



Mr Peter Duncan  
A/Chair  
Independent Planning Commission  
GPO Box 3415  
Sydney NSW 2001

**Chain Valley Colliery Modification 3 (SSD 5465 MOD 3) and  
Manning Colliery Modification 5 (MP\_0611 MOD 5)**

Dear Mr Duncan

The Department has completed its merit assessment of Chain Valley Colliery Modification 3 (SSD 5465 MOD 3) and Manning Colliery Modification 5 (MP\_0611 MOD 5) – Increase in coal throughput and mine design changes.

Delta Coal owns and operates the Chain Valley and Manning Collieries, which are located at the southern end of Lake Macquarie, approximately 60 kilometres south of Newcastle.

Delta Coal is a subsidiary of Delta Electricity, which owns and operates the adjacent Vales Point Power Station, which obtains approximately 50% of its coal supply from the two collieries.

Delta Coal is seeking approval for a number of changes to align and integrate coal production and management at the two mines, and make a number of minor changes to underground mining methods to improve coal recovery.

The Department exhibited the applications from 21 June to 4 July 2019 and received 41 submissions, including 25 in support and seven objections from members of the public and a special interest group.

Key issues raised in submissions related to amenity impacts from the operation of surface facilities, impacts from continued mining beneath Lake Macquarie, and concerns about the operation of the nearby power station's ash dam.

The Department has assessed the issues raised in submissions, and considers that the residual impacts of the proposed modifications would be minor and can be adequately managed through the existing and recommended conditions of consent.

If approved, the modifications would provide social and economic benefits through improved resource recovery and operational efficiencies, continuity of employment for the existing workforce, and provision of a reliable source of coal for the Vales Point Power Station, which generates over 10 percent of NSW's electricity.

On balance, the Department considers the proposed modifications are in the public interest and are approvable, subject to the recommended conditions.

I have enclosed a copy of the Department's Assessment Report and recommended conditions of consent for the Commission's consideration.

If you have any questions, please contact Mike Young, Executive Director - Energy, Resources and Compliance on 8217 2091 or by email at [mike.young@planning.nsw.gov.au](mailto:mike.young@planning.nsw.gov.au)

Yours sincerely

28/05/2020

**Marcus Ray**  
Group Deputy Secretary  
Planning and Assessment