question of whether Bulga should be otherwise represented in this condition? That is, in terms of the coverage of the plan but not consultation requirement?

10

MS KRUK: I wasn't - - -

MS DAWSON: Yes, perhaps – I mean, the social impact assessment isn't supposed to be isolated just to the local community, but I guess we felt the need to really specify who – like, who in the local community should be engaged.

15

MR PEARSON: Yes. So it's B90 – so the applicant must prepare a social impact management plan for the development to the satisfaction of the planning secretary. This plan must – (a) – (b) be prepared in consultation with council, the CCC, affected communities – blah, blah, blah – and Bulga.

20

MR REED: So it's either an affected community or it's not, really.

MR PEARSON: And your view is it's not an affected community from this project?

25

MR REED: It's much more affected by other mines, yes.

MS DAWSON: Other mines, yes.

30

MR PEARSON: Okay.

MS KRUK: We might take that on note. We will talk with the other parties.

MR PEARSON: Yes.

35

MS KRUK: I must admit I wasn't exactly sure why they had focused specifically on that issue.

MS DAWSON: Yes. I mean, if you look on the map and you draw a circle around the mine, it is the outlier. It is further south and it is closer to other mines.

40

MR PEARSON: Yes.

DR WILLIAMS: Yes, the applicant did say that at the meeting we had – the last meeting. They just felt on that point that Bulga had sort of been consulted ad

45

nauseum, in a sense, and they were all mostly just tired of it all in one sense. They
- - -

MR REED: Well, that might be - - -

5

MR PEARSON: Well, so it's an interesting one because it - - -

MR REED: - - - but really it's a question of whether it's affected or not.

10 MR PEARSON: Impact – correct. Yes. It's not the extent of consultation. Correct.
Okay. All right. And then B64/65 was the heritage condition and it requires the
cessation of work upon the discovery of an Aboriginal object - - -

MR REED: Of – previously unknown, so - - -

15

MR PEARSON: - - - and they – unknown – correct.

MR REED: I think objects or places that hadn't been found during surveying.

20 MR PEARSON: Yes. Would you be comfortable with that amendment that has
been proposed by the applicant? Or are you - - -

MR REED: It's a standard condition that we apply to all mines and quarries.

25 MR PEARSON: Okay.

MS DAWSON: So we – I also cross-checked with OH about this condition and
they prefer to leave it in. So we used to defer it to it would be a component of the
management plan, but there's really only one – when there's only one process we
30 want to follow, we would rather have it in the condition rather than - - -

MS JELFS: What condition number is that?

MR PEARSON: B64 and 65.

35

MS DAWSON: It is B64 - - -

MS KRUK: B64/65. I was surprised at their request, to be honest, because on my
understanding, it has been a standard provision.

40

MS DAWSON: Yes, I think they noted that it would cause unnecessary - - -

MS KRUK: And not one that's utilised unnecessarily, from my experience.

45 MR REED: No, no.

MS DAWSON: Yes, exactly, and they were saying it might cause unnecessary delays, and from my experience – and the – like, how often this happens, I didn't know if they had an exact example of when it occurred, but - - -

5 MR PEARSON: Yes.

MS KRUK: Yes.

10 MR PEARSON: Yes. Well, I think that was our view, but we thought it was prudent to first get your view on that. Yes.

MS DAWSON: Yes, we just – leave it in.

15 MR PEARSON: So that was all I had on these – on the frontend of the document. I had one more question in relation to the conditions, and I think we had also requested any feedback from you in relation to material comments the applicant had had on the conditions throughout the process.

20 MS DAWSON: Yes.

MR PEARSON: So my – A33 is the new question on the conditions. It talks about the acquisition of lot 170 DP 823775 from the Crown. I didn't understand what that block of land was in relation to, so – it's condition A33.

25 MS DAWSON: These conditions came directly from the Crown Lands Department.

MR PEARSON: Okay.

30 MS DAWSON: I think it's either a Crown road or a Crown reserve.

MR PEARSON: It's just interesting because I wasn't aware that additional land was being acquired for this project, so I just wasn't quite sure what this land related to .

35 MR REED: It must be a small Crown land block that's affected.

MS DAWSON: Yes.

MR PEARSON: Could you – would you mind finding - - -

40 MR REED: Crown Land was happy to sell it, but - - -

MR PEARSON: Yes. I'm sure they are, I just wouldn't mind understanding what this land relates to.

45 MS DAWSON: Let me look at that for you.

MR PEARSON: Yes. Thank you.

MS DAWSON: You also had a question about the notice given for mine-owned land that was going to be tenanted or leased.

MR PEARSON: I think that was for the applicant, wasn't it?

5 MR REED: 27B.

MS JELFS: I think we asked the question about updating the condition - - -

10 MS KRUK: Also to the department.

MR PEARSON: Okay. Right.

MS JELFS: - - - to specify a timeframe.

15 MS KRUK: was that the 14 days had a relevance – what the existing arrangements was, I think, from memory. I would have thought it's - - -

MR PEARSON: Okay. Right.

20 MS DAWSON: Yes.

MR PEARSON: But I think that – sorry.

