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BY EMAIL AND EXPRESS POST: carolyn.mcnally@planning.nsw.gov.au

Ms Carolyn McNally
Acting Secretary
Department of Planning and Environment
GPO Box 39
SYDNEY NSW 2001

Dear Ms McNally

**Anglo American – Drayton South Project
Response to Planning Assessment Commission Report – Submission in Response**

This submission is made by Coolmore Australia (**Coolmore**) in relation to Major Project Application 11_0062 lodged by Anglo American Metallurgical Coal Pty Ltd (**Anglo**) in respect of the Drayton South Coal Project (**Project**).

For the purposes of the Director-General's Report in respect of the Project, Coolmore has been invited to make a submission to the Department of Planning and Environment (**Department**) following the release of:

- (a) *'Drayton South Coal Project: Review Report,'* prepared by Gabrielle Kibble, Garry West and Joe Woodward PSM and dated December 2013 (**PAC Report**); and
- (b) the *Drayton South Coal Project: Justification* and *Drayton South Coal Project: Response to Planning Assessment Commission Report* prepared by the proponent and dated February 2014 (**February Response**); and
- (c) *'Drayton South Coal Project: Consequential Environmental Impact Assessment for Retracted Mine Plan'* dated March 2014 (**EIA for Retracted Mine Plan**).

Coolmore welcomes the opportunity to make the following submission. It is set out as follows:

- PART A:** PAC Report and EIA for Retracted Mine Plan: Table of Compliance;
- PART B :** Introduction and Executive Summary;
- PART C:** Submission regarding February Response; and
- PART D:** Submission regarding EIA for Retracted Mine Plan.

ANNEXURES:

- Annexure A: Presentation to the PAC of Michael Wright, visual impacts expert
- Annexure B: Supplementary statement of Michael Wright, visual impacts expert
- Annexure C: National Trust Listing Classification of Muswellbrook – Jerrys Plains Landscape Conservation Area
- Annexure C1: Updated advice from GML Heritage
- Annexure D: Updated advice from Owen Droop of OD Hydrology regarding groundwater and surface water impacts
- Annexure D1: Updated advice from Advitech regarding air quality impacts
- Annexure E: Updated advice from Marsden Jacobs regarding economic assessment
- Annexure F: Comments in relation to Dr Richard Lamb and Terry Short
- Annexure G: Agronomist Report
- Annexure H: Report on Economic Impact of Australian Racing

PART A

PAC Report and EIA for Retracted Mine Plan: Table of Compliance

Issue	PAC Finding	Anglo Response	Outcome
Mine to be setback behind ridgeline	<p><i>"Any future application for a much smaller mine on the northern portion of the site must remain north of the natural ridgeline marked in Figure 5 on page 25 of this report. These setbacks are the absolute minimum required."</i> (p. iii)</p> <p><i>"The proximity of the mine, and the Redbank pit in particular, is of concern"</i> (p.16)</p>	The amended mine setback breaches the natural ridgeline recommended by the PAC as a minimum setback requirement and includes the Redbank Pit (referred to by the PAC as being of particular concern). See Figure 3 in the EIA for the Retracted Mine Plan which shows the PAC proposed setback and the Retracted Mine Plan setback.	<p>PAC recommendation not complied with.</p> <p>Mining operations remain within 700m of Coolmore.</p> <p>Failure to provide an appropriate buffer exposes Coolmore to visual, blasting, noise and dust impacts and threatens the viability of our thoroughbred breeding operations and our business.</p>
Highwall Mining to be reconsidered and further explored	<i>"Highwall mining options would also need to be reconsidered and further explored."</i> (p. 26)	The proponent still proposes highwall mining as part of the Retracted Mine Plan.	<p>PAC recommendation not complied with.</p> <p>Proposed highwall mining will come within 30m - 50m of the Coolmore boundary.</p> <p>The minimum setback requirement recommended by the PAC removed highwall mining areas.</p> <p>The proponent has not updated its environmental assessment in relation to highwall mining.</p> <p>The impacts of highwall mining remain unclear.</p>
Demonstration that new mine will not affect the viability of the studs	<p><i>"The Commission agrees that the studs are highly important to the equine Critical Industry Cluster and consequently to the broader region, and should be protected from the impacts of mining."</i> (p. iii)</p> <p><i>"Any open cut mining contemplated on the site should be required to demonstrate that its impacts will not affect the viability of the Coolmore and Woodlands horse studs."</i> (Recommendation 3, pp. iii and 28)</p>	The proponent has provided no further information regarding the impacts of the amended mine plan and the associated effects on the viability of the horse studs.	<p>PAC recommendation not complied with.</p> <p>An assessment cannot be made in relation to the impacts of the amended mine and the effect on the viability of the Coolmore and Woodlands horse studs.</p>
Rigorous assessment of new mine to ensure it does	<i>"Any new mine plan for the site would need to be further assessed to ensure the visual, blasting, noise and dust impacts could be managed to an acceptable level at the neighbouring stud properties and should take into</i>	The proponent has relied on the environmental assessment in the Preferred Project Report and has not updated its environmental assessment to reflect the	<p>PAC recommendation not complied with.</p> <p>The impacts of the amended mine plan cannot be assessed.</p>

