New South Wales Government
Independent Planning Commission

TRANSCRIPT OF MEETING

RE: CLARENCE COAL MOD 10 - CONTINUE INCREASED TRUCKING & LIDSDALE SIDING MOD 5 - COAL DELIVERIES FROM CLARENCE COLLIERY

(DA504-00-MOD-10 & MP08_0223-MOD-5)

DEPARTMENT MEETING

PANEL:	PROF NEAL MENZIES AM (CHAIR)
	PROF ALICE CLARK
	PROF SNOW BARLOW
OFFICE OF THE IPC:	BRADLEY JAMES (PRINCIPAL CASE MANAGER)
DEPARTMENT, OF PLANNING HOUSING & INFRASTRUCTURE:	JESSIE EVANS (DIRECTOR, ENERGY & RESOURCE ASSESSMENTS UNDERGROUND)
	GABRIELLE ALLAN (TEAM LEADER, ENERGY, RESOURCES & INDUSTRY)
	POLINA GOLBERG (SENIOR PLANNING OFFICER, ENERGY, RESOURCES & INDUSTRY)
LOCATION:	ZOOM VIDEO CONFERENCE
DATE:	FRIDAY, 3RD MAY 2024

<THE MEETING COMMENCED

PROF. MENZIES: My name is Neal Menzies. I'm the panel chair. I need to start by reading a formal statement, but then our discussion will be backwards and forwards, relaxed. We'll stop you mid-sentence and ask questions if that seems the sensible thing to do. So don't be put off by you know, the casual approach we're going to take. So the formal statement before we begin, I'd like to acknowledge that I'm speaking to you from the Turrbal and Jagera lands. So I'm here in the Brisbane River Valley, and I acknowledge the traditional owners of all the country from which we are meeting virtually today. And pay my respects to Elders past and present.

Welcome to the meeting today to discuss the Lidsdale Siding Modification 5 and Clarence Colliery Modification 10, cases currently before the Commission for determination. My name is Neal Menzies. I'm the chair of the Commission panel and I'm joined by my fellow Commissioners, Alice Clark and Snow Barlow. We're also joined by Brad James from the office of the Independent Planning Commission. In the interest of openness and transparency, and to ensure the full capture of information, today's meeting is being recorded and a complete transcript will be produced and made available on the Commission's 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 the top of each other to ensure accuracy of the transcript.

Okay, so we can now begin. Guys, thank you for joining us. We did send you some questions and we sent those to the applicant as well. We had a discussion with the applicant yesterday which we found really very useful. They answered some of our questions, some of them they took on notice which was a little disappointing given that we'd asked specific questions. But we in particular for the dust, we're interested in getting some actual values as opposed to, you know, well, it's below or it's well below, you know, give us some numbers. We just to sort of set the scene for why we're asking our questions, the modifications we're being asked about, we view as really very simple and it's been done before.

So, you know, in that sense we don't see it as a complex problem, but we come back to the original issue here is putting- the issue that we're worried about here is putting trucks on the road, why that needs to happen. Okay, so we understand that it's been done before, etc.. But we're going back to the previous mod and saying why aren't they using trains. Or why aren't they using the alternate whole road. So the answers we received yesterday about the alternate haul road was that really isn't possible for the many more that the complex land ownership. They don't have agreements to pass over the various pieces of differently owned land. So we're happy to put that to one side, but we're still interested in, is rail a possibility. The company told us that it's more or less a commercial decision that the type of coal that they'd like to send to the power station is fine. It's more difficult to handle in rail carriages than it is in trucks, but certainly not impossible.
You know, there'd be options of sending a different grade of coal a coarser of coal that would come out of the carriage as easily, or it would be possible to explore

covering the carriages. So I guess I'm trying to set the scene here of- the company could do rail, it would be possible. Obviously, it's not what they want to do, but our questions then to the department are given that information, given that context given- sort of exposing our thinking to you. We're interested in your view, that the department's view it's- That there really isn't a problem putting these trucks on the road. Does that all make sense to you guys?

MS EVANS: Yes, that's good context, thank you.

PROF. MENZIES: Okay.