25 MS KRUK: - - - the company would want to take a precautionary approach on health and safety if they've got their own advising saying that there are potentially health issues here.

MS DAWSON: Yes. I'm happy to let them insert a date based on the tenancy agreement that they provided in their response report, they had 14 days in there.

30 MR PEARSON: That's right. Yes.

MS DAWSON: And I guess I just quickly looked up the fair trading laws in New South Wales and that 14 to 21 days is standard notice.

35 MR PEARSON: It's not the timeframe that was the issue, it was the fact that the termination right didn't – I know this issue. So it was the fact that their – the tenant's ability to terminate the lease wasn't an at will right, whereas 27B is drafted to give the tenant an ability to terminate the tenancy without penalty at any time, only subject to the giving of reasonable notice. So the alignment in the documents was "this is fine" – the conditions were fine. The tenancy agreement needed to be updated to reflect the fact that the termination right was for any reason, not for the reasons that were specified in the special condition which I think were related to air quality – had to trigger some air quality thresholds.

40

45 MS DAWSON: Okay. Yes.

MR PEARSON: And so all we were suggesting was that the tenancy agreement should reflect what's in the condition.

MS DAWSON: Yes. We agree.

5 MR PEARSON: And I believe the applicant agreed and accepted that, didn't they?

MS JELFS: They haven't responded yet.

10 MR PEARSON: Okay. Well, maybe we need to follow up on that.

MR REED: So you're happy with the conditions as they stand?

MR PEARSON: I am, subject to the views of others, but I think - - -

15 MS JELFS: There may be some further things that come up.

MR REED: And we would be happy if the reasonable notice was further specified at 14 or 21 days

20 MS KRUK: So to move to alignment between the condition and the agreement.

MR PEARSON: Yes, yes. Okay.

25 MS DAWSON: Just to avoid any doubt about what that is.

MR PEARSON: Yes. Okay.

DR WILLIAMS: That was causing me – yes, yes. That's good, picking that up.

30 MS DAWSON: From my notes as well you had one more question about our satisfaction with the economic assessment based on recent changes to coal prices.

MS KRUK: And the updating thereof.

35 MR REED: Commodity prices.

MR PEARSON: I think you answered that at the last meeting, I thought, but I'm happy for you to provide a more detailed response now if you have it.

40 MS DAWSON: It was more I had a chance to look into the economic assessment provided and I guess just reiterating that fluctuations in coal prices are expected and there is that inherent uncertainty and because of that, as part of our guidelines for doing economic assessments, they have to do a sensitivity analysis and Glencore did that. They did a plus 30 per cent and a down 20 per cent scenario and we're still

45 satisfied that that sensitivity analysis accommodated what has been happened recently with the coal price.

MR REED: The coal price forecasts used in 2016 have been pretty accurate.

MS DAWSON: Yes. Generally, like, the long term core price that they use in that forecast is pretty well remain unchanged.

5 MR PEARSON: Right. That's unusual.

MS DAWSON: But it's been fluctuating recently. Yes.

10 MR PEARSON: For a commodity price to remain constant.

MS DAWSON: So, I was able to compare with the – assumptions they used in their royalty calculations, and - - -

15 MR PEARSON: Yes.

MS DAWSON: - - - they – they pretty well still align. So, they still assume 85 for thermal and 110 for - - -

20 MR PEARSON: Yes.

MS DAWSON: - - - semisoft which is - - -

MR PEARSON: Thank you.

25 MS DAWSON: - - - pretty comparable.

MR PEARSON: Had you mentioned before that the credit had a good MPV. Did – has the applicant indicated to you what the MPV of the project is?

30 MR REED: Well, to be honest I was using Meg's answer to this question as – as background to that, so really at a minus 20 per cent cold class scenario, it still generates a positive MPV. So, I would think that would be fairly robust. It's 150,000,000 tonne project, and - - -

35 MR PEARSON: Yes, but do – are there any – the reason why - - -

MR REED: Two big companies are very keen to progress it.

40 MR PEARSON: Yes. The reason why I asked that is that it's just curious that – that the MPV of the project on the one hand looks to be quite impressive, but then on the other hand seems to be unable to accommodate the present value cost of backfilling one of the voids, so I'm just trying to understand the – the link between the two.

45 MR REED: I suggest you press the company on that one.

MR PEARSON: And then on the – on the conditions, we were interested to know whether the applicant had provided any material feedback – I understand the conditions went through three rounds of consultation, if you like – or consultation is probably not the right - - -

5

MS DAWSON: Yes.

MR PEARSON: - - - word, but discussion with the applicant, and through that process we were interested to know whether the applicant had provided any

10 meaningful feedback in relation to those conditions.

MS DAWSON: In each of those grounds, they provided comments and suggestions and we would obviously – like, each time we took on board, their comments and we’ve very comfortable making changes we did. There weren’t any major - - -

15

MR REED: Many occasions we didn’t.

MR PEARSON: Sure. And I can appreciate that.

20 MS DAWSON: Yes. Yes. Exactly. There weren’t many that we really disputed over in the end. At the end, they both – both parties accepted that the conditions as drafted - - -

MR PEARSON: Okay.

