

**MINUTES OF THE MEETING OF GLOUCESTER EXPLORATION  
PROJECT, COMMUNITY CONSULTATIVE COMMITTEE,  
HELD AT SCHOOL OF SCHOOL OF ARTS  
DENISON STREET, GLOUCESTER  
ON 28 JUNE 2012**

**PRESENT:** Mr Terrence Healey, CHAIRMAN  
Mr Grant Polwarth, GLOUCESTER RESOURCES LIMITED  
Mr Bob Corbett, GLOUCESTER RESOURCES LIMITED  
Mr Graham Holley, GLOUCESTER RESOURCES LIMITED  
Ms Julie Moloney, DEPARTMENT OF MINERAL  
RESOURCES  
Dr Gerald McCalden  
Mr Graham Gardner, GLOUCESTER SHIRE COUNCIL  
Mrs Terry Hardwick  
Cr Karen Hutchinson, GREAT LAKES COUNCIL  
Mr Trevor Sansom  
Mr Ray Dawes  
Dr Steve Robinson  
Mr David Kitto, DEPARTMENT OF PLANNING  
Mr Colin Phillips, DEPARTMENT OF PLANNING

**APOLOGIES:** Mr John Woodford  
Cr Jim Henderson

**OPENING OF  
MEETING:** Mr Healey declared the meeting open at 10.07 am

**CONFIRMATION  
OF MINUTES OF  
LAST MEETING:** The following amendments to be made to the  
previous Minutes (13 April 2012)

- 1 Trevor Sansom: amend item 4, page 1  
delete the word "micking" on line 2 and insert  
the word "mimicking"
- 2 Graham Gardner: amend item 13, page 4:  
Delete the words "Council would seek to have the  
commitment of any voluntary State Government  
saying it would make commitment: and insert the  
words "Council to seek to have commitment of  
any contributions by way of voluntary planning  
agreement.";
- 3 Bob Corbett: amend item 9, page 3 : delete  
words in line 2 "population and".

- 4 Bob Corbett: amend item 15, page 4. Delete the words “the Committee” in the last line and insert the words “Ray Dawes”.

Moved: Ray Dawes  
Seconded: Bob Corbett

**BUSINESS  
ARISING FROM  
THE MINUTES:**

Ray Dawes submitted a question in relation to item 7 (page 3) and item 15 (page 4) of the Minutes read by Mr Healey:

*“The trees GRL have planted along Buckett’s Way South will shield your works at the old timber yard. They are all found locally and the corridor is fairly wide, so no quibbles except that the only shrub species is Bursaria – the rest are trees, large and small. Why is there no shrub species to encourage wildlife?”*

Bob Corbett replied:  
that he is not sure if that true about Bursaria being the only species but would check. Although he had a listing of species it was also down to availability of plants.

Ray Dawes further question read by Mr Healey:  
*“What I would complain about are the narrow strips of trees planted originally by Wingett’s group along Jack’s Road and Avon Valley/Waukivory Roads. Those that have survived, being neglected after planting are mainly Callistemon and Acacia with a very few Casuarinas and Gums. These plantings were done when there was a lot of rain and there are big areas where all have died. If GRL are going to boast about plantings, then GRL should increase the width of these plantings and fill in the gaps. I respectfully request that GRL attend to this matter.*

*There are people in the community that have interest in the local environment. It is possible that GRL could consult with them?”*

Bob Corbett advised he would look into the second question for him and would be happy to contact local community members in this regard. Grant requested Ray give him details of the people to contact.

Karen Hutchinson noted that GRL should be congratulated on trying to do the right thing in regards to tree planting.

**CORRESPONDENCE: Incoming:**

Email from Mr Ian Jackson requesting membership of the GCCC and reply by Terrence Healey dated 3 June 2012.

Letter to Mr David Kitto, Director of Planning inviting him to GCCC meeting dated 3 June 2012.

Email from Jim Henderson dated 4 June 2012.

Email from Terrence Healey dated 5 June 2012 to Jim Henderson, in reply.

Email between Steve Robinson and Terrence Healey dated 5 June 2012.

Email from Julie Moloney to Gerald McCalden dated 7 June 2012.

Email from Ray Dawes dated 16 June 2012 to Terrence Healey together with Terrence Healey's reply dated 20 June 2012.

Email from Lara Mitchell to all Committee Members attaching a copy of the question for Mr David Kitto.

**PROJECT UPDATE BY GRANT POLWARTH**

- 1 Grant Polwarth noted that at the last meeting advised completed exploration in the South West Exploration program. This was a limited program with four (4) holes conducted under a Service Disturbance Notice with the Department. All work completed and rehabilitation done.
- 2 No further exploration scheduled for the three (3) GRL EL's in the coming quarter. Since last met GRL lodged a renewal application for EL 6563 which is the skinny EL that runs on the western flank of the Basin.

- 3 Rocky Hill Project update. GRL have received Director General's Requirements from the Department of Planning. Sub-consultants have been working through the requirements and other issues in the preparation of the EIS. The timing for the lodgement of the EIS is in late quarter three (3) of 2012. Grant will continue to keep CCC updated on the progress.
- 4 Completed phase 1 major tree planting for screening in the corridors which amounted to approximately 6500 trees and plants. Phase 2 planting is scheduled for spring. Noted he had sent species list to Ray Dawes and happy to provide to all Committee Members if required.
- 5 In process of preparing updated newsletter for the community to update on the progress of the process given GRL are in receipt of DGR's.
- 6 The GRL website continuing to be evolved with information sheets and soon to include a list of frequently asked questions from the CCC and other questions raised on website and through general communication.
- 7 Community Grant Scheme tabled previously. GRL are in the process of forming Interim Steering Committee to work out how that best be administered and how various members of the community see how those funds should the mine application be approved and how they best see funds administered. GRL also looking to work with Council in this regard.
- 8 Noted at last meeting GRL planning to drill two additional piezometers within the Rocky Hill Project area. They have been drilled, screened, tested and completed. Grant handed out a plan to members which comes from the Director General Requirements (formerly Preliminary Environmental Assessment). You can see towards the bottom of the plan the two (2) updated piezometres that have been drilled.
- 9 GRL have placed an advertisement in the Gloucester Advocate on two (2) running weeks asking for expressions of interest for employment in the different fields. GRL were encouraged to do

that as there were questions as to where 150 employees may come from so it was important to see what the interest is and what the pre-existing skill set is in the community. GRL have been impressed by both the skills of the community and the attitude of looking to potentially unskilled. Very impressed with the number of people either connected with Gloucester but work away in the mining industry and other areas that travel away for the week and looking to get home or secondly those who formerly resided in Gloucester and looking for an opportunity to return to Gloucester. GRL only advertised locally in the local newspaper. Not put on website or further afield.

Terrence Healey welcomed David Kitto to the meeting. Mr Kitto invited to answer the list of questions (attached).