MS EVANS: And I'm Jesse Evans, director of resource assessments speaking. And we are going to be joined by Clay Preshaw, who's the Executive Director, in about five minutes as well. He's just running a bit late. And today I've got Gabby Allen with me, who's one of the team leaders in my team, and Polina Goldberg, who's a Senior Planner in my team as well. So we'll probably all just share jumping in and answering questions if that's okay with you rather than -

PROF. MENZIES: Perfect.

MS EVANS: Just one of us speaking the whole time. But I think you've summed it up nicely. We did have some further or probably the same information that you'd received from Centennial regarding the landowner's consent and using private haul roads. So, happy to hear that you've spoken to them and that they've managed to satisfy your queries on that one. So we'll just leave that one to the side. And I guess the other questions that you had are around rail transport. So I think that we have obviously what was in our assessment report which outlines the modification and the impacts of the proposed modification and using the road transport options. But in addition to that and you may have heard this from Centennial already, but Mount Piper Power Station doesn't actually have a rail unloading facility.

So it relies on Lidsdale Siding and transport of coal as goes to the siding via overland conveyors predominantly. And then that's how it gets to the power station. So I guess Centennial may have said this to you already, but the coal that they're proposing to transport is a higher fines content coal. So when it is in a rail wagon it does what they- I guess they call it hand up. So it's not ideally transported via rail. And when it's exposed to rainfall and moisture, which does happen in that area fairly frequently. So that's, that's why they have the preference for the road transport logistics. Also the operational constraints of doing rail with that handing up scenario that comes along with it. And they do contend that road haulage provides them more flexibility. And that's for a couple of reasons. They can respond on a shorter notice period from Mount Piper Power Station. They can also cater their road haulage depending on the weather conditions in the area. And there's also the ability to cover the coal within the track wagons.
So they're the main reasons and I guess from our point of view and how we looked at it knowing that those reasons were there, and then also what the impacts of the modification were, it really did just become a weighing up exercise as to what the

impacts were of the modification, whether pursuing a rail option would really provide greater benefit and compared to what those impacts are. And we ended up getting to the point where we considered that the impacts of the road transport were relatively small. They have been done in the past and fairly successfully. There's not been any exceedances of conditions or complaints received directly to the department. So when we've weighed up all those options and the impacts of the modification, we determined that it could be recommended for approval for an extended period of time.

PROF. CLARK: Jessie, can I ask a couple of questions there?

MS EVANS: Yes.

PROF. CLARK: It's Alice Clark speaking. I understand the the greater benefit, the quicker response and flexibility and also the issues around handing up. I guess one of the questions for the department here is given that they rail so much coal in other directions for export, did the department look into how they could have dealt with rail in this option in a similar way, by blending up to a more coarser consistency of coal in the in the rail trucks. And the secondary question to that is did anybody in that process look at the option of covering the rail cars to you know, prevent the rain getting in?

MS EVANS: Yeah. I don't believe we've looked at it in a huge amount of detail for this modification, but we can certainly get some information, further information, if it would answer those questions. We took- we did more take the approach of operational flexibility, the road network being suitable and the impacts being what we consider to be acceptable.

PROF. CLARK: That's fine. So the second part of that question is, as you mentioned, that you hadn't received any complaints from the public direct to the department. Were you aware of any complaints that might have been received by to the company?

MS EVANS: Yes, not off the top of my head, but it should be available in their annual review documents, which are publicly available. So we can- they'll be on their website. Centennial did advise they didn't receive any, but we can also just go back and look in those annual reviews as well.

PROF. CLARK: And I suppose Neal, at some stage just some information about the recent- a notification that came to us. Yes, thanks that was my questions. Thank you.

PROF. MENZIES: Jessie as Alice is flagging. We did have a member of the public write to us at the commission, giving a set of concerns around the big trucks on the road and, and the viable alternative of use of rail and obviously someone who lives locally because he had - he or she, I can't remember, had observed rail trains heading west carrying coal and knew that there was unloading facilities at Lidsdale, etc.. So, just really asking exactly the same questions that we're asking as a commission. And

of course our concern is that another set of large trucks on the road is additional traffic, even if it's you know, not significantly more- What is significantly more. But if it's 4 or 20% depending on which part of the road network you're on.

