

New Acland Coal Mine Stage 3 project

Coordinator-General's change report No. 2 – amendment to imposed conditions (train load-out facility)

September 2020

The Department of State Development, Tourism and Innovation

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Synopsis

The New Acland Coal Mine Stage 3 project (stage 3 project) expands the existing New Acland Coal Mine to produce up to 7.5 million tonnes of coal per annum over a mine life of approximately 12 years. The project involves the development of three new pits within the Manning Vale and Willeroo resource areas. The proponent is New Acland Coal Pty Ltd, a subsidiary of the New Hope Group.

The Coordinator-General released the evaluation report (CGER) for the stage 3 project on 19 December 2014. In the CGER the Coordinator-General imposed condition 4, Appendix 1, to ensure the proponent prioritised construction of a new train load-out facility, rail loop and rail spur for the project (collectively referred to as the TLO facility throughout this report). Imposed condition 4 required a new TLO facility on the mining lease to be the sole distribution point for all railed coal for the stage 3 project, from the first day of its operations.

On 24 May 2019, the proponent lodged change application 2 with the Coordinator-General, seeking amendment to imposed condition 4 to delay the timeframe within which a new TLO facility must become the sole distribution point for all railed coal from the mine. The change application sought a five year extension to this timeframe. New Hope Group advised that the exiting approved Jondaryan rail load-out facility (JRLF) would be used to distribute coal while the new TLO facility is built.

The proponent is yet to secure all approvals required to allow the project to proceed, including Mining Lease (ML) 700002 which would authorise use and tenure for the new TLO facility. As a result, the proponent has not invested the \$170 million required to construct the new TLO facility.

The requested change would allow mining of the stage 3 project coal in parallel with the construction of the new TLO facility and associated infrastructure, reducing the risk of temporary mine shutdown and disruptions to workforce continuity.

The community was invited to have their say on the requested change between 22 June 2019 and 21 July 2019. Twenty-three submissions were received – three from interest groups, 17 from private submitters and three from local and state advisory agencies. Ten submissions were in support of the change request. In undertaking my evaluation, I have considered the submissions made during public consultation on the change application.

The following is a summary of the main issues arising from my evaluation of the project changes.

Evaluation of the environmental effects of the proposed change

I have amended imposed condition 4 at Appendix 1 of the 2014 CGER for the stage 3 project to require the TLO facility to be constructed within two years of the commencement of stage 3 coal mining. This will ensure that there will be no change to the environmental effects of the project as described in the stage 3 project's environmental impact statement (EIS), which were evaluated by the Coordinator-General in the 2014 CGER for the project. The stage 3 EIS anticipated a two year construction and commissioning period for the new TLO facility and associated infrastructure.

The activities associated with the use of the JRLF are currently managed through an existing environmental authority (EA) regulated by the Department of Environment and Science (DES). The proponent confirms that there would be no amendments required to the EA for the JRLF to allow the use of the JRLF for stage 3 coal, as the proponent has committed to not increasing the throughput, the amount of coal stockpiled or the number of train movements per day.

Since the stage 3 EIS was prepared, the proponent has taken steps to reduce the impacts of the JRLF, including reducing the size of coal stockpiles and conducting air quality monitoring over and above the requirements of the EA. I am advised by DES that the JRLF, which has been in operation for 17 years, operates in compliance with stringent limits set by DES in its EA to prevent environmental nuisance or health impacts from noise and dust emissions.

In terms of why the change is required, the proponent states that the economic circumstances around the project have changed since the 2014 CGER. The proponent asserts that the financial security of the project requires that mining should commence as a priority following the grant of the projects ML's and associated water licence (AWL). There would be a significant financial burden on the proponent should they be required to shut down the mine at the same time as incurring the significant capital expense associated with the construction of the new TLO facility and associated infrastructure.

The proponent's change application notes that a large proportion of employees are permanent residents in the region, with 35 per cent based in the local district (Oakey and Jondaryan) and 45 per cent of the workforce based in Toowoomba. A prolonged overall reduction in coal mining for the combined New Acland Coal Mine (stage 2 and stage 3) may result in local job losses for long term employees at the mine and impact local customers the mine supplies. At the time of making the application, the project had 34 domestic coal customers including 12 abattoirs, farmers, a major hospital, food suppliers, nurseries and other industries that are reliant on the project for energy supplies.

There is a significant risk to workforce continuity and broader economic implications for the region associated with the reduction in coal mining for the stage 2 project, if that does not coincide with commencement of stage 3. There is a reduced risk to workforce continuity and broader economic implications by allowing stage 3 to commence while the new rail infrastructure is constructed.

To ensure greater certainty for people living in or near the town of Jondaryan, I require timely close-out of the mine moving its rail load-out away from the current location. I consider a two year extension to the timeframe for the new TLO facility to be the sole distribution point for all railed coal from stage 3 to be appropriate, taking into account the potential loss of local jobs and broader economic implications associated with further delays to the commencement of the stage 3 project. New Hope Group has agreed that the new TLO facility can be built within the timeframe set.