Mr Kitto gave a broad overview first:

*“Thank you everyone for inviting me today. I am sure you have a lot of questions above and beyond the questions that are listed here. I do think it is probably worth running through the Assessment Process because I think a lot of people see it as being a complicated process and that they may not be sure about how they can interact in that process or contribute to the process and sometimes if you read information sheets or Legislation and so on it can be a bit daunting about how you can participate in that process. So, I think it is very important to understand in conceptual terms the process that we are going to go through in terms of assessing the application. It is a fairly simple process. Essentially the Company has a proposal and it is the Company’s proposal. It is not the Government’s proposal. The Company comes to Government and says what are your requirements for Environmental Assessment of the project. The Government issues those requirements to the Company. The Company then has to go away and prepare an Environmental Impact Statement that deals with all the requirements that the Government has given them. The Company then gives that document to Government. Before the Government puts that on exhibition it makes sure that the Company has*

*adequately addressed all the requirements. There is no point in starting a public exhibition process and trying to start a serious debate if the information that has been given to assist that debate is inadequate. So, it is very important to make sure that the documentation is right. Having said that though, mining projects are big projects and it is very rare that the document will have perfect information. There will be some shortcomings and gaps and so on and so the test at that stage is adequate. So once you go through the public process people will mount arguments and counter-arguments and attack various assumptions in the Environmental Impact Statement and that is all part of the process and there are provisions in the process for any of those shortcomings to be addressed by the provision of further information and so on. I think it is very important to realise that when the Government puts something on exhibition it is not saying this is a perfect Environmental Impact Statement but it says it is good enough to get the debate going. Once we agree that the document is adequate we will exhibit it. Now, that will commonly be for a minimum of a month but with coal mining projects it is very rarely less than six (6) weeks to two (2) months. During that period all the information will be available on our website and we will put copies of the documents in a number of places in the various places in town and with the Council and so people will be able to have access to the information.*

*The main aim of the exhibition period is to give everyone a chance to go through the Environmental Impact Statement and to put in a submission to the Government for consideration during the assessment of the merits of the project. Now, that can be in a number of forms, it can be by letter, it can be by email, it can be by fax but it is important that if you have strong views or concern about a range of things that you must put a submission to the Department. Now, some people may feel that they don't know a lot about coal mining or they don't know a lot about, how you go about the technical assessment of ground water or air quality and so on. That's not really important. You will get a whole range of submissions on any process and some of them will just go from saying 'I'm concerned about it, I don't*

*like it, it might seriously affect my quality of life' and that's it, without actually getting into the detail. Whereas, you can go to the other end of the spectrum and you will get detailed expert studies looking at the piezometers and what levels they were put in and whether they were drilled properly and so on. I think it is important to recognise that if you have a concern you don't need to put in a fancy submission. Anything in writing will do. Obviously the more reasons you give the better the submissions are. So we go through that public exhibition process where everyone has got the ability to make a submission and then all those submissions are given to the Company. Sometimes people don't want their details disclosed to the Company so we protect their confidentiality when we do forward them to the Company, but really then the Company is obliged to prepare a formal response to all the matters that have been raised in submissions and that is also made public in due course on our website.*

*What then follows is the Department will co-ordinate the assessment of the merits of the project with a whole range of other Government agencies including the Council and then report to the Minister so that he can make a decision on the proposals. So essentially it is a pretty simple process. The Company has got a proposal, they get the Government's requirements, they address those in a document. That document is exhibited and everyone has a chance to comment on it. The Company then needs to respond to all the matters that have been raised and then the Government completes its assessment and sends it to the Minister for his decision.*

*Now there are a few complicating factors that are probably worth mentioning here. The Government and Minister for Planning and Infrastructure has delegated his final decision making role on projects like this to the Independent Planning Assessment Commission. So past decisions on projects like this would have been made by the Minister. Under the current delegations it's likely that this project would be approved and determined not by the Minister but by the Independent Planning Assessment Commission. Now, in some projects the Planning Assessment Commission can also be*

*asked by the Minister to carry out an independent review of the merits of the project. That doesn't happen on every mining project but it happens on a number of projects where there may be some difficult technical issues to deal with or there may be an extraordinary high level of public interest and really what it involves is, that is an additional assessment process that occurs in the normal assessment process. What would normally happen is that once the exhibition is completed the Planning Assessment Commission and members of the Commission would have a number of public hearings to give the community another opportunity to comment on the project and then the Planning Assessment Commission would prepare an independent report which would be taken into consideration by the Department and the other Government departments in finalising its assessment to the ultimate decision maker.*

Dr Steve Robinson:

*“So that possible extra review, that was the Minister asking the PAC to do it?”*

Mr David Kitto:

*“Yes. So the Planning Assessment Commission can have two (2) roles. It is probably worth going into their roles before I answer that directly.*

*They have got an independent review role where a range of matters in the Planning Act can be sent to them by the Minister for some independent advice. So that's an independent review expert advice type role.*

*They have also got a decision making role. So that is an advisory role but they have also got a decision making role where they can make decisions on behalf of the Minister. So they have got a decision making role and an advisory role and it may be on a project like this that they perform both functions. They may carry out an independent review during the assessment process and then there will be a decision made at the end. Because there is potential conflict in there that if obviously they have done an independent review and they have recommended one thing the question often comes up 'how can they actually*

*then make an independent decision on the matter. That is something that on the few projects that we have had where this is the case is that the Planning Assessment Commission has a number of members and it can also appoint additional temporary members with technical expertise to assist them. If they are carrying out both functions in the assessment process it will be a different panel that does the independent review from the panel that then determines the application. So it is not going to be the same person who recommended one thing making the decision at the other end. That's an important thing to bear in mind.*

Mr Ray Dawes:

*"How distant are they in the Department?"*

Mr David Kitto:

*"In terms of the Planning Assessment Commission they have a completely separate office from the Department they don't report to the Director General of the Department. They are answerable to the Minister. They are a separate Government entity with its own powers and functions in terms of reference compared to the Department. So while they both answer to the Minister for Planning and Infrastructure we are quite separate organisations."*

Mrs Terry Hardwick:

*"What sort of people make up the panel?"*

Mr David Kitto:

*"Well, as I said there are a number of permanent members of the Planning Assessment Commission and they have just gone through a process now where they are appointing a number of additional commissions. But you can go to their website and see who the permanent members are. But, they don't have expertise in all matters that might come up on the assessment of mining. Mining can be a very specialised field in terms of ground water assessment or air quality assessment. It is true that the commission does not always have that expertise. Now that can be dealt with in the following ways:*

*The Commission can appoint temporary members to sit on the panel that might be reviewing the project and those members may have specific expertise but they can also commission independent consultants to give them advice on a range of matters. They can either have a temporary member with expertise or commission experts to give them the information that they need to carry out their functions properly. So, the role of the Planning Assessment Commission is probably something new over and above what has existed in the past but there has always been some form of independent review in the system. In the old days it would have been done by Commission and Enquiry, so for those of you who have been in the valley for a long time both the Durallie and Stratford mines were dealt with by Commissions of Enquiry and the Planning Assessment Commission was involved in the decision on the Gloucester gas project, so they had some involvement in the area. So, that's the broad process and I don't think you need to be confused by the process*

*In terms of consultation I think it is very important for the community to understand that the exhibition period is not the only opportunity for people to comment on things. Really the whole assessment process is a debate. It is not that you get one say and that's the end of the story. It really is important to see it as the Government has issued requirements but those requirements are made public and there is nothing to stop someone looking at them on our website and saying 'you've missed this, this, this and this' and writing to the Department and saying 'we think your requirements are not good enough because you have not dealt with this. Now, we can consider this and we have got the ability to change those requirements or we can say 'we considered this and we think the requirements are fine in the current form'. But it is not that the community cannot have its say there.*

