

8 May 2024

Mr. Bradley James Principal Case Manager Office of the Independent Planning Commission Suite 15.02, Level 15 135 Kind Street SYDNEY, NSW, 2000

Via email: <u>bradley.james@ipcn.nsw.gov.au</u>

Dear Brad

## Lidsdale Siding MOD 5 and Clarence Colliery MOD 10 – Response to Questions on Notice

We refer to the modification applications for the Lidsdale Siding State Significant Development (**SSD**) 08\_0223 Modification 5 (**MOD5**) and Clarence Colliery Development Consent DA504-00 Modification 10 (**MOD10**), currently before the Independent Planning Commission (**Commission**) for determination. We also refer to further questions from the Commission regarding MOD10 and MOD5 following our meeting held on 2<sup>nd</sup> May 2024 and the Commission's letter dated 3<sup>rd</sup> May 2024. Each question from the letter is set out below in bold, and our response is provided thereafter.

# 1. Can you provide further information regarding the flexibility of transporting coal via truck to Mount Piper Power Station (MPPS) as an alternative to rail?

The dispatch of coal via trucks provides enhanced flexibility for both the producer (ie Clarence) and the recipient. The ability to organise and dispatch trucks is more flexible as compared to organising and dispatching trains, and therefore deliveries can be tailored to demand. Additionally, the ability to truck coal product allows for the continuation of delivery at times when there are issues with:

- rail services such as landslips,
- derailments
- pauses in production at Springvale and/or Airly (ie. Geological/geotechnical issues, longwall moves, etc)

In addition, loading and unloading trucks requires less double handling of the coal material compared to rail. The Clarence coal product has a relatively high proportion of fine coal and the more the coal product is handled and double handled, the more it pulverises. Loading a truck consists of a front end loader loading coal into the truck. Unloading the coal consists of tipping the product out of the truck directly on the stockpile at Lidsdale Siding. In comparison, loading a train requires more moving parts and logistics including:

- working the coal stockpile with a dozer,
- loading the coal into the reclaim via underground chutes,
- conveying the coal to the coal bin,

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- dumping the coal into the coal bin,
- loading the coal to the train wagons from the elevated coal bin via a covered chute.

The rail loading process exacerbates the volume of fine coal product compared to truck loading. Clarence has found that loading the same proportion of fine coal product into a train (as that loaded into trucks) results in the coal product not discharging effectively out of the wagon at the unloading point.

Other advantages of trucking Clarence's coal product include:

- flexibility due to smaller volumes delivered at a rate which can be handled and more effectively managed on the smaller stockpile footprint at Lidsdale Siding,
- flexibility as truck movements can be adjusted daily to suit the ebbs and flows of supply and demand whereas trains require up to 2 weeks or prior planning to secure paths and arrange trains,
- trucks can be loaded blended to our specifications and again on blended at the Lidsdale Siding to ensure the end customer quality is maintained as per our contract conditions,
- trucks are able to discharge higher ratios of finer coal product which cannot not be unloaded from train wagons due to the inherent nature of the bomber door unloading configuration of rail wagons,
- enables the option to run and dispatch directly into the Mt Piper Power Station truck unloading terminal if the Lidsdale Facility is closed due to unforeseen circumstances or at full capacity, and
- haulage is generally conducted by local operators manned by local people adding to our local economy who have an understanding of our local issues and understand the importance of maintaining compliance, as they live local.

To this end, dispatching coal by truck provides additional flexibility in terms of product mix, logistics and timing and by virtue of the simple loading and unloading procedure, protects the coal product from additional pulverisation as compared to train load out and delivery.

## 2. You have advised that there are a number of complexities involved in transporting coal to MPPS via rail. Can you provide further information on this matter?

We note that we are able to dispatch coal from Clarence via train to the west and we have carried out campaign events at different times over the last 12 months. Pathings can be arranged with the Network rail service provider.