I have defined first coal within amended condition 4 and I require the proponent to notify me within two weeks of the mining of first coal on ML50232 to ensure that compliance with the two year timeframe can be ensured. I have also included a requirement in amended imposed condition 4 that I receive regular reports on the status of construction of the new TLO facility. I have also amended condition 5, which was not previously time-bound, to

require design of the rail spur to be provided to the Coordinator-General within three months from the grant of all mining leases and the AWL for the project. These reporting requirements will ensure the New Hope Group build the new TLO facility within two years of mining. Accordingly, condition 5 has been amended to nominate the Coordinator-General as the entity with jurisdiction for the condition, rather than the Department of Natural Resources, Mines and Energy (DNRME).

Coordinator-General's conclusions

I am satisfied that the requirements of Part 4 of the *State Development and Public Works Organisation Act 1971* (SDPWO Act) has been met and that sufficient information has been provided to enable the evaluation of the proposed amendment to the conditions for the project.

I have amended imposed condition 4 of the 2014 CGER to require that the new TLO facility be operational and the sole distribution point for railed product from the mine within two years of first coal being mined for the stage 3 project. Amendments to imposed condition 5 require that the new rail spur will be designed within three months of the proponent receiving MLs and an AWL, ensuring the timely delivery of the new infrastructure.

I also expect the proponent to fulfil their commitment to decommission the JRLF within 12 months of the facility ceasing operations.

I consider that the amendments to imposed conditions 4 and 5 and proponent commitments in the 2014 CGER will result in acceptable overall outcomes after considering the social, environmental and economic effects of the project. My amended conditions, consistent with the stage 3 EIS provide certainty for the Jondaryan community that the JRLF will be used for a maximum of 2 years following the commencement of the stage 3 project.

I approve the changes to imposed conditions 4 and 5 at Appendix 1 of this report. An updated list of proponent commitments is also provided at Appendix 2 of this report.

In accordance with Section 35K of the SDPWO Act, imposed conditions 4 and 5 at Appendix 1 and proponent commitments at Appendix 3 of the December 2014 CGER are now replaced by the conditions and commitments at Appendix 1 and 2 of this change report. All other conditions in the December 2014 CGER and February 2019 change report (noise) continue to have effect, however the conditions of this change report prevail to the extent of any inconsistency.

A copy of this report will be provided to the proponent and relevant state government agencies and will also be made publicly available at: www.dsdmip.qld.gov.au/newauckland.


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Toni Power
Coordinator-General

17-9-2020

1. Introduction

This change report has been prepared pursuant to section 35I of the *State Development and Public Works Organisation Act 1971* (Qld) (SDPWO Act) and provides an evaluation of the proposed changes to the New Acland Coal Mine stage 3 project (referred in this report as the project; or the stage 3 project) outlined in change application 2 which was received by the Coordinator-General on 24 May 2019. The proponent's change application specifies the proposed changes to imposed conditions for the project, and these are summarised in Section 3 of this report.

This report does not re-evaluate the project as a whole. Further, it is not intended to revisit all the matters that were identified and subsequently addressed in the project's environmental impact statement (EIS) assessment process. Rather, this report concentrates on the particular issues identified in the change application. The change report:

- summarises the change report process
- summarises the proponent's proposed changes to conditions of approval for the project
- summarises the key issues associated with the proposed changes
- presents an evaluation of the proposed changes, based on information contained in the change application, additional information from the proponent, submissions received and the proponent's response to the submissions
- amends conditions under which the project may proceed.

2. About the project

2.1 The proponent

The proponent for the project is New Acland Coal Pty Ltd (the proponent), a subsidiary of New Hope Corporation Limited, which is an Australian company. Both the proponent and New Hope Corporation Limited are part of the New Hope Group.

The proponent has operated the existing New Acland Coal Mine (existing project; stage 2 project) since 2002. The stage 2 project is a 5.2 million tonne per annum (Mtpa) open cut coal mine active on mining leases (MLs) ML50170 and ML50216 and is regulated by environmental authority (EA) EPML00335713.

2.2 The project

On 18 May 2007, the Coordinator-General declared the stage 3 project 'a significant project' (now known as a 'coordinated project') for which an EIS is required in accordance with section 26(1)(a) of the SDPWO Act.

The stage 3 project is described in the Coordinator-General's Evaluation Report dated 19 December 2014 (2014 CGER) and subsequent Coordinator-General's Change Report dated 12 February 2019 (2019 CGCR).

The stage 3 project is located around 160 kilometres (km) west of Brisbane, 35 km north-west of Toowoomba and 14 km north-west of Oakey. The project is the expansion of the existing open-cut mine to produce up to 7.5 Mtpa of thermal coal for an approximately 12 year period.