*In terms of the exhibition, obviously there is a document that everyone can comment on, but that is not the end of it. It maybe that the community can then go and address the Planning Assessment Commission and again when the*

*Company comes back with its formal response to submissions, a lot of people may say ‘hang on they haven’t dealt with the issues a, b and c of my Submission and that’s important that you let us know if you think they haven’t done that properly. So, it is not that you have to sit silently and wait for the process to unfold. It is a debate.’*

*Mr Ray Dawes: So, if I don’t like the way a particular study has been carried out is it then appropriate to request an independent body to assess it rather than the Company choosing an expert?*

*Mr David Kitto*

*“Well you can ask for that but whether we reflect that in our requirements is really a matter of Government policy and decision making. You can have your say and say it should all be done independently, that’s not the system that the legislature or the Parliament has set up in New South Wales and that is something that you need to be mindful of. Some of the questions that we get into later go directly to that matter, so I think maybe we will park that issue for a minute. I think in terms of consultation though it is important to think to let people know or people to understand that they can write to us at any time while this matter is being assessed and put arguments and views to us. It is not that you have a forty (40) day or sixty (60) day window when the exhibition period is on to comment on something. So, we always say that we will take something into consideration right up until the decision is made and that is the truth. So, people need to, in a contested debate, need to put their views and we need to know what you think.*

*The other thing that you should be aware of this that our website will have all the available public documents available right through the process and that it is very important that if you have any interest in the project to keep looking at the website because that will constantly be updated now. I mean to date we are in the very early stages and all we really have is a background report and some requirements but once the exhibition process starts up there will be a lot more information and ultimately the Submissions would be made public on our website and the*

*Company's response to Submissions, if there is a Planning Assessment Commission review the report will be made public and before a decision is made our recommendations and our report will also be made public and there is nothing to stop you then writing to the Planning Assessment Commission and saying we think the Department has got it wrong and so on. So, it is an open process, a transparent process and a process that people can engage in at a number of different steps and it is important that if you feel strongly about the merits of the project that you make the views known. So, that's the broad process and it is important to understand that it is a merit assessment process and there are going to be a diversity of views within that merit assessment process on a spectrum from those that are vividly opposed to those that have significant concerns to concerns to those who have qualified support and those who are unilaterally in favour of this. Really, the aim of the process is that everyone gets to have a say and ultimately the Department's primary role is to weigh up the pros and cons and the costs and benefits of the proposal and to make a recommendation that what it thinks would be in the broader public interest. In doing that, there is obviously local considerations, regional considerations and State considerations that come into the mix and the public interest is a broad concept which I am sure reasonable people will have disagreements about what is in the public interest and not. That is the process we are going through and certainly it is the Department's aim to run a very fair and transparent and open process where both the mining company has a fair hearing but the community and all the special interests groups and so on are also given every opportunity to make their views known and to have those views taken seriously. So, that is the scheme we deal with in the Planning Act and I am happy to answer any questions on that thought of process."*

Mr Terrence Healey: "Thank you David. Any questions?"

Dr Gerald McCalden: "Would it be appropriate for the DG to draw the attention to the public the fact that that document is available and invite any people to comment on the requirements."

Mr David Kitto

*“There is nothing to stop us from doing that. In the days when the Durallie mine started the first people might have heard about a mine proposal might have been when they were advised that a Development Application was on public exhibition. Things have moved on considerably from there and when the Company applies the Director General’s requirements and so on, those documents are all made public and people can comment on them. I take your point that you could get background documents and put an advert in the paper, invite submissions and those could be included. That is not the way that things are currently done but it’s a matter that we could take on board and these things are evolving all the time and you may find that is well the case in the future.”*

Dr Gerald McCalden:

*“In relation to the exhibition period you mention that it is 6 weeks. However, if there are a team of experts working on that EA for up to eighteen (18) months. It is very difficult for a small community like this to adequately analyse and criticize a large EA within a six (6) week time frame, even though the Government has three (3) or four (4) different items on the table at the same time with all the projects going on around. I would suggest that a standard period of exhibition should be extended to at least two (2) months and perhaps even three (3).”*

Mr David Kitto:

*“I hear what you are saying. I guess the Parliament has set a minimum period for the assessment of applications which is roughly a month. I guess there is a balancing act between spinning out a process that is going to last a year or if you have long periods where you know the decision will take a long, long time to get to a decision point. So there is a balancing act and I guess, even within coal mining development, you get a spectrum from some quite small mines to some enormous mines where the technical information is available. But I do think it is important to realise that it is a review role when something goes on exhibition, you are not starting studies by getting baseline information. The reason it takes a long time for companies to prepare Environmental Impact Statements is that there is an enormous amount of*

*technical work that is required. In a review role the burden is not as great and certainly, based on experience the Department believes that anywhere from six (6) weeks to two (2) months is sufficient for people to be able to review a document of that size and comment on it. Particularly given that that is not the last word on the process. In other words, you don't have to have every last argument mounted in the exhibition period because as I have said it is an evolving debate. So there is nothing to stop people continuing to review the document once the exhibition is closed and to make further Submissions to the Government that will be taken into consideration through the remainder of the process. So, it is a balancing act where the Company would like a decision as soon as possible but there is a due process that is set aside by Parliament and obviously we will try to do the balance act in that. Three (3) months is uncharacteristic and six (6) weeks is probably the norm on mining projects. You can put in a holding Submission and then put more detail and comments in later.*

Mr Terry Healey:

*“Any other questions from the Committee or the Company at all in relation to the outline that has been provided by Mr Kitto?” No? David we will then ask you if you would deal with the questions that have been brought forward by the Committee Members and in particular the first item is under the hand of Councillor Jim Henderson.”*

Mr David Kitto:

*“Yes. All six (6) questions are really about the potential water impacts of the mine. At this stage we only have preliminary information on the water impacts of the mine. It really is up to the Company now to deal with our requirements. There are Director General requirements that require the Company to carry out comprehensive assessment of the potential water impacts of the proposal. So, what that really involves is a number of things. Firstly, the mine is going to change over time. So it will start from being a rural area, they will then start construction works and over time under the proposal you will get more and more disturbance until you reach a maximum point and then in time it comes back to the mine getting rehabilitated and you might be left with a void or a*

*number of bits in the landscape. It is important to understand that mining is not like somethings that are a fixed piece of development. It evolves over time and so the water impacts will vary as it expands and then contracts. So, when we ask for a water assessment it is about all phases of the project and not just when the mine is at its maximum point. So that first question about 'what water bodies will remain at the end of the life', that needs to be explained. The Company needs to explain clearly what is going to happen in terms of the disturbance and the rehabilitation where creeks might be mined through and then how are you going to put creeks or drainage lines back at the end? If you are going to create holes, how are those holes going to be filled up and if you are going to leave some holes and so on, so that needs to be clearly identified in the Environmental Impact Statement and again, when I say we need to require a water assessment, the key factors there are firstly what we call a 'water balance'. Now, that really deals with a range of water supply issues to the mine. The mine is going to need water for a range of things but particularly to wash coal and also to suppress dust on site and then there will be a range of other ancillary uses that will require water. In the background document they are saying they are going to need 500 or so mega litres of water per year. Now, it is important to know where that water is coming from? How much of it is going to land on the site? How much of it might they be importing from the rivers and creeks off site? How much will they be taking out of the various aquifers in the area? So, there is a whole range of issues to deal with the water demand of the project and how they are going to supply that demand over time and again that will vary depending on rainfall and a whole range of other factors. So that's what we mean when we look at a water balance. Now if there is a shortfall of supply then obviously the mine will need to acquire licences to get more water and that may have a range of consequential impacts that need to be thought through. When the mine works out its demand and supply it may have shortfall in some years or in some dry seasons and so on and it is important that they demonstrate that they will have enough water to deal with all stages of the project, where that water is going to come from and for those, that I am sure a lot of you in the*

