

MACHEnergy

Mount Pleasant Operation

A JOINT VENTURE WITH
JODA
Japan Coal Development Australia



Attachment 6

Other Strategic Planning Statements
and Policies

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A6 OTHER RELEVANT STRATEGIC PLANNING STATEMENTS AND POLICIES

This attachment supports Section 4 of the main text of the Environmental Impact Statement (EIS) by providing further discussion of additional potentially relevant strategic policies, statements and plans that are not discussed in detail in Section 4.

References to Sections 1 to 8 in this Attachment are references to Sections in the main text of the EIS. References to Appendices A to S in this Attachment are references to Appendices of the EIS. Internal references within this Attachment are prefixed with "A6".

A6.1 OTHER STRATEGIC PLANNING STATEMENTS AND POLICIES

A6.1.1 Draft Local Strategic Planning Statement

The draft *Muswellbrook Local Strategic Planning Statement 2020-2040* (Muswellbrook Shire Council [MSC], 2020a) identifies themes, planning priorities and actions to assist in implementing the *Hunter Regional Plan 2036* (New South Wales [NSW] Government, 2016) and meeting the objectives of the *Community Strategic Plan 2017-2027* (MSC, 2017).

The draft statement describes the local strategic vision for the Muswellbrook Shire as:

A Community in Transition - Muswellbrook will have a more sustainable community, environment and economy through diversification.

The Vision will be achieved by the Shire becoming:

- *The State's major innovative energy centre.*
- *One of the State's major food bowls, through large scale food production and processing (agribusiness).*
- *A major regional location for tertiary education services.*
- *A leading location for equine industries.*
- *A location of significance for the viticulture industry.*
- *A diverse visitor economy.*
- *A place that celebrates its natural heritage, landscapes and biodiversity, Aboriginal and non-Aboriginal heritage; and*
- *A Regional Centre with higher order services and facilities, including aged care, diverse housing opportunities and entertainment facilities.*

The draft statement contains a set of planning principles for each of the 19 planning priorities. Planning principles described in the draft statement that are potentially relevant to the Mount Pleasant Optimisation Project (the Project) include:

- *Council will encourage the location and maximum extent of coal extraction areas to be identified in state and local planning strategies and planning instruments to provide certainty for agricultural uses.*
- *Through its advocacy role, Council will seek to achieve balanced co-existence between the mineral resource and power generation industry and other land uses in the Shire.*
- *Council will encourage mining, quarrying and power generation activities to minimise impacts on agricultural production.*
- *Non-agricultural local development will be required to incorporate buffers to reduce impacts on agricultural activities.*
- *The local tourism experience will be broadened to include experiential activity such as National Parks, and insight of local major industries (mining and horse breeding).*
- *Rural, mining and general industrial support services are available to the local community in well located and structured industrial areas.*
- *Council will support rehabilitation of coal mining and power station land to achieve land uses identified in closure plans and rehabilitation plans, to provide opportunities for agricultural/horticultural production, bio-diversity habitat, agribusiness, food processing, industrial, tourism, recreation and enhancement of scenic landscape values (existing and desired) of the Shire.*
- *Opportunities for coal seam gas extraction on the previously disturbed areas of open cut coal mining should be explored as an energy source to support local productive industries and energy.*
- *Developments that increase economic activity, activation of public areas, and improve amenity in Muswellbrook, Denman and Sandy Hollow will be supported;*
- *Major employment anchors in or near Muswellbrook and Denman will be encouraged.*
- *Noise pollution and air quality is improved to benefit the health of people living in the Shire;*
- *Rural residential living opportunities will be provided for in planned estates, or in limited, dispersed subdivisions, in a way that ensures minimal conflict with general agricultural activities and open cut mining operations;*

- *The landscape values of land outside urban areas, particularly land adjoining transport routes, will be managed to provide a rural experience for visitors, potential wildlife corridors and a barrier to movement of airborne particulate matter from mining and agricultural activities;*
- *The impact of climate change and climate related hazards are considered at all stages in the planning process.*
- *Rehabilitation of degraded and contaminated land occurs in a timely manner.*

The Mount Pleasant Operation is included in the draft statement as part of the “Coal Mines and Agribusiness” mapped zone for the 2020-2040 period addressed by the draft statement.