The key components of the project include:

- mining in three new pits, namely, the Manning Vale West, Manning Vale East and Willeroo pits
- mining and out-of-pit dumps located on mining lease 50216
- emplacement of two out-of-pit spoil dumps associated with the Manning Vale and Willeroo mine pits
- construction of a new eight kilometre long rail spur line and balloon loop on mining lease application (MLA) (infrastructure) 700001 from Jondaryan onto MLA50232
- construction of the Train Load-out Facility (TLF) within MLA50232, 8km north of Jondaryan
- construction of a Materials Handling Facility (MHF) on mining lease 50216
- upgrade of the existing Coal Handling Preparation Plant (CHPP) complex, ROM and product coal stockpile areas and supporting infrastructure on mining lease 50170
- relocation and potential upgrade of the current power supply for the mine operation and the local 11kV distribution system
- decommissioning of the existing mine's Jondaryan Rail Load-out Facility (JRLF)
- relocation and potential upgrade of the existing local telecommunication network.

Following the release of the CGER, the stage 3 project has been subject to ongoing legal proceedings in the Land Court, Supreme Court and High Court. The High Court will hear an appeal relating to the project on 6 October 2020.

2.3 Background to imposed condition 4

In response to community concerns about the impacts of noise and dust from the JRLF, the proponent committed to building a new train load-out facility, rail loop and rail spur (TLO facility) on the ML as part of the stage 3 project.

The Coordinator-General required the new TLO facility to be constructed within the boundary of the Manning Vale ML (MLA50232) and to be the sole distribution point for all railed product from the first day of operations of the stage 3 project (imposed condition 4).

At the time of making the evaluation of the stage 3 project, it was envisioned approvals for the stage 3 project would be secured in a timely manner and that construction of the TLO facility and associated rail infrastructure would occur prior to the depletion of the stage 2 coal reserves.

The JRLF services the existing stage 2 project and is approved and regulated by EA EPPR00814313. Coal produced from the stage 2 project is stockpiled at the JRLF where it is loaded onto freight trains and transported to the Port of Brisbane via the West Moreton rail line.

3. Change report process

3.1 Application

The proponent submitted the change application on 24 May 2019 seeking amendments to imposed condition 4 of the 2014 CGER, in accordance with section 35C of the SDPWO Act. The change application meets the requirements of section 35E of the SDPWO Act which sets out the requirements for the application.

The proponent's change application sought to enable the new TLO facility to be the sole distribution point for all railed product no later than five years following the grant of MLs for the project.

The proponent's change application also provides an assessment of impacts of the proposed change on commitments made in the stage 3 project EIS. The proponent made 836 Commitments in the EIS, with 22 Commitments relating to the JRLF and the Jondaryan Township.

3.1.1 Proponent's justification for change

The proponent reports that since release of the 2014 CGER, court proceedings in the Land Court and Supreme Court have significantly delayed the granting of primary approvals required to commence construction of the project. The proponent contends that the remaining coal reserves on the stage 2 project would be depleted in 2020 and that for the mine to operate beyond 2020, it is critical that the stage 3 project proceed concurrently with the construction of the new TLO.

The proponent notes that imposed condition 4 in its current form would likely delay mining works for at least 30 months after granting of the MLs and AWL. This delay would mean that the mine would need to shut down when coal reserves on the existing MLs are depleted. The proponent has explained that a temporary shutdown would result in the following impacts:

- loss of continuous supply to the proponent's coal customers, including 34 domestic customers
- temporary loss of employee and contractor jobs at the mine
- loss of jobs and profitability associated with the reduction of coal traffic on the West Moreton rail line
- loss of jobs and profitability associated with the reduced throughput at the Queensland Bulk Handling facility at the Port of Brisbane
- significant financial burden on the proponent to build the TLO facility with no or reduced cash-flows.

It is the proponent's intention to transition workers from the stage 2 project to the stage 3 project. Many of the workers are highly skilled and long-term employees of the proponent. Prior to the 150 redundancies made on 31 October 2019, the New Acland Mine employed 265 full time workers and 500 contractors.

The proponent contends that as the stage 2 project resource diminishes, the number of workers required for the mine and its corporate office will continue to reduce. In July 2020 the proponent announced that 14 per cent of its corporate workforce (23 workers) had been made redundant due to the uncertainty surrounding New Acland Stage 3 and the decline in coal production from existing operations at New Acland. In August 2020 the proponent announced a further 25 redundancies at the mine site.

At the time of making the application, the proponent had 34 domestic coal customers including 12 abattoirs, farmers, a major hospital, food suppliers, nurseries and other industries that are reliant on the project for energy supplies. In addition, New Acland Coal Mine is Aurizon's largest customer on the West Moreton rail system, accounting for around 60 per cent of coal traffic on the network.

Further, the proponent advised that they would not commit to the construction of the new TLO facility (or outlay significant capital investment on the stage 3 project) until they have attained a level of approvals certainty for the stage 3 project, including grant of the project's mining leases and associated water license.

Regarding community feedback on the mine's operation including the JRLF, the proponent states that they have, since lodgement of the change application, continued to hold monthly meetings in Jondaryan, with limited community interest. The proponent has also continued its community engagement on the change request via its Oakey community office. In their application for a project change, the proponent reports that seven community members have contacted the proponent's Oakey community office, with a number of those community members expressing support for the stage 3 project and the approval of the change request. The remaining community members sought copies of the change request or further information, which the proponent provided.