So that remains our issue. I look and I, I asked the company directly about the flexibility question because yes, it's more flexible, but is that actually a benefit when you've got the capacity to stockpile large amounts of- and they do stockpile large amounts of coal beside the power station. It's not as though the power station is going to ring up and say, guys, we need three extra trucks tomorrow because it's going to be a bit colder and people are going to have their heaters on. So that sort of level of flexibility that trucks provide, that's true- but is it relevant? And so we did not get a clear answer of usefulness of that flexibility. It was simply that it's more flexible, but no indication that that had meaning in terms of supplying the power station.

MS EVANS: Yes. From a strategic perspective, and there's obviously a lot of discussions going on in the background between the department and the Office of Energy and Climate Change as well, about coal supply for Mount Piper Power Station. So, the power station does predominantly get its coal from Springvale. Springvale is encountering water issues at its mine. There is a large amount of groundwater and surface water into the mine.

So, it's- and there is you're right, there is the ability to stockpile, but the rate of which the power station is getting coal from Springvale has been reduced, and it is looking to get coal from other suppliers or other sources, such as Clarence. And that is really important. It hasn't been so important when these modifications first came in over the summer period, but it is getting really important coming up into the winter period. And I think if Centennial was to encounter continued water issues at its mine, or if the water treatment plant was to go down and not be operational, that's where the flexibility for getting truck coal, trucked in from Clarence becomes really important, particularly in this winter period. So, there is that broader operational strategic perspective in the background to these modifications as well.

PROF. MENZIES: Yes Jesse, that's a really interesting perspective. And it's also touches on one that that we're concerned about as a panel. We're also looking at the water treatment, and so we're sensitive to that.

MS EVANS: Yes.

PROF. MENZIES: And one of the things that I guess we worry about is this something that's going to continue long into the future. Now, we're currently being asked to allow this to continue to happen until 2026. Snow makes the observation that traffic density only gets greater.
Okay, it's hard to see into the future, but this is something that he's happy to state - there'll be more traffic on the road in the future than there is now. And extra trucks are not going to help. So, I don't expect that you can give us a definitive answer. But that sense of how long is this to go on for? And is this a stop gap, in which case, you

know, it's sort of much easier to approve, or is this the future mechanism by which the power station is going to be supplied with coal. That would make a difference to our worldview.

MS EVANS: Yes.

PROF. CLARK: And can I add to that, Neal, just before you answer, Jesse. Knowing that if you're in the public sphere, knowing the answer to that may very well change your wanting to make a submission. So, it's that whole longer-term context that seems to be unclear.

MS EVANS: Yes- and look, it's a great question. It's a great question for government, for the panel and for the public. What is the longer term options out in this area for rail transport and also the viability of the mine's continuing to supply coal to Mount Piper. At the moment, there is no rail supply from the Hunter region to get to Mount Piper or no viable options. I know there is work being done in the background to look at other ways that coal can get to the power station. That is a longer term solution though, and it's not going to be quick. So I would like to think that these are just a temporary stopgap until there is a more strategic option available. But at the moment that is that isn't available. But I can say there is- people are aware of the problem and turning their minds to it and considering it.

PROF. CLARK: Snow, we can't hear you.

PROF. MENZIES: We can't hear you, mate. You're not showing as muted on my screen, but we can't hear you.

PROF. CLARK: So just while Snow fixes up his audio problems there that question of of covering the cars is still pending, and, I guess not really looked at or addressed, but the other one is around dust. And I know Snow will bring us back to the subject that we've just been talking about, but the question around dust is with the extra hauling across bare ground, the suggestion was that this is not an issue. And it's below the current requirements or standards and it's only an incremental one, which are great, great context and great words. So those things are quantifiable, and I'm wondering how they can make that. And I was wondering if you had any, any more information about that or could point us to where those, those pieces of data might be?

MS EVANS: Yes. I don't have it in front of me, unfortunately. And it probably- I'll go away and have a look for it and see if we can get you anything. It is probably a question best directed to the company. And I don't know what Centennial- this is the answer they weren't able to provide. I'm going to assume. Yes okay.

PROF. CLARK: So just asking you of a different group to see if maybe you had it, but that's okay.

MS EVANS: We might, but I might just have to do a little bit of digging to get it. Yeah. Thanks.