25

MR REED: It’s worth adding that this was a particularly complex set of conditions to draft because there is the principal development consent, modifications to two existing development consents, both of which are quite old and quite different in nature to this. You’ve got a three stage project and the project itself, you’ve got a

30 continuing operation still run by Peabody.

MR PEARSON: Yes.

MR REED: The staging between ramping up the three staged project here and moving Peabody’s operations out in the open cut and solely to the underground prep plant is – well, I think it’s the most complex consent that I’ve been involved in

35 drafting.

MR PEARSON: Yes.

40

MR REED: And for that reason, the department had many discussions with the joint venture from before the EIS was exhibited as to what the appropriate structure would be for the conditions to try and make it work and make it robust. We had similar discussions with the EPA in particular, over our noise management. The EPA and

45 the department always want to be able to go to a single operator and say, “This was noisy. It’s your noise. It’s your fault. You’ve got to fix it.” And to have two operations that, effectively, overlap, it was not an easy thing to manage, but that

iterative process of discussion with the company and with other agencies, I think, has thrown up a very robust set of conditions that are well placed to manage the operation and the adjoining operations well into the future.

5 MS KRUK: So the regulators are comfortable that the provisions are both enforceable and clearly accountable in terms of that.

MR REED: We've had no negative feedback.

10 MS KRUK: Because I think it was a very detailed transition plainly.

MS DAWSON: Yes. It took a long time.

MS KRUK: A lot of work. I can see that.

15

MS DAWSON: We did have a – so with the EPA, for example, they provided their initial comments and we had, at least, two or three back and forths - - -

MR PEARSON: Yes. I saw that.

20

MS DAWSON: - - - just making sure we got there. We were both comfortable with the noise situation.

25 DR WILLIAMS: So this is – sorry. This is all getting to the – at the beginning, Megan, you – of the meeting, you said there were four issues that you – key issues you looked at.

MS DAWSON: Yes.

30 DR WILLIAMS: And the fourth was this conditioning of the joint venture and transitioning, so this all relevant to what we're talking about now.

MS DAWSON: Yes. Yes.

35 DR WILLIAMS: And so you're at the point now with all this toing and froing, you're happy with – but even terms of who's accountable for what enforcement - - -

MS DAWSON: Exactly. And they - - -

40 MR REED: They're very happy.

MS DAWSON: They have an existing arrangement - - -

MR REED: Yes. Yes.

45

DR WILLIAMS: Yes.

MS DAWSON: - - - but that didn't always work for - - -

DR WILLIAMS: Yes.

5 MS DAWSON: - - - the conditions. It was, kind of, having that drafting edition and showing them that this is how it needs to work and having that discussion.

DR WILLIAMS: Yes.

10 MR REED: And the conditions rest on a robust set of definitions.

MR PEARSON: Yes.

DR WILLIAMS: Yes.

15

MR PEARSON: Yes. I think - - -

MS KRUK: I think it was an important move that that was sorted out at this stage of the consideration of the project so comments, Bob, to your colleagues for I think a very good piece of work.

20

MR PEARSON: No, it was certainly one of the more complex elements during the review process, so I think we spent some time in here how – waxing lyrical about how it might be done, but I think - - -

25

MS DAWSON: Well, we hope that it was complicated - - -

MR REED: I listen to everybody.

30 MS DAWSON: It was complicated to design but we hope that actually in practice I guess is what we were really driving for.

MS KRUK: See, and we anticipate there will be questions in the community meeting about it as well too. I mean, looking at the documentation, there has clearly been concerns about how, you know, such a complex operation can be effectively regulated. So hopefully this provides a bit more certainty. People can see what's intended.

35

MR REED: Well, I do think the key for the community and anybody else for understanding the consents is that single thought that they rest on the definitions, and if you highlight all the definitions that relate to the different projects and then – and given them careful review, then you can understand then the use of terms in the different documents and how something is regulated without overlapping, if you like, with regulating something else. It's all about the definitions.

40

MR PEARSON: Yes. All right. That's all I had.

45

MS KRUK: That's it from me. Thank you very much for providing some background again, having - - -

5 MS DAWSON: Just one more thing – I'm happy to provide an update on the VPA as well.

MR PEARSON: I thought it was done, based on the last conversation we had.

10 MS KRUK: Yes, yes.

MS DAWSON: It's done, yes. So - - -

MR PEARSON: Yes because it just needs to be inscribed in appendix 9.

15 MS DAWSON: Yes. So I will have to just – it's right now, but I'm happy to

MR PEARSON: Yes, correct. Yes, it just needs to be updated in appendix 9.

20 MS DAWSON: Yes, so council accepted the terms at their December meeting.

MR PEARSON: Yes. Correct. Yes. Alana?

25 MS JELFS: No, I'm good.

MR PEARSON: All right. Great, appreciate your time.

MS KRUK: Thank you very much.

30 MR PEARSON: Thank you very much.

MR REED: Pleasure.

35 **RECORDING CONCLUDED**

[10.34 am]