The proponent also provided a revised community consultation plan in support of their change application, including consultation efforts. The proponent advises they are continuing to progress consultation with relevant stakeholders in accordance with that plan.

I am satisfied that the proponent has made appropriate attempts to engage the community in relation to the change request.

3.2 Public notification

In considering the change application, the Coordinator-General determined that the project should be publicly notified. The proponent's change application was made available for public comment from 22 June 2019 to 22 July 2019.

During the public notification period, 23 submissions were received. Submissions were received from 17 private submitters, three from interest groups and three from local and state advisory agencies. Eight private submitters expressed general support for the proposed changes. The key issues raised in the submissions include:

- insufficient justification from the proponent for a proposed five year extension, with suggestions that the proponent is responsible for any delay in construction of a new TLO facility
- air quality (dust) and noise impacts on community health in Jondaryan with a suggestion that current air quality and noise monitoring is insufficient, and exceedances are occurring
- road safety impacts associated with heavy vehicles from JRLF
- visual amenity impacts from stockpiles at JRLF
- insufficient community consultation on the proposed changes
- concern the quantity of coal transported through JRLF would increase as a result of the change
- delays to commencement the stage 3 project have already resulted in prolonged impacts from the JRLF
- the stage 3 project EIS did not consider the environmental/social impacts of the JRLF – therefore full environmental and social impact assessments should be undertaken.

Many of the issues raised by submitters are not relevant to the proposed change and have not been further discussed.

4. Evaluation of the change application

In accordance with section 35I of the SDPWO Act, I have prepared this change report evaluating the proposed change, its effects on the project and any other related matters. I have considered, in accordance with section 35H of the SDPWO Act:

- the nature of the proposed change to conditions and their effects on the project
- project documentation, as currently evaluated, including the 2014 CGER on the project's EIS and the February 2019 CGCR
- the environmental effects of the proposed change and its effects on the project
- all properly made submissions about the project proposed change and its effects on the project
- the material mentioned in section 34A(1)(a) of the SDPWO Act to the extent I considered it to be relevant to the proposed change and its effects on the project
- advice and additional information requested from the proponent.

The steps taken in the evaluation of the project to date, the change application process and the EIS process documentation including the 2014 CGER, are available at: **www.dsdmip.qld.gov.au/newauckland**.

The following section is my evaluation of the environmental effects of the proposed change to imposed condition 4, Appendix 1 of the project as described in the 2014 CGER.

4.1 Effects of the proposed change

4.1.1 Socio-economic

The proponent asserts that the economic circumstances of the project have changed since the 2014 CGER and that the financial security of the project requires that mining commence as a priority following granting of the project's MLs and AWL. The proponent's change application explains that there would be a significant financial burden on the proponent should they be required to shut down the mine at the same time as incurring the significant capital expense associated with the construction of the new TLO facility and associated infrastructure, and that this would impact on jobs at the mine.

The proponent's change application notes that a large proportion of employees are permanent residents in the region, with 35 per cent based in the local district (Oakey and Jondaryan) and 45 per cent of the workforce based in Toowoomba. At the time of making the application, the project had 34 domestic coal customers including 12 abattoirs, farmers, a major hospital, food suppliers, nurseries and other industries that are reliant on the project for energy supplies.

Eight submissions raised general support for the requested changes. These submissions note the importance of ongoing operation of the mine in terms of continuity of supply, employment of local people and impacts on local businesses, schools, sporting clubs and the community. The submissions also note the potential impacts of the loss of up to 150 local jobs.

Currently, imposed condition 4 has the effect of delaying the commencement of the stage 3 project until the new TLO facility is constructed. The proponent indicates that a prolonged overall reduction in coal mining for the combined New Acland Coal Mine would have potentially significant economic implications for the nearby communities of Oakey, Jondaryan and Toowoomba, where most of the mine employees reside. There would also be impacts on downstream customers. The proponent has advised that temporary mine shutdown would likely result in the following impacts:

- loss of continuous supply to the proponent's coal customers, including 34 domestic customers
- temporary loss of employee and contractor jobs at the mine, with 150 jobs lost initially in September 2019
- loss of jobs and profitability associated with the reduction of coal trains on the West Moreton rail line
- loss of jobs and profitability associated with the reduced throughput at the Queensland Bulk Handling operation at the Port of Brisbane
- significant financial burden on the proponent to build the new TLO facility and associated infrastructure with no or reduced cash-flows.

If the stage 3 project were not to proceed, there would be significant economic impacts on the region associated with the loss of economic output and real income generated by the project. The proponent indicates that the net benefits of the project are between \$4.624 billion and \$6.694 billion.

I accept that there is a significant risk to workforce continuity and broader economic implications for the region associated with the reduction in coal mining for the stage 2 project, if that does not coincide with commencement of stage 3. There is a reduced risk to workforce continuity and broader economic implications by allowing stage 3 to commence while the new TLO facility is constructed.

