

Western Rail Coal Unloader

ENVIRONMENTAL ASSESSMENT

CHAPTER 1 - INTRODUCTION

- April 2007

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1. Introduction

This chapter provides information on the proponent (Delta Electricity), describes the project and its objectives, outlines the environmental impact assessment process and approval requirements and identifies the structure of the Environmental Assessment report.

1.1 Overview

This report has been prepared to support Delta Electricity's project application for the construction and operation of the proposed Western Rail Coal Unloader. It addresses the requirements for the preparation of an Environmental Assessment for the project, issued by the Director General of Planning (DoP) under Section 75F of the *Environmental Planning and Assessment Act 1979* (EP&A Act). The report supports an application to the Minister for Planning under Section 75J (1) for project approval.

The Western Rail Coal Unloader project is shown in **Figure 1-1** and comprises the construction and operation of:

- A rail loop comprising a branch rail line off the Wallerawang - Mudgee Main Line;
- A coal unloader building which would allow coal to be delivered into a hopper located below the rail line;
- A conveyor system which would carry the coal to the existing coal handling facility at the Mt Piper Power Station.

Other components of the project include a locomotive provisioning area (for refuelling and sanding), a rail wagon maintenance area comprising rail sidings, hard stand areas and a shed, an office and amenity area as part of the unloader building and a diesel fuel storage area with access from Pipers Flat Road.

1.2 Project Objectives

The objectives of the proposed Western Rail Coal Unloader are:

- to increase the security of coal supply for Mt Piper Power Station by enabling the sourcing of coal by rail from more distant mines;
- to minimise the long term impact of coal transport by road to Mt Piper Power Station;
- to minimise and manage any environmental or social impacts which may result from the construction and operation of the proposed rail unloader.



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Figure 1-1 Study Area

1.3 The Proponent

Delta Electricity is a New South Wales State-Owned Corporation whose purpose is primarily to maintain and operate facilities for the generation and supply of electricity into the National Electricity Market (NEM). Delta Electricity's business objectives are aligned with the legislation under which it operates and with Government policy direction. This legislation includes the *NSW Energy Services Corporations Act 1995 No 95* that lists the main objectives for electricity generators, as follows:

- To be a successful business and, to this end:
 - to operate at least as efficiently as any comparable businesses
 - to maximise the net worth of the State's investment in it
 - to exhibit a sense of social responsibility by having regard to the interests of the community in which it operates;
- To protect the environment by conducting its operations in compliance with the principles of ecologically sustainable development contained in section 6 (2) of the *Protection of the Environment Administration Act 1991*;
- To exhibit a sense of responsibility towards regional development and decentralisation in the way in which it operates;
- To operate efficient, safe and reliable facilities for the generation of electricity;
- To be an efficient and responsible supplier of electricity; and
- To be a successful participant in the wholesale market for electricity.

1.4 Statutory Planning

1.4.1 Major Project

Development in NSW is subject to the requirements of the *Environmental Planning and Assessment Act, 1979* (EP&A Act) and the *Environmental Planning and Assessment Regulation, 2000* (EP&A Regulation). Environmental planning instruments prepared pursuant to the Act set the framework for approvals under the Act.

The proposed Western Rail Coal Unloader is subject to assessment under the provisions of Part 3A of the EP&A Act. In a letter dated 25th August 2006 (attached in **Appendix A**), the Department of Planning (DoP) confirmed that the Western Rail Coal Unloader constitutes Major Project development to which Part 3A of the *EP&A Act* applies.

Part 3A of the EP&A Act provides an assessment and approvals regime specifically tailored for major infrastructure where the Minister for Planning is the approval authority. Under Part 3A the general process is as follows:

- Project application and environmental assessment, where the proponent submits a project application to the DoP with an outline of the proposal and a preliminary environmental assessment of the project;
- The DoP consults relevant Government agencies and the local Council and prepares integrated requirements for an Environmental Assessment (EA). These requirements were provided to the proponent by the Director-General of Planning on 17th November 2006 and a copy is attached in **Appendix A**;
- The proponent prepares and presents an Environmental Assessment (this document), along with a draft Statement of Commitments. The Environmental Assessment is evaluated and, if adequate, is exhibited for public comment. The DoP receives submissions and provides copies to the proponent who considers and addresses these submissions in a Submissions Report provided to the Department. The proponent may modify the proposal to address concerns raised and to minimise impacts and, if so, provides a Preferred Project Report to the Department;
- The proposal is assessed by DoP and a Director-General’s Report is prepared for the project and submitted to the Minister for Planning for his decision.