Complexity in dispatching coal via train to the west from Clarence, comes from the rail service provider as they are subject to logistical challenges such as:

- railing west can conflict with yard issues at Lithgow referred to as "possessions". Under these circumstances, no trains can go west from Clarence,
- increasing light vehicle and pedestrian interactions at level crossings such as behind the Lithgow information centre on Barton Street,
- unloading trains at Lidsdale Siding are limited to the amount the unloading facility terminal can receive daily due to consent conditions (SSD 08\_0223, Schedule2, condition 7: limits the number of trains through the Lidsdale Siding per day and coal train loading operations

are not to be undertaken on the same day as coal train unloading operations), and the limited footprint of the stockpile,

- the rail service providers have limited units and are subject to personnel constraints (ie limited human resources) to service all our and their other customer requirements. Limited human resourcing is commonly the case across the mining and energy industry particularly in Lithgow,
- the logistics of crewing for Western paths is difficult due to crews being deployed from Sydney which limits further their pathing options when they are travelling from the east and this is compounded with the restrictions associated with the Lidsdale Siding consent associated with curfews on unloading times, and
- trains are already being delivered from Airly at, or close to, the maximum rate that can be unloaded at the Lidsdale facility within curfew hours.

We also note the physical complexities associated with loading the Clarence coal product into trains as set out in Question 1.

# 3. What is the small incremental increase of particulate emissions referenced on page 26 of the Modification Report, dated 13 November 2023? How far within the air quality criteria is it? Can you please provide quantitative data in your response.

As discussed at our meeting on 2<sup>nd</sup> May 2024, Clarence has previously transported coal product by truck to Lidsdale Siding throughout the 2023 calendar year. Air quality monitoring over 2023 confirmed that with the additional activities of dispatching coal from Clarence, unloading coal at Lidsdale Siding and forward dispatch to the Mt Piper Power Station, both operations were able to maintain compliance with their air quality criteria as stipulated under each consent. The air quality monitoring results from both Lidsdale Siding and Clarence from 2023 are presented herein.

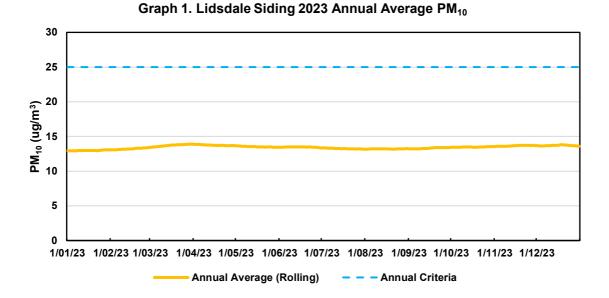
#### Lidsdale Siding

The air quality assessment criteria at Lidsdale Siding is stipulated within Schedule 3, condition 8 of SSD 08\_0223 and is summarised below:

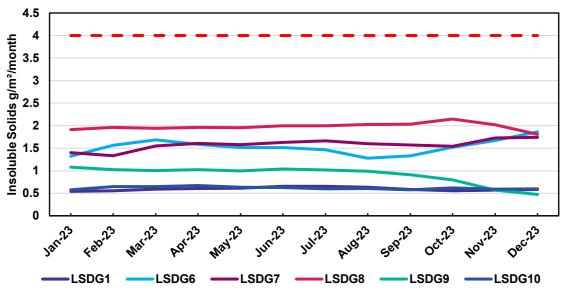
- Long Term criteria:
  - ο Total suspended particulate (TSP) matter Annual Average 90 μg/m<sup>3</sup>
  - Particulate matter <  $10\mu m$  (PM<sub>10</sub>) Annual Average  $25 \mu g/m^3$  (see **Graph 1**)
  - Deposited dust Annual Average 4 g/m<sup>2</sup>/month or incremental increase of 2 g/m<sup>2</sup>/month (see Graph 2)
- Short term criteria:
  - Particulate matter <  $10\mu m$  (PM<sub>10</sub>) 24 hour Average  $50 \mu g/m^3$  (see **Graph 3**)

TSP is calculated from the  $PM_{10}$  results. The recorded Annual Average for 2023 was 33.4  $\mu$ g/m<sup>3</sup> which is less than the criteria of 90  $\mu$ g/m<sup>3</sup>.

The rolling Annual Average results from the  $PM_{10}$  monitoring over 2023 is presented in **Graph 1**, which shows the monitoring results were less than the criteria. The Annual Average for 2023 was 13.9 µg/m<sup>3</sup>, which is less than the criteria of 25 µg/m<sup>3</sup>.



