

Professor Mary O’Kane AC  
Chair - Independent Planning Commission  
Via email: [mary.okane@ipcn.nsw.gov.au](mailto:mary.okane@ipcn.nsw.gov.au)

30 October 2020

Dear Professor O’Kane

### **Dendrobium Extension Project (SSD 8194)**

The Department has completed its assessment of the merits of the Dendrobium Extension Project (SSD 8194). The application is referred to the Independent Planning Commission for determination as there were more than 50 objections to the proposal.

The Minister for Planning and Public Spaces has also requested the Commission hold a public hearing into the carrying out of the project and make a determination of the development application within 12 weeks of receiving the Department’s assessment report, unless the Planning Secretary agrees otherwise.

The project involves mining within two new mining domains within the mining lease of the existing Dendrobium Coal Mine to extract an additional 78 million tonnes of ROM coal, and an extension of the life of the mine until December 2048.

The Department publicly exhibited the application in July 2019 and received 775 submissions from the public. Most of these (81%) supported the project because of the ongoing and additional employment opportunities.

The main issues that were raised in objections and in the advice from Government agencies relate to the potential surface water losses from Sydney’s water supply catchments, as the new mining areas are located in the Metropolitan Special Area. Submissions also raised concerns about the project’s potential impacts on watercourses and upland swamps, biodiversity values, Aboriginal heritage and greenhouse gas emissions.

In August 2020, the project proponent (South32) amended the development application to address some of these concerns. The amendments to the project are relatively minor (delineating the location of certain ancillary infrastructure, refining the full supply level for the Avon dam and the associated longwall setback, and confirming South32’s commitments to offset surface water impacts and provide a “net gain” to Metropolitan drinking water supplies).

The Department detailed assessment of the project has been informed by expert advice from Government agencies, independent experts, the Commonwealth Independent Expert Scientific Committee and the newly established Independent Advisory Panel for Underground Mining.

Based on this assessment, the Department considers that South32 has designed the project in a manner that achieves an appropriate balance between maximising the recovery of a coal resource of State significance and minimising and offsetting the potential impacts on the water resource, biodiversity values and other environmental values of the Metropolitan Special Area.

The Department has recommended conditions to ensure that the project complies with contemporary criteria and standards, that the impacts are consistent with those predicted by South32, and that residual impacts are effectively minimised, managed and compensated for.

Overall, the Department considers that the major economic and social benefits for the region and to NSW outweigh the potential impacts, and that the project is approvable subject to the recommended conditions.

I have attached a copy of the Department's assessment report and recommended conditions of consent for the Commission's consideration.

If you have any questions or wish to arrange a briefing, please contact Mike Young on 8217 2091 or by email at [mike.young@planning.nsw.gov.au](mailto:mike.young@planning.nsw.gov.au).

Yours sincerely



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