I consider a two year extension to the timeframe for the new TLO facility to be the sole distribution point for all railed coal from stage 3 to be appropriate considering the potential loss of local jobs and broader economic implications associated with further delays to the commencement of the stage 3 project. New Hope Group has agreed that the new TLO facility can be built within the timeframe set. Accordingly, I have amended imposed condition 4 at Appendix 1 of the 2014 CGER for the stage 3 project to require the TLO to be constructed within two years of the commencement of stage 3 coal mining.

To ensure that the construction of the new TLO facility is prioritised by the proponent, I have also included a requirement in condition 4 for quarterly reports on the status of construction of the new TLO facility, and I have amended condition 5 to require design of the rail spur to be provided to the Coordinator-General within three months of the granting of the project's MLs and the AWL.

4.1.2 Jondaryan Rail Load-out Facility

Submitters on the change request expressed concern that throughput at the JRLF would increase from 5.2 Mtpa to 7.5 Mtpa, which is maximum production for the stage 3 project, as described in the EIS. Submissions on the change request also identified increased dust and noise emissions in Jondaryan from extended operation of the JRLF as key potential impacts on community health and wellbeing, with suggestions that current air quality and noise monitoring is insufficient, and exceedances are occurring. Visual amenity impacts from the JRLF were also raised in submissions.

The activities associated with the use of the JRLF are currently regulated through an existing EA administered by the Department of Environment and Science (DES), separate to the stage 3 project. The proponent confirms that there would be no amendments required to the EA for the JRLF to allow the use of the JRLF for stage 3 coal. The current EA limits the coal throughput of the JRLF to 5.2 Mtpa and the stockpile size to 250,000 tonnes. The proponent has committed to not increasing the throughput, the amount of coal stockpiled or the number of train movements per day through the JRLF, and I require adherence to these commitments.

The existing JRLF EA sets conditions to prevent environmental nuisance and health impacts. An ambient dust monitoring program is also required by the EA, including real-time monitoring and adaptive management procedures which account for changes in daily meteorological conditions. The proponent is required to implement specific dust and particulate control measures, such as water sprays, during coal movement activities.

Since the stage 3 EIS was prepared, the proponent has taken steps to reduce the impacts of the JRLF, including reducing coal stockpiles and conducting air quality monitoring, beyond the requirements of the EA. The JRLF has operated for 17 years. DES has confirmed that the JRLF operates in compliance with stringent limits set by DES in its EA

to prevent environmental nuisance or health impacts from noise and dust emissions and I am satisfied that the EA will continue to address any of these concerns.

Two submissions were received on traffic and transport which relate to safety concerns associated with road trains which transport coal to the JRLF.

Road train movements to and from the JRLF and operations on Jondaryan-Acland Road are regulated under a Heavy Vehicle Authorisation Permit administered by the National Heavy Vehicle Regulator and are subject to the Heavy Vehicle Law (Queensland) 2018 and *Transport Operations (Road Use Management) Act 1995*. I am satisfied that the existing regulatory framework around heavy vehicle operations will continue to address any concerns relating to safety.

Submitters suggest that the impact of the continued operation of the JRLF has not been assessed as part of the stage 3 project EIS. The stage 3 project EIS did, however, contemplate the impacts of the JRLF, including the use of the JRLF during construction of the new TLO facility, rail spur and rail loop. The stage 3 project EIS contemplated a two-year construction period for the new infrastructure. This was considered by the Coordinator-General in the 2014 CGER. Further, in evaluating the stage 3 project EIS the Coordinator-General considered public submissions that discussed the JRLF.

4.2 Amendments to conditions

I have amended imposed condition 4 at Appendix 1 of the 2014 CGER for the stage 3 project to require the new TLO facility to be constructed within two years of the commencement of stage 3 coal mining. This will ensure that there will be no change to the environmental effects of the project as described in the stage 3 EIS, which were evaluated by the Coordinator-General in the 2014 CGER for the project.

In order to provide greater certainty to the residents of Jondaryan, I have amended imposed condition 4 to require that the new TLO facility be the sole distribution point for all railed coal from the stage 3 project within two years of the commencement of the stage 3 mining of coal.

I have defined first coal within amended condition 4 and I have required the proponent to notify me within two weeks of the mining of first coal on ML50232 to ensure that compliance with the two year timeframe can be achieved.

I have also included a requirement in condition 4 for quarterly reports on the status of construction of the new TLO facility, and I have amended condition 5 to require design of the rail spur to be provided to me within three months from the date the project's MLs and the AWL are granted. These reporting requirements will ensure the New Hope Group builds the new TLO facility on time.

The amended condition will ensure that there will be no change to the environmental effects of the project, as described in the stage 3 EIS, which anticipated a two year construction period for the new TLO facility and rail infrastructure.

4.3 Updated proponent commitments

The stage 3 project EIS included 836 commitments, 22 of which relate to the JRLF and the Jondaryan township including:

- decommissioning of the JRLF within 12 months of the new TLO on the ML becoming operational
- not increasing throughput at the JRLF above 5.2 Mtpa
- rehabilitation of the JRLF site to the post-mine land use of grazing.

The proponent's change application includes an assessment of the impacts of the proposed change to imposed condition 4 of the 22 commitments relating to the JRLF and the Jondaryan township. I accept the proponent's conclusion that those commitments are not adversely impacted by the proposed change, although some commitments require updating to ensure they are fully aligned with the revised conditions.