*area know, the licensing of water is dealt with under the Water Management Act and in some areas or in some aquifers and so on there are embargos on taking new water out of existing sources and if that's the case the Company will need to enter the water mark and get licences to make sure that they have got enough water for the project. So that is the water balance type issues.*

*There are a whole range of surface water impacts both in terms of quantity and quality that they will need to look at. So obviously, in disturbing a whole area there will be a whole range of sediment and soil erosion issues and a number of things that may wash off the site and into the creek. When you are dealing with coal and water from the coal site it is normally very saline water and if that water is discharged on site it could have adverse effects on rivers and creeks in the surrounding areas. So it is about what you are going to do about the catchments and the drainage of the catchments. Where you are doing a range of mining and industrial activities? What are you going to do to contain and manage water that may pollute? What systems are you going to put in place to divert any clean water that lands on the site around the industrial activities and mining activities? What is the quantity and quality of water that is going to be discharged from site? So there are a range of surface water impacts but also it is about the creeks and repairing the vegetation and so on in those areas.*

*Then there is a detailed ground water assessment. If I run through the six (6) questions here, everything Councillor Henderson asks for should be in the Environmental Impact Statement and it should be documented very, very clearly. So, water bodies at the end of the mine life, the answer should be 'yes'. How they are going to deal with the diversion of water around the site or water that is coming from the foothills? That needs to be dealt with. They will need to have clearly outlined what clean water diversion systems they are going to use and what criteria they are going to use to develop those, how the criteria relates to what is called the 'Blue Book' which is a technical guideline and the design of erosion and sediment control systems and other guidelines*

*that Government has about these things. Clearly, the discharges from the site are of significant consideration because no-one wants water pollution surrounding the mine site. It may be that in some years the mine will have too much water and then it will need to dispose of it. Now, that may be by irrigation and if that is the case they will need to set out what land they are going to be irrigating and what controls they are going to have in place to stop salt build ups in the soils and so on. So, there are a range of technical issues that are quite standard to deal with the irrigation that need to be looked at and then obviously if the mine is going to be discharging water from the mine site back into the surrounding water courses they'll need to document how much water it is going to be and when it is likely to be and what quality of water and how it will be treated to be discharged. There are a range of guidelines.*

Mr Ray Dawes:

*'What is the guideline in terms of the moves in the weather system? During a normal year I would expect a hole in the ground to have something like 3,000,000 litres during a La Nina for example. No other EIS I have seen takes into account variations in climate.'*

Mr David Kitto:

*"I don't think that is correct because the whole aim of the water balance, it is all about what we call sensitivity testing. So you look at as much rainfall data as you can get and you can say that over the last 100 years this has been the rainfall, this is a dry year, this is an extremely wet year and this is an average year and you need to look at what the balance will be over all those. Now you can say, 'well under climate change it might be wetter or it might be drier' and you can make some assumptions that go beyond the weather data and that gives you a full range of potential impacts about water you might have to manage in terms of shortages of water or excess water. The Company needs to be able to say that it will work within the 100 years and work within the system that can deal with that but will have a range of contingencies in place to deal with extreme wet and extreme dry periods. So that is why the water balance is important because that then determines the range of water you may need to manage on*

*site and it determines the control systems you put in place in terms of the clean water system and dirty water systems within the mine site. So, certainly the irrigation and the range of those things need to be dealt with.*

*In terms of dirty water dams, in the concept of dirty water you have got again a spectrum where you may have dams that are part of your clean water diversion system that will have water that has got, total dissolve solids and the standard sediments from water to catch that. Normally you wouldn't mine those dams as most of the dams throughout the District. So not every dam in the dirty water system is going to deal with hyper saline water that you might get but you may have to have some dams because of the nature of the water. Really it comes down to analysing the types of dirty water and it is common on mine sites to have some simple dams that are primarily there to take the sediment out of the water and then you may have some dams that need to be lined because they might have metals in there or very saline water that you don't want to get into the ground water system or into the surrounding soils.*

Dr Steve Robinson:

*“One of the special aspects of this particular proposal is that it is within the .....waters catchment area. It seems to me that argue for a higher than average ..... to be required.”*

Mr David Kitto:

*“I guess most mines are in some catchment area, you have got mines in the Sydney drinking water catchment area and in a whole range of areas. I guess MidCoast Water will get its water from a range of watercourses in the area and those catchments will have a whole range of activities from farming where people will be using pesticides, they will have industry, they will have downs and they will have a whole range of activities and mines will be one of the uses in those areas. Now, none of those activities are allowed to pollute those water courses. There are provisions. It is impossible to maintain every single catchment in a pristine condition. Development does have impacts and so some pollution is inevitable. But the issue is about controlling that so that the*

*quality of the water needs various standards that have been set out in what we call the 'Anzac Guidelines' which are National Standards that govern water courses throughout the State. The way we have carried out development in the past wasn't necessarily the best way of carrying it out and some watercourses have been polluted over time by a whole range of activities and certainly the Government has a range of objectives to improve the quality of those over time by gradually increasing the controls in those areas. When a new mine comes into the area the expectation is that they will control the water so that they will not degrade the water quality of the surroundings. That is the starting assumption of all assessments. So, if it is an important water source that is used by MidCoast Water and a range of other water, even drinking water and so on, obviously the attention you pay to those controls and what may come off the site or how much water that mine may take from the surrounding catchment is a key consideration. So, in this area, in terms of the mine at the moment it is close the Avon River, it is close to some creeks that feed into the Avon River.. There is certainly no substantial water source on the site. But that detail, we haven't got even a fraction of the information that we are going to want to go through both water quality and water quantity impacts this proposal may have. So, while this area is an important source of water for MidCoast Water it is also important for a whole range of other down stream water users and so on and I guess that one of the main aims of the process is to make sure those down stream users are not adversely affected by this proposal."*

Mr Terry Healey:

*"Thank you David. We will move forward as we have a lot of questions to be answered yet. I am sure the Company is now on notice from what you have said, that there are strict requirements in relation to the environmental issues that cover water."*

Mr David Kitto:

*"I think it should all be covered in the Environmental Impact Statement."*

Mr Terry Healey:

*“We will deal now with the question from Graham Gardner.”*

Mr David Kitto:

*“It is a bit unclear at this stage about how that Committee is going to relate specifically to this proposal, partly because the new Committee is likely going to be an interim Committee which will be replaced by a permanent Committee before any decision is made on this project. I don’t think the interim Committee will play a role.”*

*Secondly, on some projects the Commonwealth has a decision making role and then on others they may just have an advisory role. My understanding on this proposal is that the Commonwealth is not going to have a decision making role so whatever role that Committee plays it will be in an advisory capacity that feeds into the State Governments decision making. How that works I don’t think anyone is clear at the moment. We are in discussions with the Government Department that will be administering this Committee and I am happy to let you and Council know as soon as the details of how they are going to relate to this proposal. I think likely to just be an advisory role.”*