PROF. MENZIES: This company had promised to come back to us with those sorts of hard numbers, so.

MS EVANS: Yeah.

PROF. BARLOW: Can you hear me now?

PROF. MENZIES: We can, Snow.

PROF. BARLOW: Good, good. Just a little bit of repair. I guess the other angle to that Jessie, which we're interested in. Clearly this mod goes to 2026, but it hasn't escaped our attention that the current mining license of Clarence Colliery only goes to 26 as well. So clearly they couldn't ask for longer than that. But has the department had any discussions or have any knowledge that what the coal resource is at Clarence Colliery in a sense of- will it end in 2026, which, given their current rate of export out of that colliery, seems unlikely. So will there be another Mod to extend their mining license and then perhaps another mod to extend the road transport? You know, these are- they're not really blue sky but they're perhaps questions we shouldn't be asking. But there are the context of, is this going to become a new normal on the Castlereagh highway?

MS EVANS: Yes, it's a fair question. It is outside the scope of this modification, but there is a modification within in the system already called modification eight. It is tricky. Clarence is covered by a couple of different consents. And they do have additional resource within their mining lease still. And they are looking to extract more of that under modification eight which also covers a council consent as well, which is why it's not in- it's not in as a modification report yet. It's just in as like a scoping stage. So there is another modification which will allow them access to the rest of- to more resource and probably extend their time frame as well.

PROF. BARLOW: Okay, thank you. but there's another question in that too. In terms of alternative suppliers of coal to Mount Piper. You mentioned the difficulty of moving Hunter coal to there. We understand, but what about Mudgee coal?

MS EVANS: Mudgee coal, yes.

PROF. BARLOW: To the west. Is that accessible by rail from- to Mount Piper?

MS EVANS: I don't believe it is easily. But I think that is one of the considerations that's been looked at more strategically within government.
The other the other thing to consider with the Mudgee coal is that it's committed by those companies or, well, as already to other sources.

PROF. BARLOW: Okay.

MS EVANS: So not for domestic supply at Mount Piper. So there's rail logistics to overcome, and there's also contractual arrangements that would need to be overcome as well. So it's difficult on a couple of fronts.

PROF. CLARK: Jesse, can I ask another question. And it's back onto the railing of the coal to siding. The question is if they're able to solve the problem of sticky coal and by either blending to a coarser grade or to, you know, excluding the rain from the carriages, is there a possibility for the mine to actually supply additional cars so they get the approval for the trucks, but can also use the rail as well? Is there any caps on the amount that they're allowed to mine from the operation annually?

MS EVANS: There is caps at- there is caps on, I would say 99% of coal mine consents. There might be some really old ones that or existing use ones that don't have those caps. But there is caps on most of those coal mine concerns as to what they can pull out annually, but they can be subject to a modification or a further SSD process.

PROF. CLARK: Okay. Just with the regional context and the need for, you know, flexibility, I can see that that would be something that might be considered.

MS EVANS: Yes, it could well be considered. It would just need to go through the appropriate planning pathway.

PROF. CLARK: Thank you.

MS EVANS: I was just going to- I was going to add one more thing with the mines to the west. So there is a rail line there, but it needs a really substantial upgrade. So someone would have to foot that bill. Which is another financial consideration. (crosstalk)

PROF. MENZIES: Well these things take time too, don't they Jessie?

MS EVANS: So you've got the logistics, the contractual and the financial. Yes. And timing. Yes.

PROF. MENZIES: Okay.

PROF. BARLOW: So I thank you, Neal. Does that normally do the Mudgee coal fields actually funnel into Newcastle in the export sense rather than down towards Sydney on the rail? Is that the question.

MS EVANS: Mudgee coal is exported, yes.
PROF. BARLOW: Yeah, but where does it be-

MS EVANS: Do you know, Gaby, if the magic exported from- Newcastle predominantly. .

MS ALLEN: I'm pretty sure it's mostly yes, Newcastle.

MS EVANS: I think it is predominantly, Yes.

PROF. BARLOW: Thank you.

PROF. MENZIES: Okay. Fellow commissioners, are we- have we asked all of our questions? Alice? Anything, you're good?

PROF. CLARK: No. At this stage, Neal, thank you I'm fine.