The Project would be generally consistent with the draft statement and strategic land use vision for Muswellbrook Shire, as:

- Project mining activities would continue to remain within the Mining Leases (MLs) held by MACH¹ for the Mount Pleasant Operation providing certainty for agricultural uses and the community.
- The Project has been designed and would be developed in a manner that considers the benefits and consequences for other land uses, including the town of Muswellbrook, the use of the road and rail transport network, and in a manner that aims to achieve a balanced co-existence with neighbouring equine, viticulture, tourism and agricultural businesses (Section 8).
- The Project would continue as an open cut mining operation that implements leading practice management measures, including development of a waste rock emplacement landform that incorporates geomorphic drainage design principles for hydrological stability, and varying topographic relief to be more natural in appearance from external viewpoints (Sections 3 and 7, Attachment 8 and Appendix M).
- The Project would include a range of mitigation measures to avoid or minimise the Project’s potential air and noise impacts on the local community, including the staging of proposed production increases (Sections 3 and 7 and Appendices A and B).

- A health impact assessment has been conducted and found the Project’s mitigation measures would minimise adverse health impacts in the local community (Appendix R).
- The Project would minimise potential impacts on agricultural production by remaining within existing Mount Pleasant Operation MLs and managing impacts including air quality, noise and blasting (Sections 7.3 to 7.7 and Appendices A and B). Further, MACH would continue to facilitate ongoing agricultural production on un-mined portions of its land holdings (Section 7.14).
- The Project landforms would be progressively rehabilitated and visual or landscape impacts at public viewpoints in Muswellbrook and on the New England Highway would be reduced over time (Section 7.16 and Appendix M).
- The Project would continue and extend the Mount Pleasant Operation’s contributions to local government rates and Voluntary Planning Agreement payments.
- The Project would continue to support and extend existing economic activity and employment in the Upper Hunter, and particularly in the Muswellbrook Shire.

A6.1.2 Upper Hunter Economic Diversification Action Plan

The *Upper Hunter Economic Diversification Action Plan: Implementation Priorities* (NSW Government, 2018) establishes renewed priorities for business growth and sustainable economic transitions in the region. The plan identifies five strategic themes to facilitate long-term regional economic opportunities for the Upper Hunter:

1. *Driving land use certainty – Economic development and jobs in the region will be underpinned by planning frameworks delivering certainty of land use.*
2. *Encouraging new industry investment – A focus on better land use planning and improved access to land fosters improved certainty for industry investment across industry sectors.*
3. *Developing new market opportunities – There are major opportunities to expand industry in the region to service national and international market needs.*

¹ MACH Mount Pleasant Operations Pty Ltd is the manager of the Mount Pleasant Operation as agent for and on behalf of the unincorporated Mount Pleasant Joint Venture between MACH Energy Australia Pty Ltd (MACH Energy) (95 per cent [%] owner) and J.C.D. Australia Pty Ltd (5% owner).

4. *Planning for water security – Key industries in the Upper Hunter and new targeted industries and activities will require access to water and future water security.*
5. *Establishing appropriate governance – Targeted and connected governance is critical to successful industry transition, involving collaborative dialogue, planning and funding through partnerships between government, industry and the community.*

The plan describes the Upper Hunter’s strategic advantages including its major industries, skilled workforce, and highly developed infrastructure and transport connectivity to the globe via the Hunter Valley rail network and Port of Newcastle.

Several drivers impacting the Upper Hunter are noted in the plan, including trading conditions in the coal industry, energy and water security issues, and the fragmentation of productive industries and lands by open cut mining.

The plan describes the need to drive industry diversification in part by working with existing sectors to encourage further investment and growth.

A key opportunity described in the plan is continuing the mining and engineering services sector, with coal continuing to be a major export industry.