Mr Graham Gardner:

*“Rob Oakeshott did indicate to this community in a public forum that a full analysis of the Gloucester Basin would be done to inform this assessment process. My question is really, ‘firstly, is that right? and secondly, what does that do to your assessment?’.*

Mr David Kitto:

*“I am not aware of Rob Oakeshott’s comments. To do a full water assessment of the valley may take some time and if the Company is going to be submitting it’s application in August/September this year, I think it is highly unlikely that that broader technical assessment will be completed before there is a decision on this. If you look at what is happening up on the Namoi catchment area it has taken about two (2) years just to do a baseline study of the area. They are not simple studies and certainly, even after two (2) years in the Namoi area that study is on a regional basis and will only be able to give you a fairly big picture on the water impact. Certainly, our requirements*

*would expect a much, much more detailed assessment of the potential water impacts. So normally a regional assessment sits up there and then you want something very very detailed and technical. So the EIS should have much more detailed information about the mine and its potential.”*

Mr Graham Gardner:

*“I guess from what he was saying is , ‘yes on that basis we will look at that’. I don’t think he was saying so much a ‘higher level study’ but he was saying a ‘broader catchment’.*

Mr David Kitto:

*“I can comment because I don’t know what Rob Oakeshott has said and hasn’t said but in terms of the Committee or Commonwealth role it is likely to be mainly advisory.”*

Mr Terry Healey:

*“The next series of questions is from Dr Steve Robinson and the Alliance’s questions.”*

Mr David Kitto:

*“In terms of the community input into the DGR, I think we have had a brief discussion on this issue. Certainly we did get quite a lengthy Submission from the Barrington Gloucester Stroud Preservation Alliance which we attached to our DGR so the DGR’s weren’t completely without community input. Council is seen as being a representative of the local community in these areas and Council did put in its requirements and proposal, but there is nothing to stop you. Admittedly it is several months since they have been issued. If people think things have been missed they should highlight what those points are. But certainly, the State Government has been dealing with coal mining development now for well over thirty (30) years under the Planning Act and I guess we have developed a range of what we consider to be quite comprehensive standard requirements for open mines in the area. I guess what the requirements are in this process is to try and shuffle those issues in terms of priorities rather than to every time start a question and work out absolutely everything. So, there is an element of standard requirements that apply to*

*projects and maybe identifying some residual matters that may be dealt with.”*

Dr Steve Robinson:

*“Perhaps it’s the local Council who should be advising its Community that it has received this request if you are wanting things to go through the Local Council. One of the special features of this proposal is it’s proximity to Gloucester township and I am interested in air quality and the possible pollution in the town and air quality monitor is normally done over a twelve (12) month period.”*

Mr David Kitto:

*“Well, the longer the better”*

Dr Steve Robinson:

*“In my mind, since the impact zone is likely to increase to this part of town we should be doing a comparitry monitoring in key places such as the hospital and high school which is certainly within the impact zone. I think that for the community to be able to give notice that this is a concern and I question really whether that particular concern has been thought of and perhaps the inclusion of the community at an earlier stage can at times be an advantage.”*

Mr David Kitto:

*“Well, Council can obviously take that on board and we can take on board some of the earlier comments that maybe we need to notify or at least make it publicly known that we are in the process of issuing Director General requirements. I think it is also important to highlight that this is not the Government’s proposal. The Government expects the Company to carry out extensive consultation with the community prior to getting into any assessment process and some of those matters as you have raised are matters that could have been put to the Company if the Company was consulting?”*

Mr Grant Polwarth:

*“We did advertise in the Gloucester Advocate that we did lodge a request for Director General Requirements. We did send out a newsletter and we presented that to the Committee in advance that our DGR has been accepted. So, certainly the*

*Committee and the broader community were aware of the fact that we put a document to the Department for the issuing of the Director General Requirements. Our website was launched to that effect. I believe, from our point of view that we have shown leadership in telling the community at a very early stage. That's my personal view from the Company."*

Mr David Kitto:

*"I think that we are at that stage now where they have been issued. If you think there are any gaps let us know and we will take that into consideration. It may be that even if a document goes on exhibition, as I said, further information can be provided. Just let us know.*

*In terms of the second question, I have read the reports in the newspaper about the Survey results. The point I was making earlier is that we are trying to run a fair process for everyone in this. There are certainly going to be those opponents but we also need to accord the Company due process and let them put their side of the argument. Essentially the whole aim of the process is to give a diverse range of views. I have seen Council's resolution on the project and obviously that will carry some weight in the balancing act but really we are at the early stages. We still need to look at all the evidence produced by the Company and weigh that against our standards and performance measures and criteria and then obviously come to some decision in due course. We can't just reject an application out of hand because we don't like it and this is a permissible use on the land subject to development consent. So making it permissible in this area doesn't say that is necessarily a good idea, its just gives the Company the ability to put in an Application and to have it's arguments assessed on the merits. So, that's the aim of the process. We understand that there is a lot of concern about this in the local community and we expect it to be a very lively and spirited debate once the assessment process kicks of."*

Dr Gerald McCalden:

*"You said the Government can't dismiss a proposal out of hand because the Company has to be given due process. I think the question goes to that what if at the end of the whole due process what*

*argument would persuade Government to reject the application that it is not in the public's interest?"*

Mr David Kitto:

*"Well there are some questions about that later on, but it is a Merit Assessment Process and community values change over time and where people, politicians and bodies like the Independent Planning Assessment Commission make the decisions will vary depending on that debate. Now, there is no one (1) argument that is going to knock something over because there are going to be multiple arguments in a process like this and there are clearly going to be costs associated with a proposal like this and benefits. Reasonable people will disagree about what weight should be given to all of those. So it is not that any one argument or two or three arguments will necessarily get it refused, but it is not necessarily one, two or three arguments that will get it through either. So really it is a public process and everyone gets their say and ultimately someone, in this case the Independent Planning Assessment Commission, is going to end up making a decision and there may well be appeal rights where you can go to the Land & Environment Court and question the merits of that decision.*

*The one thing I should have said in the terms of the process is that this process will have third party merit appeal rights. So there are two (2) ways you can appeal a decision. The first is on merits, so a third party or the Company can appeal on merits. Now, there is only one qualifier there. The only thing that removes a third party merit appeal right in this process is if the Independent Planning Assessment Commission carries out an independent review during the process. But if they don't carry out an independent review and that's distinct from the decision making role, if they don't carry that out then any third parties disagrees with that decision may challenge it in the Land & Environment Court. The second line of appeal is on Administrative Law grounds where you may think that the decision maker took irrelevant considerations into account or was unreasonable. Terrence, you would be able to explain this better."*

Mr Terry Healey:

*“It is not about merit it is an Administrative enquiry as to what matters were taken into account by the person who makes that decision.”*

Mr David Kitto:

*“When the Independent Planning Assessment Commission makes a decision it is an appealable decision. Always on Admin Law grounds and sometimes on merit grounds too. It is important to point out that it is not just third party appeal rights it is also if there is an independent review during the process.*