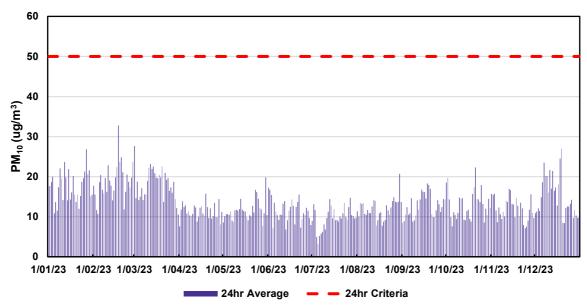
Lidsdale Siding has six dust deposition gauges surrounding the Lidsdale Siding facility. The rolling Annual Average results from the dust deposition monitoring over 2023 is presented in **Graph 2**, which shows the monitoring results were less than that the criteria. All dust gauges recorded Annual Average dust deposition rates less than 2.1 g/m<sup>2</sup>/month which is less than the criteria of 4 g/m<sup>2</sup>/month.



Graph 2. Lidsdale Siding Depositional Dust 12-month rolling average

Note: the criteria is shown by the red dashed line

The 24 hour Average results from the  $PM_{10}$  monitoring over 2023 is presented in **Graph 3**, which shows the monitoring results were less than that the criteria. All 24 hour Average  $PM_{10}$  results were less than 33 µg/m<sup>3</sup> which is less than the criteria of 50 µg/m<sup>3</sup>.



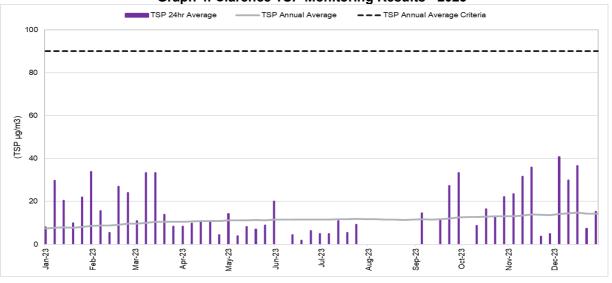
#### Graph 3. Lidsdale Siding 2023 24hr Average PM<sub>10</sub>

## Clarence

The air quality assessment criteria at Clarence is stipulated within Schedule 3, condition 13 of development consent DA504-00 and is summarised below:

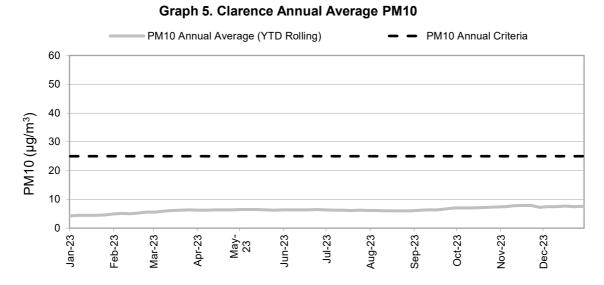
- Long Term criteria:
  - Total suspended particulate (TSP) matter Annual Average 90 μg/m<sup>3</sup> (**Graph 4**)
  - Particulate matter < 10μm (PM<sub>10</sub>) Annual Average 25 μg/m<sup>3</sup> (Graph 5)
  - Deposited dust Annual Average 4 g/m<sup>2</sup>/month or incremental increase of 2 g/m<sup>2</sup>/month (Graph 6)
- Short term criteria:
  - Particulate matter <  $10\mu m$  (PM<sub>10</sub>) 24 hour Average  $50 \mu g/m^3$  (**Graph 7**)

The recorded Annual Average TSP for 2023 was 11.4  $\mu$ g/m<sup>3</sup> which is less than the criteria of 90  $\mu$ g/m<sup>3</sup>. Results from the TSP monitoring, including the rolling annual average TSP results are presented in **Graph 4**.

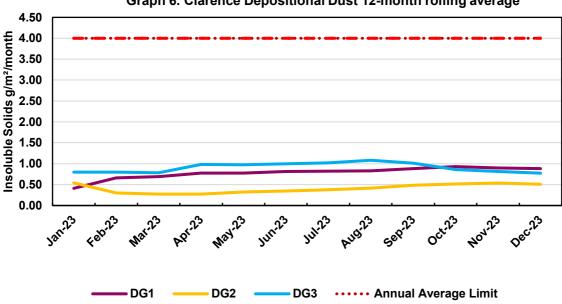


#### Graph 4. Clarence TSP Monitoring Results - 2023

The rolling Annual Average results from the  $PM_{10}$  monitoring at Clarence over 2023 is presented in **Graph 5**, which shows the monitoring results were less than the criteria. The Annual Average  $PM_{10}$  result for 2023 was 6.2 µg/m<sup>3</sup>, which is less than the criteria of 25 µg/m<sup>3</sup>.