The Project would generate a number of benefits that are consistent with the Diversification Action Plan, including:

- The Project would optimise the extraction of coal reserves within the MLs for the approved Mount Pleasant Operation (by deepening part of the pit floor and increasing the rate and duration of mining).
- The Project would provide additional investment and land use certainty in the Project area and facilitate continued support for local and regional business, including construction related capital expenditure and substantial ongoing operating expenditure (Appendix O).
- The Project would continue to serve international demand for Hunter Valley thermal coal for industrial production and electricity generation.
- Additional construction employment in key stages of the Project life (Section 3.16) and associated capital expenditure (Appendix O).

- Continuation of current operational employment and generation of approximately 300 additional jobs for the region, with many more expenditure-induced indirect jobs supporting demand for a wide range of skilled workforce.
- The Mount Pleasant Operation and the Project consultation activities have established a dialogue with the local community, State agencies and local government regarding the Project that would continue for the life of the Project.

In relation to water security and efficiency:

- MACH would hold appropriate water licences under the *NSW Water Management Act, 2000* for the Project (Sections 7.8 and 7.9).
- In order to reduce make-up water demand from the Hunter River over the life of the Mount Pleasant Operation, MACH may also source excess mine water from the adjoining mines (e.g. Dartbrook Mine) for use on-site subject to obtaining all necessary secondary approvals (e.g. Environment Protection Licence [EPL] variations).
- The Project would incorporate the construction of additional mine water storages on-site, which would increase water supply reliability (Appendix D).
- Surplus water would continue to be discharged into the Hunter River (or its tributaries) in compliance with the Hunter River Salinity Trading Scheme (HRSTS) and EPL 20850.

A6.1.3 Muswellbrook Mine Affected Roads – Road Network Plan

The *Muswellbrook Mine Affected Roads Stage 1 – Road Network Plan* assessed the impacts of mine-related traffic on the local road network (MSC, 2015a). The plan included four objectives for managing the road network:

- maintain the road network to retain value, quality and capacity;
- provide a safer road environment for all users;
- optimise the efficiency and reliability of moving people and goods; and
- meet the needs of present and future land use development.

The plan also articulated the main concerns of MSC: asset management; safety; efficiency and maintenance; and construction costs (MSC, 2015a).

MSC commissioned the *Muswellbrook Mine Affected Roads Network Plan Review* (MSC, 2020b) to better reflect contemporary mining developments, which MSC adopted in May 2020. MACH contributed to the cost of this study along with other local mines.

Of relevance to the Project, the *Muswellbrook Mine Affected Roads Network Plan Review* recommends development of a 'Western Corridor', which would (MSC, 2020b):

1. *Connect Denman Road to Bengalla Link Road (Option W1)*
2. *Connect Wybong Road to New England Highway (Option W7)*
3. *Connect Castlerock Road to Dorset Road (funded by Mt Pleasant Mines to offset closure of Castlerock Road)*
4. *Retain Edderton Road on its northern deviation to align with new Denman Road to Bengalla Road link*
5. *Upgrade Edderton Road (excluding proposed deviations) to an appropriate standard including bridging Saddlers Creek*

The *Muswellbrook Mine Affected Roads Network Plan Review* also recommends development of an 'Inner West Link', which would (MSC, 2020b):

6. *Connect Bengalla Link Road to Wybong Road (Option 2B).*

Further, the *Muswellbrook Mine Affected Roads Network Plan Review* also recommends the following changes to Wybong Road (MSC, 2020b):

9. *Upgrade Wybong Road between Sand Hollow [sic] and Reedy Creek Road to Collector Road standard (Option W6)*
10. *Manage Wybong Road (Sandy Hollow to Bengalla Link Road) as a designation OSOM vehicle route*
11. *Widen sections of Wybong Road to ensure an acceptable and consistent standard.*

As part of the Project, the approved Northern Link Road (referred to in Item 3 above) would be constructed with a revised alignment to improve the intersection between the Northern Link Road and Castlerock Road (Section 3.13.4).

However, given the approved Stage 2 rail infrastructure will be constructed adjacent to Wybong Road, the closure of Wybong Road to allow access to the underlying coal reserves would not form part of the Project. The currently approved Western Link Road, therefore, would not form part of the Project (Section 3.13.5).