*In terms of the third question in relation to cumulative impacts. Our Director General Requirements do require any assessment that has been done on this project to consider the cumulative impacts of other projects. That is not always an easy thing to do because there are obviously things you know about that have been approved or are currently going on. But then there are other things that may be being considered at much the same time. For instance, this one you have the Rocky Hill proposal but you have also got a proposed expansion of the Stratford mine. It is possible that both of those Environmental Impact Statements will be going through the assessment process at much the same time. In this particular part of the world, AGL has gone through a process that clearly the Exploration Licence area will need concept plan approval that extends well beyond the Stage 1 approval, but they have gone through an assessment process. A decision was made on that and that decision is still before the Courts. In terms of the Impact Assessment of the one hundred (100) odd wells that have been approved. That information is out in the public domain. What they may or may not do in the future is very difficult to feed into our precise assessment of this. So the difficulty of a really good accumulative assessment is that you have a range of activities going on that you know about or that have been assessed but then you have to make some assumptions about what might happen in the future. Some of that you might make with reasonable confidence in terms of what the interactions between Stratford proposed expansion and this proposal might be. It is much harder to crystal ball gaze and work out what AGL may or*

*may not do in some of the other parts of their lease areas or what may or may not happen in the remainder of the Exploration Licence area of Rocky Hill or the other two (2) lease areas to the west or in other parts of Gloucester Coal's exploration line. So really, the way to do that is through sensitivity analysis where you need to take into account all the detailed information. Gloucester Resources hasn't had the opportunity to look at Stratford's detailed studies but things may come up in the assessment process that they will need to address in their response to Submissions if key assumptions that they have made about the impacts of that prove not to be the case. There is an obligation for them to look a cumulative impact. It is not so simple because cumulative impact sometimes can occur over many years. It might be intensity of operations all in one area at one time. It is quite a complex area and it differs from noise to water to socially economic issues. When you start thinking about cumulative impacts of water you sometimes go through a different conceptual way of thinking to when you are looking at socially economic and other impacts. Now, in terms of making assumptions and dealing with sensitivity that is easier on some of the issues that we deal with and much harder on others like air quality where it depends on what machines are working on any one day, even when it comes to short term dust predictions and it is incredibly difficult. It is also beyond the capacity of a model to have all the right machines in the right places. You really need to deal with it with very conservative assumptions. It is an evolving thing and I think technically things have come along in leaps and bounds in the last 10 to 15 years but certainly there is no perfect methodology for getting that balance right between what you know about now and what may or may not happen in the future. One of the aims of the Strategic Regional Land Use Plan is to try and take that sort of thinking beyond the project by project level to a more strategic level where you have the ability to balance those things out better.*

*In terms of question 4, I am not sure what I can say. The causal reasons underpinning disability levels and so on are complex. I am not aware of the kind of evidence. That's clear cut in fact. There are a whole lot of functions in a question like*

*this that, one (1), I am not an expert in health impacts, two (2), the inference has been drawn by the question.....*

Dr Steve Robinson:

*“The general principle I am trying to get at is that miners are assessed for their health before they are employed.”*

Further discussion about health impacts took place and suggestion that the community should be assessed and that this should be considered.

Mr David Kitto:

*“It can only be taken into account if it is the current practice of the Government.”*

In relation to the questions from Dr Steve Robinson on behalf of Grip Mr Kitto answered:

- “1 In terms of evidence, argument or actions. I think we have covered that.*
- 2 In terms of minimum safe operational distance for a mine for residences. Please provide specific testable criteria. Unfortunately it is not possible for me to say 50 metres or 500 metres or 1 kilometre. It will depend. Now in terms of the safety impacts, there are a whole range of factors you would consider there. If a mine is blasting and how far away is safe? So a fly rock doesn't come off the property and land and damage people. So there are a whole range of considerations. You will speak to blasting specialists and they will say they can design blasts and put in controls that you can blast within 50 metres from a persons house. Certainly from our rule of thumb anything within 500 metres of a house requires really special consideration. Because you don't want fly coming up and landing on people's property or houses or livestock and a whole range of things. If you are looking at air quality it depends on weather conditions. So, which way the prevailing winds are blowing. Whether the mine is upstream or downstream. Also the size of the equipment, the design of the roads and a whole range of things. Ultimately what it comes back to is reliance on National Standards for what is acceptable in terms of ambient air quality for small particles which is PM10. Now obviously I am aware of the debate about*

*PM2.5 standards and how people are becoming more and more interested in that fine particle dust and the PM1 as well. The standards that we use in our assessment process is at the moment are National Standards and there is a debate going on nationally at the moment about whether those standards should be changed to pick up PM2.5. Now the 2.5 is not a national standard so it is not expected that we will have a detailed assessment against PM2.5 in this proposal. However, PM2.5 is clearly a sub-set of the PM10 impacts and so it is not that those particles will not be assessed but they will not be assessed to the level that some people. There is nothing to stop the Company carrying out a 2.5 assessment if the community raises it with the Company. All I am saying is that when it comes to assessing the acceptability of the impact we will be relying on the National Standards and at this stage there is no National Standard that is being adopted in New South Wales for PM2.5. It doesn't mean it can't be taken into consideration but that's the standard. So the wind and the intensity of the mine and the equipment they use and the controls they put in place will determine how much dust is coming off the site and how far the dust reaches and what the concentration of that dust is.*

- 3 I think we have covered this question. The AGL project will have to be taken into consideration and some sensitivity analysis should be done to pick up those activities that AGL may do in the future in and around the project area.*
- 4 Cumulative impact we have gone through in some detail.*
- 5-6 In terms of the average age, clearly some people are susceptible to dust and noise impacts than others. The Industrial Noise Policy doesn't assume that some people won't be annoyed even if the levels are complied with. In particular with air quality with respiratory impacts. The older the population the more susceptible they may well be. I come back to what I was saying earlier in that the standards we use are National Standards which have been set in consultation with all the States. They have looked at the range of ages within the population and those standards have been set taking those into consideration. The fact that*

*there may be more older people living here and around the mine, relates more to the standard that is being achieved at those levels. The standards the Government has set and the policies it has got have been based long policy process that involved a lot of consultation and I don't think anyone is going to sit here and say that if they comply with all those standards everyone will necessarily be happy. I think those standards have been based on a balancing between various different interest and the Government has set those standards."*

Mr Grant Polwarth:

*"The document that is being referred to in the question is the Conceptual Preliminary Assessment. So, the details being asked for will certainly be covered in the final EIS that is submitted."*

Mr David Kitto:

*"Certainly in any predictions, any noise model or dust model and topography is one of the key inputs along with weather predictions and so on.*

*7 In terms of conceptual, I think no. Again if you look at a spectrum from a completely conceptual project to detailed engineering to drawing for the actual construction of the documents, I think what you are giving in the EIS is something half way between. So you are not expecting the final decision of every little piece of infrastructure and so on. It certainly needs to be well beyond the conceptual stage. So, what is being proposed there needs to be very specific in terms of what is going to be built and where and it doesn't allow much discretion moving this or that. However it is not going to have big plans the size of this table which you would normally get in the construction phase. Once a Mining Application has been approved there is another whole level of design and more detailed things that is then subject to construction certificates and occupation certificates and so on the post approval assessment process.*

*8 If GRL decide to sell the mine to someone else. The thing you need to understand with the*

*planning approval is that it does rest with an individual, it rests with the land. So, if Gloucester Resources sold the project, whoever came and was wanting to act on it they would have the right to act on it because it would be an approval that would rest with the land. If they want to make changes to that project they would need to seek approval for that and go through a public process.*