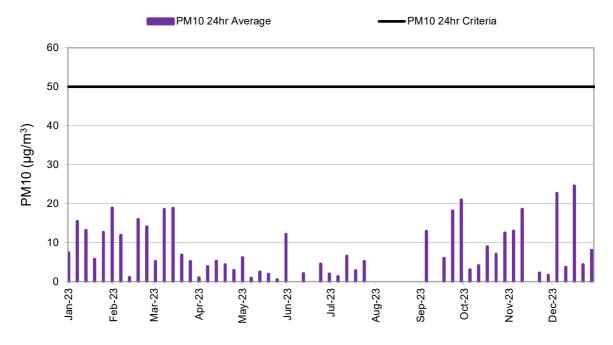


Clarence has three dust deposition gauges located around the Clarence pit top. The rolling Annual Average results from the dust deposition monitoring over 2023 is presented in **Graph 6**, which shows the monitoring results were less than the criteria. All dust gauges recorded a rolling Annual Average of less than 1.1 g/m<sup>2</sup>/month which is less than the criteria of 4 g/m<sup>2</sup>/month.



Graph 6. Clarence Depositional Dust 12-month rolling average

The 24 hour Average results from the  $PM_{10}$  monitoring over 2023 is presented in **Graph 7**, which shows the monitoring results were less than that the criteria. All 24 hour Average  $PM_{10}$  results were less than 25 µg/m<sup>3</sup> which is less than the criteria of 50 µg/m<sup>3</sup>.



#### Graph 7. Clarence 24hr Average PM10

#### 4. What is the stockpile capacity at Lidsdale, Western Coal Services and MPPS?

The stockpile capacity at Lidsdale Siding is 30,000 tonnes. The stockpile capacity at Western Coal Services is 400,000 tonnes. We do not have access to details relating to the operational capacity of the stockpile at Mt Piper Power Station. It is noted that EnergyAustralia may restrict stored volumes for any number of reasons potentially including (amongst others):

- fire risk,
- development consent requirements,
- safety issues, and/or
- financial reasons.

The following paragraphs consider hypothetical scenarios of storing a train delivery of Clarence's coal at Western Coal Services or Lidsdale Siding and highlights the constrains of such scenarios. Unloading coal from a train at Lidsdale Siding and delivering that coal to Western Coal Services for storage uses the same conveyor as that which delivers coal to the Mt Piper Power Station so we can only do one delivery destination at a time. Delivering coal product to the Western Coal Services removes the ability to deliver coal product directly to the Mt Piper Power Station, so unless there is an urgent set of circumstances, it is logistically and economically more favourable to dispatch coal from Lidsdale Siding, directly to the Power Station.

Coal delivered to the Lidsdale Siding by train, needs to be unloaded and then sent to the Lidsdale Siding Stockpile. To then load the coal onto the conveyor to the Mt Piper Power Station, coal dozers are required to push the coal out and then back in again to direct coal to the conveyor feeders. This double handling is not only costly, it further pulverizes the coal creating more fines which retains moisture on the stockpile, increasing the potential for blockages in the conveying system. Too much fine coal product can also impact our contract compliance. Coal delivered out of specifications can lead to product rejection. Conversely, coal product delivered by trucks can be delivered directly to the stockpile for blending and loading out to the Power Station.

From a safety perspective, it is not best practice to manage our stockpiles at or close to capacity. We often find, as our stockpiles get larger we have more occurrences of the dozer getting bogged on the stockpile. Managing our stockpiles at close to capacity (amongst other things) can also result in unforeseen bridging over the coal valves, which if not managed very carefully, can result in slumping and in a worst case scenario, engulfment. Therefore, managing volumes of coal on the stockpile via maintaining throughput (as opposed to term storage), is a safety practice that is maintained at the Lidsdale Siding and Western Coal Services where possible. It is actually preferable to keep the stockpiles as low as possible as it tends to be the safest means of operating.