Relevant commitments have been updated in response to the change request and are included in Appendix 2 to this change report. The proponent has committed in the change application to maintaining its environmental monitoring and public reporting regime for the JRLF until the site is decommissioned and successfully rehabilitated.

5. Conclusion

This report concludes my evaluation of the change request pursuant to section 35I of the SDPWO Act.

I am satisfied that the requirements of the SDPWO Act have been met and that sufficient information has been provided to enable the evaluation of the requested change to imposed condition 4 at Appendix 1 of the 2014 CGER for the stage 3 project.

The proponent requested that imposed condition 4 be changed so that the new TLO facility on the mine site be the sole distribution point for all railed coal from the stage 3 project within five years, instead of from the first day of operations. I do not accept or support the five year timeframe requested by the proponent.

I have amended imposed condition 4 at Appendix 1 of the 2014 CGER for the stage 3 project to require the new TLO facility to be constructed within two years of the commencement of stage 3 coal mining.

The approved change will allow mining of stage 3 project coal in parallel with the construction of the new TLO facility and associated rail infrastructure for the first two years of mining, reducing the risk of temporary mine shutdown and supporting workforce continuity. The amended imposed condition 4, that I have approved, also provides certainty for Jondaryan that stage 3 project coal will be handled through the JRLF for no more than two years following the commencement of stage 3 coal mining.

I also expect the proponent to fulfil their commitments to decommission the JRLF within 12 months of the facility ceasing operations and not to increase the throughput of the JRLF beyond the currently authorised limit of 5.2 Mtpa.

I consider that the changes to imposed conditions 4 and 5, as well as the proponent adhering to commitments of the 2014 CGER will result in overall outcomes which are consistent with the intent of the Coordinator-General's objectives in setting those conditions, which is to ensure that the new TLO facility is constructed in a timely manner.

Accordingly, I approve the changes to imposed conditions 4 and 5 described in Appendix 1 of this report and the proponent commitments in Appendix 2 of this report, and I require these commitments to be undertaken by the proponent.

In accordance with Section 35K of the SDPWO Act, imposed conditions 4 and 5 at Appendix 1 and proponent commitments, recommendation 1 at Appendix 3 of the December 2014 CGER are now replaced by the conditions at Appendix 1 and 2 of this change report. All other conditions in the December 2014 CGER and February 2019 CGCR (Noise) continue to have effect, however the conditions of this change report prevail to the extent of any inconsistency.

The proponent must implement all conditions in this report in addition to all remaining conditions of the 2014 CGER and February 2019 CGCR.

A copy of this report will be issued to the proponent.

A copy of this report and all relevant EIS assessment documentation is available on the Department of State Development, Tourism and Innovation's website at www.dsdmip.qld.gov.au/newacland

Appendix 1. Amended Imposed Conditions

Condition 4. Train load-out facility: New Acland Coal Mine Stage 3

- a) The new train load-out facility (as indicated on Figure 2.1 of the Coordinator-General's evaluation report on the environmental impact statement) for the project is required to be the sole distribution point for all railed product 24 months after the mining of first coal from ML50232.
- b) The proponent must notify the Coordinator-General in writing within 2 weeks following the mining of first coal from ML50232.
- c) The proponent must provide a report on the status of the construction progress and schedule for the new train load out facility to the Coordinator-General quarterly from the mining of first coal until the new train load out facility is operational.
- d) The proponent must notify the Coordinator-General in writing at least 2 weeks prior to the new train-load out facility becoming operational.

First coal: commencement of excavation of any coal from ML50232.

The Coordinator-General is to have jurisdiction for this condition.

Condition 5. New Acland Coal Mine Stage 3: rail spur design

- a) A suitably qualified person must certify that the design and construction of the rail spur:
 - i. is in accordance with the design criteria in the Department of Transport and Main Roads (March 2010) Road Drainage Manual 2nd edition
 - ii. meets the following criteria for a two per cent annual exceedance probability rainfall event (50 year Annual Recurrence Interval):
 - (A) not cause, or have the potential to increase flood damage at a domestic premises or commercial premises
 - (B) a maximum increase in afflux of 0.1m at a domestic premises or commercial premises
 - (C) a maximum increase in afflux of 0.2m at the Jondaryan-Muldu road, or existing electricity, water supply, sewage or telecommunications infrastructure in the town of Jondaryan
 - (D) a design objective of an increase in afflux of 0.3m, with a maximum increase in afflux of 0.5m at other locations
 - (E) a maximum culvert outlet velocity of 2.5m/s
 - (F) any increase in duration of floodplain inundation is not to exceed 72 hours of 20 per cent of existing flood duration (whichever is greater).
- b) Certification is to be provided to the issuer of the infrastructure mining lease.
- c) Landowners, residents, asset owners likely to be impacted by changes to the existing flooding/drainage system, and, at a minimum, Toowoomba Regional Council and the Queensland Reconstruction Authority must be consulted prior to completion of the final rail spur design.
- d) Where the rail spur cannot be designed, constructed and maintained so as not to cause or increase flood damage at residential premises or at a commercial premises, compensation is to be negotiated with affected landowners, residents, and asset owners.
- e) The rail spur design must be completed and provided to DNRME and the Coordinator-General within 12 weeks of the date upon which all of the mining leases and the associated water licence for the project have been granted.