PROF. MENZIES: And Snow?

PROF. BARLOW: I think - have we explored- there weren't any objections to this or albeit we've received a something from a member of the public since then. But as opposed to and we are aware of the New South Wales Transport you know, transport report. Were there any sort of tipping points identified in that in terms of key intersections and in terms of school bus routes, that the extra trucks on the road could be problematic or would need to be managed.

MS EVANS: You're referring to the traffic impact assessment for the modifications?

PROF. BARLOW: Yeah.

MS EVANS: Gabby, do you know, off the top of your head if there was school bus routes along that?

MS ALLEN: I don't recall school bus routes, but I do recall seeing the traffic impact assessment that was originally completed for the initial increase in truck movements, I think up to 500,000 tons whereby they undertook all the different intersection assessments and proposed designs for those intersections. So I'm not sure about the school bus routes, but I know that the intersections have been designed to at least this standard of traffic and that through the current modifications, they've been reassessed and found to be maintained at level of service A or B.

MS EVANS: Which is the highest standard.

MS ALLEN: Which is the highest standard possible. So there's no concern regarding a tipping point for intersection capacity.

PROF. BARLOW: Okay. Thank you.

PROF. MENZIES: All right.

MS EVANS: Sorry, Clay has just sent through his apologies. He's not going to be able to make it. He's dealing with something urgent.

PROF. MENZIES: And here we've been waiting patiently for him.

MS EVANS: No, sorry. Power on ahead without him.

PROF. MENZIES: All right, Jessie, Polina, Gabby. I think as a panel, we've asked the questions we wanted to ask you. But I just wanted to make sure that you didn't have anything that you wanted to tell us things that have come up during the course of the conversation that- you think we might have the wrong tuning on at the moment. Are you content? You've got your story across to us?

MS EVANS: Yes, I'm comfortable that our assessment is really sound and it's a strong recommendation put forward. The only thing I would say is, I do think all this context that we've been providing is really important. But it- and it's hard to do. It's something we have to do as a department. But you need to come back to the modification that's in front of you and the merits of that modification, but also noting that the context is, there is that broader context around you. But at the end of the day, it's just it's the modification that's in front of us that needs to be assessed. Yes.

PROF. MENZIES: Yes. Absolutely true. Gabby, and Polina and Jessie, the three of you have - you know, you can clearly see what we're thinking about, and so the information that you provided us really helps us with that broader context. And we're- We do know that we're looking at a particular modification, but I think it's important that we understand the broader implications of the decision we make. So it's been really useful. And our conversation with the applicant was similarly really useful. They were really open, gave us straight answers on a lot of the things that we were worried about. So I think we're now in a position to actually look at the modification and, and make our decision. Just a little bit of information on dust. We're still-

MS EVANS: Yes. Look, the emissions weren't quantified, but we are satisfied that they're very small and not likely to be an issue and that there's scope within the air quality criteria within the existing consent to capture them.

PROF. MENZIES: Yes.

PROF. MENZIES: Look, I think that we're in that place too, in the sense of the coals kept wet and it's covered on the trucks. But we're all scientists. We are never happy until we see a number. So yes, when we get our numbers, we'll be satisfied.

MS EVANS: Yes, I might speak to you, Brad, if you like. We might wait till Centennial gives you their response. Is that how you want to?

MR JAMES: Sure, yes I'll keep you in the loop, Jessie.

MS EVANS: Okay, and then if you need anything additional from us, we can provide it.

MR JAMES: Great.

PROF. MENZIES: Jessie, that's exactly the way we'd like to step forward.

MS EVANS: Okay.

PROF. MENZIES: If they supply us with- we anticipate that they'll supply us with the numbers we're looking for pretty quickly. If they are, as the company's indicated to us, no issue, no problem, then we'll move rapidly ahead. If we think there is a problem, we'll come back to the Department for help to interpret and understand.

MS EVANS: Okay thank you.

PROF. MENZIES: All right. So thanks, guys. And give our best wishes to Clay. We missed him.

MS EVANS: Yes hopefully it's nothing urgent that I have to go into there. So we'll find out. All right, thank you. Thanks for today. Thank you. Talk to you all soon. Bye bye.

MS ALLEN: Thank you.