## 5. Would covering the train cars resolve the sticky coal issue? Has this been considered as an option in providing coal to MPPS?

Covering the train cars will not resolve the sticky fine coal issue because the fine coal material is inherently sticky. We have not considered this as an option because it would not provide any improvement to the unloading effectiveness of wagons with higher contents of fine coal.

Importantly, for the short time the fine coal material stands in the wagons affected by rain events from the time of loading from the train load out bin to the unloading at the discharge facility at Lidsdale Siding, would make little difference to the hang up issues experienced. Clarence has quite a lot of experience from loading fairly damp to reasonably dry fine coal material and the issues always experienced, comes down to poor unloading due to the design configuration of the train wagons, being bottom dumpers, and hang up of the fine coal. Clarence has trialled various treatments of the train wagons to facilitate better slip, however, these have proven to be not successful.

#### Further Correspondence

We note your email dated 7<sup>th</sup> May 2024, whereby the Commission requested a copy of the presentation from our meeting last week. The presentation is provided with this letter.

Should you have any further questions, please do not hesitate to contact me at <u>Edwina.white@centennialcoal.com.au</u>

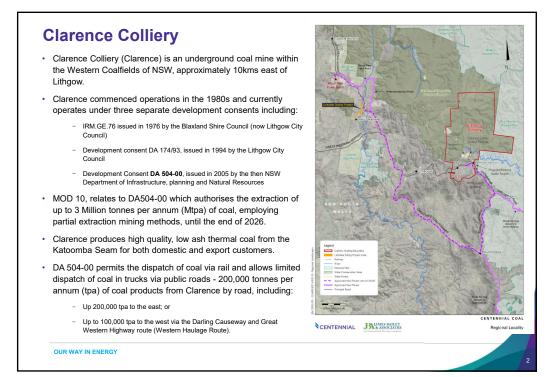
Yours sincerely

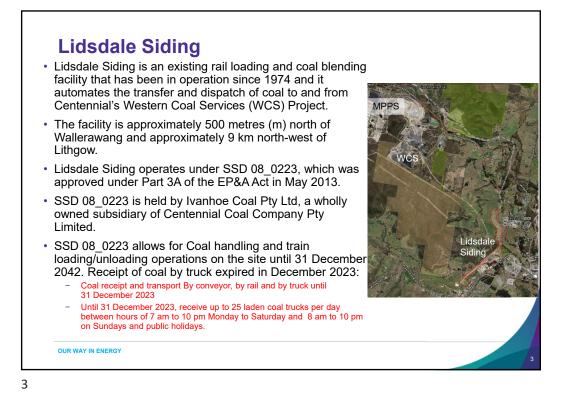
Edwina White

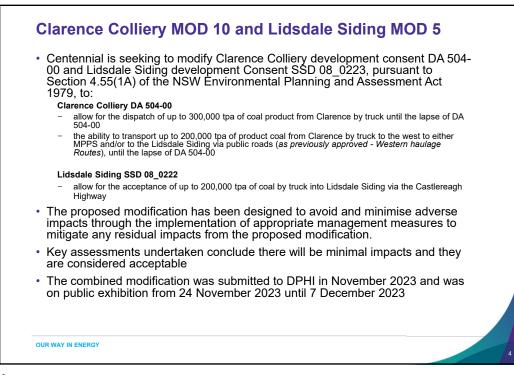
Edwina White Group Manager Approvals Centennial Coal

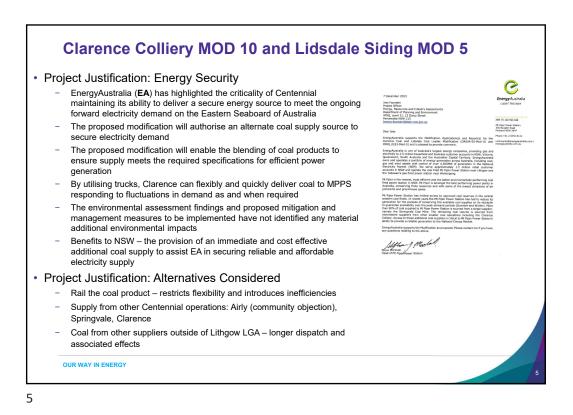
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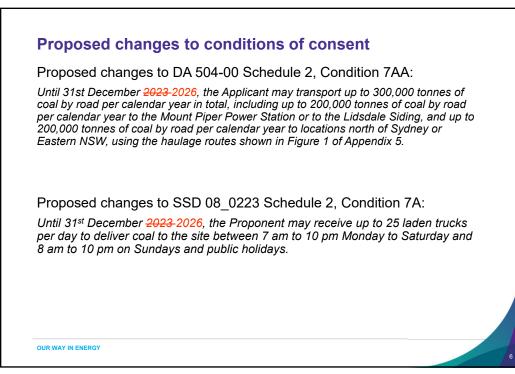