The Coordinator-General is to have jurisdiction for this condition.

Appendix 2. Amended proponent commitments

Commitment 22 – Project Description

New Acland Coal Pty Ltd (NAC) will decommission the Jondaryan Rail Loadout Facility (JRLF) within 12 months of the new Train Load-out Facility on the mining lease becoming operational. The JRLF will be decommissioned in accordance with the JRLF Decommissioning Management Strategy, presented in Table 3-27. The corresponding JRLF Item Number is depicted in Figure 3–29.

Commitment 30 – Jondaryan rail load out facility

NAC commits not to increase throughput at the existing rail-load out facility at Jondaryan above 5.2 Mtpa.

Commitment 31 – Jondaryan rail load out facility

The JRLF will be closed within 24 months of the mining of first coal from ML50232, with the new train load out facility becoming the sole distribution point for all railed product.

Commitment 32 - Jondaryan rail load out facility

The JRLF Decommissioning Management Strategy is presented below in Table 5-1 of the AEIS. NAC will develop a dedicated management plan for the decommissioning and rehabilitation of the JRLF site (including a monitoring regime to determine rehabilitation success).

Commitment 33 – Jondaryan rail load out facility

NAC intends to rehabilitate the JRLF site to the post mine land use of grazing.

Commitment 34 – Jondaryan rail load out facility

NAC will undertake further consultation with the Jondaryan community to ensure information is available regarding activities specific to the Jondaryan community e.g. JRLF decommissioning, rail construction and ongoing monitoring activities.

Commitment 35 – Jondaryan rail load out facility

Table 5.1.4 – B of the AEIS provides an outline of planned community consultation and engagement in the Jondaryan area, including consultation around environment and relocation of the JRLF.

Commitment 282 – Advisory Agency Responses

NAC undertakes air quality monitoring to determine if the JRLF is generating potential air quality impacts on sensitive receptors.

The air quality monitoring locations for the JRLF are presented in Figure 5.2. The air quality monitoring program for the JRLF includes:

- Two real-time TSP monitoring stations – one at the JRLF and one within Jondaryan
- Quarterly PM10 monitoring at the corner of Lagoon and Earl Streets in Jondaryan and
- Dust deposition gauges at 5 locations in Jondaryan and near the JRLF.

Commitment 278 – Health impacts

NAC has instituted veneering of coal trains, has committed to the relocation of the JRLF, consultation with residents living closest to the mine, and has committed to an adaptive management approach for air quality and noise. For additional information on these matters, please refer to Section 5.1.3 of the AEIS.

Commitment 279 – Health impacts

Whilst investigations have shown that coal mining is unlikely to result in adverse health effects, and health professionals in the vicinity of the current NAC operations do not report any adverse population trends relating to the Mine, NAC recognises that it is important to ensure residents are aware of the facts regarding health and coal.

NAC is therefore committed to the ongoing provision of information and engagement with communities on this important issue.

Commitment 281 – Advisory Agency Responses

The following dust mitigation measures are implemented at the JRLF to reduce the potential risk of air quality impacts:

- High volume roadways, which convey 75 per cent of site traffic, have been sealed
- All trucks leaving the facility are covered and must exit over a 'rattle grid'
- Speed restrictions apply to vehicle movements on site
- A larger water truck has been commissioned for use on site to improve the watering regime
- Unsealed road surfaces are graded regularly to reduce silt content of the surface
- Side tipper trucks are used because they possess lower emissions than other types of trucks
- Sealed roads are swept as required to reduce soiling due to track-out and
- Additional dust management measures (e.g. water truck to spray site roads, dust sweeper on sealed roads) are implemented when air quality monitoring records exceed the dust trigger level.

Commitment 283 – Advisory Agency Responses

NAC propose to construct the new rail spur and balloon loop, TLO facility and materials handling facility within 24 months of mining first coal on ML50232. The decommissioning of the JRLF will occur within 12 months of the new train load out facility on the mining lease becoming operational. The new TLO facility and JRLF will not be in joint operation. The existing JRLF site will be returned to its original land use of grazing.

Commitment 284 – Responses to submissions

NAC will continue to periodically review the effectiveness of the JRLF's impact mitigation measures, further investigate practical mitigation measures and seek expert air quality advice as required. NAC continue to regularly consult with the local Jondaryan community to resolve legitimate complaints.

Commitment 288 – Responses to submissions

NAC will also continue to report the results of this monitoring [dust monitoring at JRLF] on a regular basis to the Jondaryan residents, the wider public and DES (main regulatory authority).

Commitment 289 – Responses to submissions

NAC propose to undertake water quality sampling at selected number of rainwater tanks in Jondaryan following the decommissioning of the JRLF. If this water quality testing does not meet the water quality objectives in the ADWG, NAC commit to engaging with the local community with the objective of identifying key strategies that can be implemented to improve water quality in rainwater tanks.