1.4.2 Other State Legislation

Table 1-1 identifies the licences and approvals that may be required for the construction and operation of the proposed WRCU. Construction certificates would also be required for building works on the site, to be issued by the department of Planning or an appropriate certifying authority.

Table 1-1: Summary of Potential Approval Requirements under NSW Legislation

Provision	Approval Requirement	Required Action	Agency
Protection of the Environment Operations Act, 1997			
Section 48	Environment Protection Licence for construction and operation	The existing power station is subject to EPL 766. An amendment to EPL 766 under the POEO Act may be sought by Delta for the WRCU.	Department of Environment & Conservation
Roads Act, 1993			
Section 138	Consent to erect a structure or carry out a work in, on or over a public road.	Access to the proposal property currently exists off Pipers Flat Road. This access would require altering for the proposal and an application would be made to the relevant road authority.	Roads and Traffic Authority

1.4.3 Regional and State Planning Instruments

A number of regional or State environmental planning instruments are relevant to the proposal. These include:

- Sydney Regional Environmental Plan 20 - Hawkesbury Nepean River (No 2 1997); and
- Drinking Water Catchments Regional Environmental Plan No 1.

Whilst the proposed development lies within Sydney’s drinking water catchment area, as defined by the Drinking Water Catchments REP, the works would not require referral to or concurrence from the Sydney Catchment Authority (SCA). The matters identified for consideration in the regional plans have been considered in the Environmental Assessment report.

1.4.4 Local planning requirements

The proposed development would be undertaken on land owned by Delta Electricity and would require an easement over land owned by Centennial Coal Company Pty Ltd (“Centennial Coal”).

The proposed WRCU is located within the City of Lithgow local government area (LGA), and hence is subject to the provisions of the Lithgow City Local Environmental Plan 1994. The development site is zoned Rural (General) 1 (a) and the proposal is permissible with consent in this zone.

1.4.5 Commonwealth Legislation

Potential impacts of the proposed WRCU that may trigger assessment under the Commonwealth *Environment Protection and Biodiversity Conservation Act, 1999* (EPBC Act) are limited to potential impacts on nationally threatened species and migratory species.

As detailed in Chapter 5, consideration was given as to whether any nationally threatened species or migratory species from the area would be significantly disrupted or affected as a result of the proposed works and whether referral to the Department of Environment and Heritage (DEH) was required. No referral was required.

1.5 Structure of the Report

This assessment has been prepared in accordance with the DoP guidelines and the Director-General’s Environmental Assessment requirements. A summary of the information contained within each chapter of the report is provided below:

- Chapter 1 introduces the project and provides an overview of the environmental assessment process;
- Chapter 2 provides the strategic justification of the project, outlining the need for the proposed rail unloader, consideration of alternatives and an analysis of the suitability of the preferred site, with respect to potential land use conflicts with existing and future surrounding land users;
- Chapter 3 provides a detailed description of the project;
- Chapter 4 discusses the consultation processes undertaken with the community and Government agencies. The issues for consideration in the assessment are identified;
- Chapter 5 provides an assessment of the key issues identified by the Director-General in terms of air quality, noise, flora and fauna, water quality, heritage and visual impacts. Where impacts were

identified or anticipated, mitigation measures were described and residual environmental impacts assessed;

- Chapter 6 provides a general environmental risk analysis to identify potential environmental impacts associated with the project (construction and operation), proposed mitigation measures and potentially significant residual environmental impacts after the application of proposed mitigation measures;
- Chapter 7 provides a justification for undertaking the project, with consideration of the benefits and impacts of the proposal, and an overall conclusion;
- Chapter 8 summarises environmental management and mitigation measures and provides a draft Statement of Commitments;
- Chapter 9 lists the references used during the study.

A glossary of terms and list of abbreviations is also provided.

Appendices to this report provide information relevant to the Environmental Assessment. Appendices included in the report are as follows:

- Appendix A – Project Declaration and Environmental Assessment Requirements;
- Appendix B – Hydrology and Flooding;
- Appendix C – Flora and Fauna;
- Appendix D – Heritage;
- Appendix E – Air Quality;
- Appendix F – Noise.