9 *In terms of a stand-alone mine, I think the commonsense meaning is that this will be a mine where coal is extracted, it will be processed and it will then be shipped and transported off to domestic or export markets. You can get some mines where they may only extract coal and they take the coal to another mine to wash it and distribution. That's a stand-alone mine to the extent that it only does extraction. This has got all the components of the complete mine. They are extracting it, processing it and they are transporting it. To that extent it is a stand-alone mine. They could have extracted it and shipped it off to Stratford for processing and distribution but that is not what is being proposed. So the commonsense meaning of the word it is a stand-alone proposal. Part of the question – for the Company to have an approval to extract, wash and distribute coal. It may be that they send some coal to power stations and the power stations don't want the coal to be washed in New South Wales so they may just extract it and transport it. That would be allowed. That would just not go through the washing process. Certainly if they wanted to take their coal and wash it at another site then that site is probably going to need to get approval to receive coal and wash it on site. So there would be some approval process needed. Whatever they are going to do, the environmental impacts will need to be assessed and they will need to have an approval. If they are wanting to change that proposal they will need to seek modification or subsequent approval.*

10 *Economic Impact: I guess with mines there are a number of way assess economic impact. The two (2) traditional ways are what we call Input Output Analysis. So where you get a mine*

coming into an area it will obviously have consequential flow-ons in terms of employment and household expenditure. That is a traditional type of analysis that is done and that is more about the mine is the input into an existing economy and that will have flow-on effects. That is one way of looking at the economic impacts of the mine. The question seems to be alluding more to the cost benefit analysis of the mine. Now, costs benefit analysis is a fairly standard assessment technique from micro economics and rule is to work out the public benefit of projects. Very often it is done to look at Government projects to see whether or not they are in the public interest. Now, the theory of cost benefit analysis is pretty simple. The argument comes that it is not always easy to quantify that the costs and benefits of things are going to be. So the way that is traditionally dealt with in the assessments is you do what is called the 'threshold analysis' where you value all the things that are quite easy to value. There will be some costs and benefits of the proposal where you can with reasonable certainty put a number on it. Then you may work out what you think is the net benefit, say of \$500,000,000.00. Then you would identify all those costs or benefits that you have not been able to easily quantify and you may go through a process of trying harder to quantify those costs and benefits or you may go through the quantity analysis and say well, the net benefit given all you have been able to quantify is 'x' and in the quality analysis we don't think any of these residual impacts that we haven't quantified will amount to \$500,000,000.00 and therefore negate the net benefit of this project. So that is the way that it is dealt with. This obviously will bring up the argument of all the variables that go into a Cost Benefit Analysis. It is not a precise science. It does involve value judgements and reasonable people can disagree about value judgements. So even though it looks like a scientific thing, it really is an argument that is using numbers to try and to do a balancing test. Certainly the cost benefit that the mine does is something that should be a starting point in that balance argument. It is from that prospective a useful way. Very often you get a noise assessment,

*dust assessment or water assessment, it is useful way of being able to sit at the top and try to integrate it all and to how the think about it in a holistic way and it really is assisting in that balance act. The net benefit or public benefit is something that people can disagree about.”*

Mr Ray Dawes:

“GRIP are concerned about the time frame.”

Mr Kitto:

*“It is not just while the mining occurs. You also have to look at the mine closure and post approval components of the mine as well as any ongoing liabilities that may result because they have got overburden dumps or potential acid mine drainage or a range of those long lasting effects that may occur. Again, it is not a fixed analysis. It should take into account construction impact, operational impacts and rehabilitation impacts.*

*11 Will we come personally to view? I am happy to come up here during the Assessment process to have another meeting with the Community Consultative Committee to hear in more detail once you have had a chance to look at the Environmental Impact Statement and so on. I don't think there is a lot of benefit to be gained with big public meetings and so on. What we are really trying to do is assist the community process but I am happy to come up here and meet with people at some stage. We will still be going through our Assessment but there will be an opportunity for people to make their concerns known to us.*

*12 I think we have dealt with this.*

*13 In terms of the Avon River, the Company is required to look at the flooding impacts but it is likely to be in that localised area in and around where the mine comes close to the river.*

Mr Grant Polwarth:

*“The part of the Avon River is immediately to the west of the mining area. The hydrologists are taking into account the Avon River.”*

Mr David Kitto:

14 *"In terms of 14, I know this is something you have raised. I think it is important to set it out. Council has made a Local Environmental Plan which says that most of the site that the Company wants to develop shouldn't be developed for mining as it is an Environmental Management zone and should be managed for diversity or a range of other values. So, that is the Council's policy position about what should and should not be done on this land. They have got a plan that sets out what they want to achieve on the land. Now the reason why the Company can do that is there is a State Policy that deals with mining across the whole of New South Wales and that is premised on the fact that all the resources in New South Wales are owned by the people of New South Wales and what that really does is it says that underground mining is really permissible almost everywhere except in National Parks and open cut mining is permissible throughout most of the State. Now that doesn't mean that underground mines should happen everywhere or open cut mines should happen everywhere. All it does is, it gives the Company an opportunity to put in an Application and have it heard in the Merits. What that means though is that the Company needs to mount an argument in the assessment process about why or how its proposal has dealt with the aims and objectives and the policy in Council in the LEP. So, the fact that they are allowed to put in an Application doesn't mean that Council's views in the LEP or the zoning or the aims of that zone are null and void. There are significant considerations in the Merit Assessment process. So really the Company needs to be saying why it should be allowed to carry out a mine in this area and then rehabilitate it and that they can achieve in time what Council's broader aims for the area were. The aims and objectives of the zones are clear, the method you have used to deliver those aims is to prohibit open cut mining so it is about the strategic and the policy intent that needs to be considered. Now, the ultimate decision maker will need to weigh up the costs and benefits of that and what is the broader public interest but I think it is important to say that all it has done is that it has given the mining company the ability to put in an*

*Application and have the merits assessed. Those merits need to be assessed squarely against Council's strategic objectives."*

Mr Graham Gardner:

*"The very significant problem in this is the very confusing message from the State Government because whilst you say this is a Local Environmental Planning made on behalf of this community it is actually signed off by the Minister so the Minister agrees that that zone is appropriate in that plan and the prohibition of an open cut coal mine is appropriate in that zone. So the State Government on one hand is signing off on that position and on another position it is saying that despite that we want to enable this process to occur. This takes us right back to your early comment about this assessment process being an evaluation of the public interest in regard to the proposal and for us it seems the important public interest, and that is the one enabling in which the community that this mine is proposed in public interest by the construction of the Legislation seems to be a doing a subversive or an external public interest. So, the public interest will be very important from Council's point of view and it is a very confusing message that we are getting from the State Government and that is very unfortunate because it creates this conflict that allows these guys to spend an enormous amount of money on the process. It would seem to me that you could argue that the State Government says that it's okay to mine they should have required open cut coal mining to be a permissible use or prohibited use or conversely the SEP should say you can't mine in a E3 zone.*

Mr David Kitto:

*"Well, I think that is a broad policy debate that I think we need to have in another forum. When you prepare a broad LEP obviously a whole range of studies are done in that and you have more and less detail about a whole range of environmental factors. Traditionally, with the new zoning process we have moved away from that situation where local LEP's couldn't prohibit mining in some of these areas and you have got areas in Muswellbrook and so on and a*