Commitment 311 – Responses to submissions

Noise issues in relation to the Western Railway line are under Aurizon's jurisdiction and management. Therefore, it is suggested that all noise concerns about rail transport be raised directly with Aurizon. Longer term, NAC will use its monitoring results to continuously review its compliance status and to develop new and modify existing mitigation strategies to minimise potential adverse noise impacts from the JRLF's operations affecting Jondaryan. NAC is committed to operating the JRLF in compliance with the noise conditions of its environmental authority up until closure of the facility.

Commitment 417 – Social environment

Impact on amenity:

- The JRLF will be replaced by the new train load out facility on the revised Project site, within 24 months after the mining of first coal from ML50232.
- Continue dust suppression measures, such as veneering and implement the use of enclosed hoppers for loading.
- Implement environmental management measures as identified in Appendix J.19.
- NAC will continue its on-going community consultation to provide updated information and respond to issues and concerns.
- The current and future activities of APC will promote the continued agricultural use of land surrounding the revised Project site.
- Continue the CRG as a communication channel to identify concerns and disseminate information

Commitment 431 – Social environment

Improved amenity at site of JRLF:

- Decommissioning of the JRLF within 12 months of the new Train Load-out Facility on the mining lease becoming operational.
- Removal of buildings, coal stockpile and concrete floors at JRLF.
- Use of the JRLF site for grazing and agriculture following decommissioning of the JRLF.

Commitment 477 – Consultation

Table 5.1.10-C of the AEIS provides a detailed overview of consultation and community engagement activities regarding Jondaryan.

Commitment 475 – Consultation

NAC accepts that residents of Jondaryan have concerns regarding the location of the JRLF prior to its decommissioning. As such, NAC will strengthen engagement activities in the Jondaryan area in the provision of updated information, results of air quality monitoring, and opportunities for regular discussion and feedback on the facility and potential impacts. Specific engagement activities will continue through decommissioning and rail construction and until such time as the facility is relocated from its current location. Following relocation, Jondaryan residents will continue to be considered part of the Mine's broader community for engagement activities.

Commitment 476 – Consultation

Commitments specifically relating to Jondaryan include:

- NAC community staff to regularly visit Jondaryan and be available for residents to provide information, answer questions and respond to concerns regarding the rail construction and JRLF decommissioning
- Additional community information sessions to provide Jondaryan residents with further specific information around the revised Project timelines
- Preference will be given to at least one position on the CRG for a Jondaryan Community Representative. Note that the CRG includes 2 Jondaryan representatives for 2014 calendar year
- Ongoing engagement with the Jondaryan District Resident's Association (JDRA), including presentations to JDRA meetings and
- Jondaryan residents will receive mailed information on environmental monitoring and key milestones.

Commitment 843 – Acland Management Plan

The NHG remains committed to on-going and best-practice stakeholder engagement relating to the New Acland Coal Mine Stage 3 Project. This consultation will largely involve residents located in nearby townships such as Acland and Jondaryan. The company is committed to targeted community engagement activities to ensure local stakeholders have the opportunity to comment on the Acland township.

Acronyms and abbreviations

Acronym	Definition
2014 CGER	Coordinator-General's Evaluation Report dated 19 December 2014
2019 CGCR	Coordinator-General's Change Report dated 12 February 2019
DES	Department of Environment and Science
EA	environmental authority
EIS	environmental impact statement
EMP	environmental monitoring plan
JRLF	Jondaryan Rail Loadout Facility
km	kilometre
ML	mining lease
MLA	mining lease application
Mtpa	million tonnes per annum
PM ₁₀	particulate matter 10 micrometres or less in diameter
RIDA	regional interest development approval
RPI Act	<i>Regional Planning Interests Act 2014</i>
SDPWO Act	<i>State Development and Public Works Organisation Act 1971</i> (Qld)
stage 2 project	the existing New Acland stage 2 coal mine on ML50170 and ML50216
stage 3 project	the proposed New Acland stage 3 coal mine as described in the 2014 CGER
the proponent	New Acland Coal Pty Ltd
TEOM	tapered element oscillating microbalance
TLO facility	train loadout facility, rail loop and rail spur as described in the 2014 CGER
TSP	total suspended particulates

Glossary

Term	Definition
combined New Acland Coal Mine	The combined New Acland Coal Mine Stage 2 and Stage 3 projects.
coordinated project	A project declared as a 'coordinated project' under section 26 of the SDPWO Act. Formerly referred to as 'significant project'.
Coordinator-General	The corporation sole constituted under section 8A of the SDPWO Act and preserved continued and constituted under section 8 of the SDPWO Act.
first coal	Commencement of excavation of any coal from ML50232.
imposed condition	A condition imposed by the Queensland Coordinator-General under section 54B of the SDPWO Act. The Coordinator-General may nominate an entity that is to have jurisdiction for that condition
the project	The project described in the Coordinator-General's Evaluation Report dated 19 December 2014.

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