A Road Transport Assessment prepared for the Project concluded that the existing road network can satisfactorily accommodate the forecast traffic demands resulting from the Project, other developments and background growth, such that no specific measures or upgrades are required to mitigate the impacts on the capacity, safety and efficiency of the road network (Appendix J).

The Road Transport Assessment noted that as the Project is not reliant upon the implementation of any of the road network changes proposed by the *Muswellbrook Mine Affected Roads Network Plan Review* (with the exception of the Northern Link Road), no changes to the Project would be required if further investigation of the feasibility of the recommend changes determine that they cannot proceed (Appendix J).

The conditions of a consent granted by MSC under section 138 of the *Roads Act, 1993* in relation to the construction of the approved Stage 2 rail infrastructure, require MACH to resurface Wybong Road between the Mount Pleasant Operation Access Road and Overton Road.

MACH would consult with MSC and the Department of Planning, Industry and Environment and continue to contribute to the maintenance of local roads managed by MSC in accordance with a Voluntary Planning Agreement.

A6.1.4 Muswellbrook Industrial Lands Audit

The *Muswellbrook Industrial Lands Audit* was conducted to assess existing industrial land supply, identify future industrial land requirements and advise on strategies and implementation actions to support future growth within the Muswellbrook Local Government Area (MSC, 2015b).

No areas identified for future industrial land release (MSC, 2015b) are located in the vicinity of the Project.

The audit identified a number of future land uses that could occur on land owned by mining companies. These land uses are framed around three key categories:

- Symbiotic – land uses that are mutually dependent on mining and resource activities (i.e. mining-related engineering/manufacturing industries).
- Opportunistic – land uses that are not directly related to the operation of the mine, but an opportunity for the development is apparent due to the industrial nature of the area (e.g. light and heavy industrial industries, agribusinesses such as poultry processing and forestry, etc.).
- Independent – land uses that are independent to the mining usages, but are not completely incompatible (e.g. adventure and experience-based tourism).

The Project has been developed in a manner that considers the benefits and consequences of the Project for other land uses, including the town of Muswellbrook, surrounding communities and mines, the use of the road and rail transport network, and neighbouring equine, viticulture and other agriculture businesses (Section 8).

The Project would develop an integrated waste rock emplacement landform that incorporates geomorphic drainage design principles for hydrological stability, and varying topographic relief to be more natural in exterior appearance to nearby residents, Muswellbrook and Aberdeen.

The Project's final landform would primarily be native woodland vegetation; however, some areas would potentially be available for intensive agricultural or industrial use (Section 3.17).

MACH would also consider uses of Project land that could co-exist with the Project, or utilise Project infrastructure post-mining. Any such use would need to be permissible under the *Environmental Planning and Assessment Act, 1979*, commercially acceptable to MACH, and may require relevant environmental assessment and approvals.

A6.1.5 Climate Change and Greenhouse Gas Policies

The potential application of climate change or greenhouse gas policies to the Project is described in Appendix S.

A6.2 KEY ENVIRONMENTAL ASSESSMENT POLICIES AND GUIDELINES

Section 4 of the main text of the EIS and this Attachment are intended to provide a description of potentially relevant Strategic Planning Statements and Policies.

Environmental assessment policies and guidelines that typically provide guidance on a specific subject (e.g. noise from industry) are described where relevant in the specialist appendices or in Section 7 of the EIS main text.

A6.3 REFERENCES

Muswellbrook Shire Council (2015a) *Muswellbrook Mine Affected Roads Stage 1 – Road Network Plan*.

Muswellbrook Shire Council (2015b) *Muswellbrook Industrial Lands Audit*.

Muswellbrook Shire Council (2017) *Community Strategic Plan 2017-2027*.

Muswellbrook Shire Council (2020a) *Draft Muswellbrook Local Strategic Planning Statement 2020-2040*.

Muswellbrook Shire Council (2020b) *Muswellbrook Mine Affected Roads Network Plan Review*.

New South Wales Government (2016) *Hunter Regional Plan 2036*.

New South Wales Government (2018) *Upper Hunter Economic Diversification Action Plan: Implementation Priorities*.