*whole range of areas which have been allowed to prohibit mining, saying this is the local strategic policy idea but that change has only been allowed because there is the State Policy that says regardless of what the local policy intent is you still can go through Merit Assessment Process where the mineral resource costs and benefits can be considered against the Local Strategic Plan in costs and benefits and the conflicting strategic intent between what might be a local strategic intent and a State strategic intent, there is a process where the merits of that can be looked at squarely and really that is the process that they have been going through now. So, the Minister signing off on something and saying the Local Government has been through an extensive process, they have done proper studies, they have consulted broadly with a range of stakeholders and they have come up with their view of how that part of the world should be allowed to develop but that decision on the local was made with full knowledge that there was a State system where Mineral Resources, State Infrastructure and a whole range of over developments. that contrary to local policy objectives for the broader public benefit. That is the process we are going through so I don't think it is wholly inconsistent. I think it is clear that what Council's view of this part of the world should be and clear to Council it has consulted widely with the local community in developing that view and Council has resolved at this stage not to support the project because it is inconsistent with their local view of the world. What is happening now is that the Company has been given an opportunity to put a counter argument to that and we need to go through due process."*

Mr Graham Gardner:

*"It is still just a concern because which public interest is to be given the wake of expression. There is not only the planning history, it wasn't just done once it was done twice in terms of making open cut mining prohibited. There has been a very clear expression from this community and a significant majority expression that this mine should not occur in this location. The public interest in the community of this*

*mine is clearly against an approval being granted.”*

Mr David Kitto:

*“I hear what you are saying and I am sure we will hear a lot more about that in the assessment process but as a representative of the State Government we need to look at local, regional and State interests in the process and ultimately the Minister or his delegate will make a decision of what they think is in the best interest of the State.*

*15 All we are being asked to look at in this process is the Merits of the process and I don't think any implication should be drawn about what may or may not happen in the future. Any other mining of proposals in this area will need to be considered on merits.”*

*16 That is part of the Merit Assessment Process.*

*17 I understand that some people value what is in the existing area and don't it to change and other people may see it as an opportunity for a whole range of benefits to come to the area. Essentially, we are going to go through a process that examines that.*

*18 We haven't got the time to go through all the bits and pieces of the various criteria today. I think the best thing to do is to look at the Director General's Requirements. There are a whole range of policy and guidance documents attached to that. Those confirm multiple standards and guidance about what is considered to be an acceptable environmental impact and will be using the full range of that in our assessment.*

*19 In terms of weights to community input, I think I said before the aim of the project is to give everyone a fair hearing and to make sure that when people do say something it is given serious consideration.*

*20 In terms of input into consent conditions, in the past it was limited or no comment on consent conditions. I think the way the system works at the moment is that once we have made our final recommendation that our report and recommended conditions are made publicly available on our website before any decision is made and that may be for a period of weeks or months until there is an ultimate decision on*

*the project and as I said to you there is nothing to stop you from writing to the Independent Planning Assessment Commission and criticizing how we have come to what we have recommended. So think there is scope for some community input at that stage. Certainly we will be consulting with Council on the conditions and we take Council to be the community representative in these sorts of matters.”*

Mr Terry Healey:

*“We will know move onto the questions from Dr McCalden.”*

Mr David Kitto:

*“1 I have obviously read the comments in Sharon Munroe’s book and I have to say that I was surprised at those comments. It is impossible for me to know whether he did or didn’t say that but I have been working for him for seventeen (17) years and I have never heard him use the word ‘harvest’ which he is quoted as saying but all I can say is that the DG has been a public servant in the Department for well over 20 years now and in all the time I have worked for him he has always been incredible balanced between community issues on the one hand and recourses on the other and he is certainly not hell bent on developing the State as is implied by that report. So, I think I am saying that he did or did not say it because I just don’t know. But certainly it doesn’t accord with the character of the Director General as I know him. But regardless of that, is it the Policy of the Department ‘if there’s a resource there, we’ll mine it.?’ I think there are a number of comments I would like to make about that. Firstly, the Department is not in the business of mining resources and I think that is an important point to make. I think within the scheme of Government there are Departments whose primary role is to facilitate the extraction of resources. Division of Resources and Energy within Government they administer the mining, act in the petroleum onshore Act and a range of other Acts which is about administering the mineral resources of the State in a responsible way for broader public*

*benefit. Now, clearly their role is to explore and to fund resources to give leases and licences, collect royalties which feed into the broader State coffers and that is their primary role. But that is not the role of the Department of Planning within Government. The Department's role is really to carry out Independent Merit Assessments of the benefits and costs of projects. That role had been given to the Department to run a fair and transparent and open assessment process and then to coordinate the assessment of the Government as a whole and take into account what the community says and reporting to the Minister. There are Government departments that are solely responsible for looking after threatened species or National Parks or water and whole range of other matters that have nothing to do with mining and I think within the spectrum you may get those that are more pro-development and those that are more pro-conservation and the Department is really supposed to sit in the middle and provide that balancing act. That is role we take seriously and certainly our aim is not to harvest or mine every bit of resource in New South Wales because it would be a shocking place to live if that occurred. So it is about balance between competing interests and that is the role that we try to do and that is the role I guess the Legislation has set out for us.*

Dr Gerald McCalden:

*"In relation to comments made by Mr Sam Haddad, the remark was made to Councillor Julie Lyford who was then the Mayor of Gloucester and she told me personally and I trust her."*

Mr David Kitto:

*"I am aware of the quote. I can't comment one way or the other because I wasn't there. All I am saying is that it suggests a mind set of the Director General of the Department and that's a person I have worked with for a long time and in my experience he shows integrity and balance for the way he does things.*

2 *Yes we do scrutinize reports and we don't take them at face value. So we don't rely on the good faith of proponents and their consultants. We have twenty (20) odd*

*staffing looking at mining projects around. But it is important to recognise that we coordinate the assessment so there is a range of expertise in other Government Departments, coming from threatened species issues to water issues and we consult with all those agencies and coordinate the assessment of that, so we don't have experts in every field but there is a wide range of expertise in Government. We quite commonly appoint an independent experts to give us advice on a range of matters and we have also got the benefit in some cases of an independent review of the Planning Assessment Commission and its experts and very often we get some quite detailed submissions from people and experts who have expertise in a range of matters. While the EIS is the Company's document, they are not all representatives of the Company who prepare the work. I am fully aware that people say the Company is paying the bills and therefore they put their arguments and so on. I must say that if you are an expert in a particular field and you are going to go through a fairly extensive assessment process it is very difficult to mislead and so on without being found out given the process that we go through and consultants don't generally stay in business very long.*

- 3 *The Planning Assessment Commission is very independent. They quite commonly don't agree with our recommendations and a lot of the representatives are imminent people who have been Director Generals or held positions of great responsibility within the community and certainly they are quite willing to refuse things where the Department has recommended approval and I guess certainly the Minister believes they are independent."*

**GENERAL  
BUSINESS:**

Grant Polwarth asked if there would be any substantial objection to publish the members of the GCCC on the company website so members of the public who are uncomfortable coming to GRL can contact a member directly? All agreed.

Mr Terry Healey thanked Mr David Kitto for attending today's meeting.

Next meeting Friday 31 August 2012 at 10.00 am

Meeting closed at 12.00.