

Our Ref: J135 (Pt31)

13 October 2008

The Director General NSW Department of Planning GPO Box 39 Sydney NSW 2001

Attention: Ms Belinda Parker

Dear Ms Parker

Re: Moolarben Coal Project – Application to Modify an Existing Project Approval dated 6 September 2007

Thank you for your email correspondence dated 9 October, 2008 requesting a response to the issues raised within submissions made to the Department of Planning by the NSW Department of Primary Industries, Roads and Traffic Authority, Mid Western Regional Council, Department of Environment and Climate Change, Department of Water and Energy and Ulan Coal Mine Limited. Our responses are provided below:

1. NSW Department of Primary Industries

Comments noted and concurred with.

2. Roads and Traffic Authority

Comments noted and concurred with.

3. Mid Western Regional Council

Comments noted and concurred with regarding the proposed modification. The modifications are primarily of an administrative nature and do not impact the public.

4. Department of Environment and Climate Change

Comments noted and concurred with respect to Condition 12 of Schedule 2 and Condition 56 of Schedule 3.

The comments made by the DECC are noted with respect to the proposed modification to Condition 42(b) of Schedule 3 of the Project Approval. At the time of compiling the Environmental Assessment report for Stage 1, our client Moolarben Coal Mines Pty Limited was endeavoring to acquire land near the intersection of Murragamba Road and the Ulan-Wollar Road.

Since the grant of the Project Approval for Stage 1 of the Moolarben Coal Project our client has acquired various lands which can be revegetated to improve wildlife corridor linkages between the Goulburn River National Park and the Munghorn Gap Nature Reserve consistent with our land use strategy for the project.

Our understanding of the content of the letter and from discussions with officers of the DECC is that concern is being raised about the potential for "double dipping" i.e. the areas of land identified for revegetation or off setting are not counted twice.

Please note that those lands potentially identified for off-setting and dedication to the DECC- estate are located north of the Gulgong-Sandy Hollow Railway Line whilst lands identified for revegetation are located south of the railway line – the exception being the Red Hill (R14) property.

In response to your request (a) I advise that there is more than 143 hectares of cleared lands which are suitable for revegetation (primarily south of the railway line – except the Red Hill (R14) property) which will not conflict with any possible offset – dedication associated with Stage 2 of the MCP.

In response to your request (b) our client would only seek to dedicate lands north of the Gulgong – Sandy Hollow Railway Line where they contain endangered ecological communities, adjoin the Goulburn River National Park and are agreed to by DECC as being suitable as an agreed "offset".

5. Department of Water and Energy

It is noted that the Department of Water and Energy does not object to the proposed modifications. The Department of Water and Energy comments in respect to Condition 29 has no relevance to the proposed modifications. Our client is not proposing to modify Condition 29 of the Project Approval.

6. Ulan Coal Mines Limited

The significance of the Ulan Coal Mine's contributions to the local, state and national economies is noted. The assumption made in the 7th paragraph by the author of the correspondence is incorrect and has been made without the knowledge of our program of works.

We reaffirm our position – that is Condition 56 should be modified to reflect the roads that will be impacted by the Moolarben Coal Project. The roads are the Mudgee to Ulan Road (Main Road 208-214) and the Ulan to Wollar Road and the Ulan to Gulgong Road (Cope Road – Main Road 598).

A detailed program of works to upgrade these roads has already been determined with the input from representatives of Roads and Traffic Authority, Mid Western Regional Council, Wilpinjong Coal Mine and Moolarben Coal Mines Pty Limited and submitted to the Director General of Planning consistent with Condition 56 of the Project Approval.

During this process it was noted that Condition 56 did not specifically reference the Ulan to Gulgong Road (Cope Road – MR 598) which will be impacted by the project and the subject of staged upgrades financed by monetary contributions from Moolarben Coal Mines Pty Limited.

Lastly, Moolarben Coal Mines Pty Limited wish to make it clear that it will contribute toward the staged upgrading of the Mudgee to Ulan Road (Main Road 208 and Main Road 214) but not the Wollar Road (which is solely Main Road 208).

Accordingly, it is respectfully restated that the modification to Condition 56 is simply to resolve a mis-description of road names and road numbers that are to be upgraded by Moolarben Coal Mines Pty Limited via a program of works already submitted to the Director General of Planning.

In conclusion, we seek the Minister for Plannings support to the proposed modifications.

Yours faithfully

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Alan Wells