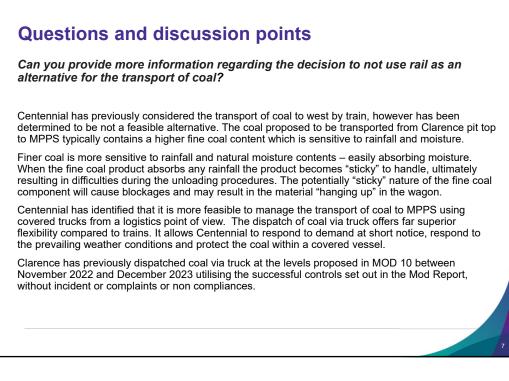




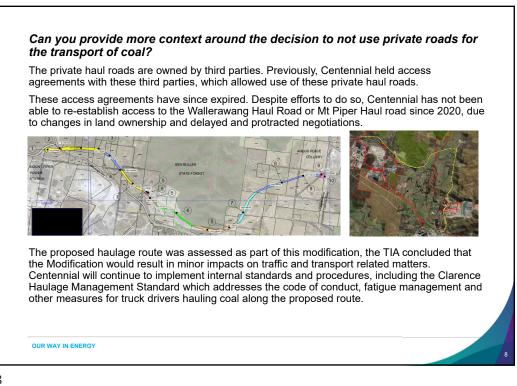


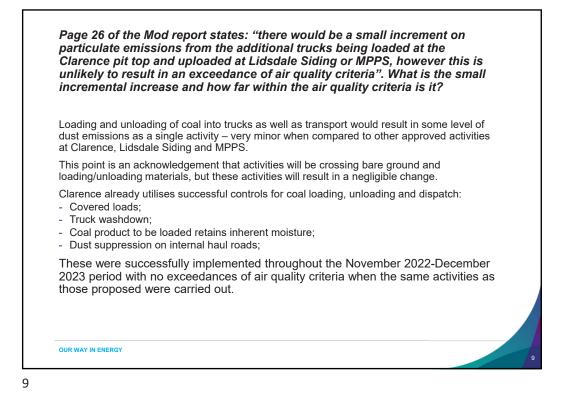












Can you talk us through the measures to manage dust impacts while the coal is being transported by road. Dust management measures include: · All haulage trucks entering and leaving the sites have their loads covered. Prior to leaving the Clarence pit top and the Lidsdale Siding site, all haulage trucks are to pass through the truck wash to ensure they are in a clean state prior to accessing the public road network (ie. Sides, undercarriage, draw bars, etc). · Use of low sulfur diesel in coal haulage trucks. · Dust suppression on internal Haul roads and stockpiles as required. Coal products – inherent moisture of coal product material usually ranges between 8%-28%. As per the draft conditions for DA 504-00 provided by DPHI on 8 April 2024, if approved Centennial will prepare a prepare a combined Transport Management Plan (TMP), in consultation with TfNSW. The TMP will manage the haulage of coal product between the Clarence Colliery and Lidsdale Siding. Clarence Colliery and Lidsdale Siding have a number of existing endorsed, site specific standards and procedures to manage internal traffic and surface transportation at each site. Docu Clarence Colliery and Lidsdale Siding Centennials Air Quality and Greenhouse Gas Management Plan Western Region 2021 CL 29 Surface Transport Management Plan 2022 CL-29-01 Operation of Surface Transport Standard 2019 CL-29-02 Haulage Management Standard 2022 Clarence Colliery Colliery Environmental Management Strategy 2021 SCSO-TA-1216 Coal Truck Delivery Induction 2022 SCSO-MS-004 Roads and Other Vehicle Operating Areas Management Lidsdale Siding Environmental Management Strategy Springvale Coal Services Operations 2021 OUR WAY IN EN