not affect the viability of the studs	<i>account worst case scenarios"</i> (Recommendation 5, pp. iii and 28)	amended mine plan.	There remains a threat to the viability of Coolmore's thoroughbred breeding operations and business.
Cultural heritage landscape to be conserved and protected	<p><i>"The Commission found that the historic and continuing land use patterns combined with the built heritage structures, unique topography, landforms and environment have value to the horse and tourism industries, but also have a special cultural heritage significance as well. The Commission considers that the landscape of the studs and their surrounds warrants conservation and protection. Open cut mining in this location threatens the significance of the surrounding landscape."</i> (p. 27)</p> <p><i>"The additional value derived from the surrounding cultural landscape setting and the continuity of land uses on the properties [i.e. the studs] has not been recognised to any clear extent nor given any meaningful consideration by the Proponent."</i> (p. 12)</p>	The proponent submitted a heritage report in the February Response, in response to the PAC Report, but that advice does not mention that parts of the mine site are included in the classification by the National Trust of Australia of the <i>"Muswellbrook-Jerrys Plains Landscape Conservation Area."</i>	<p>PAC recommendation not complied with.</p> <p>The setback of the amended mine plan breaches the natural ridge line recommended by the PAC as a minimum setback requirement.</p> <p>An assessment cannot be made in relation to the impacts of the amended mine on the heritage significance of the cultural landscape including land classified by the National Trust.</p>
Unprecedented environmental performance to be demonstrated	<i>"The mine will need to achieve unprecedented standards of performance, management, consultation and cooperation to ensure the operations of the two horse studs are protected."</i> (p. 27)	<p>The proponent has made no such commitment.</p> <p>There is no reference to the amended mine plan's standards of environmental performance.</p> <p>The proponent has not consulted Coolmore any further in relation to these issues.</p>	<p>PAC recommendation not complied with.</p> <p>The environmental commitments of the proponent remain unclear.</p> <p>There remains a threat to the viability of Coolmore's thoroughbred breeding operations and our business.</p>
Stringent controls and conditions and provisions for cooperation	<i>"If any open cut mining is to proceed on the project site, then it must be subject to the most stringent controls and conditions, including provisions for close cooperation when special events are scheduled on the studs, including requirements to prevent blasting during these events."</i> (p. 27)	The proponent has made no such commitment or statement. There is no reference to the amended mine plans environmental controls.	<p>PAC recommendation not complied with.</p> <p>The environmental controls in relation to the amended mine plan remain unclear including in relation to special events held at Coolmore.</p> <p>There remains a threat to the viability of Coolmore's thoroughbred breeding operations and our business.</p>
Mine operator to understand	<i>"It will be essential that any mine operator responsible for the site is willing and capable of acknowledging,</i>	The proponent has made no such commitment or statement.	PAC recommendation not complied with. There is nothing further to demonstrate to Coolmore

and respond to sensitivities of studs	<i>understanding and responding to the importance and critically sensitive operations of the two studs." (p. 28)</i>	The proponent has never acknowledged that industrial levels of noise, dust, blasting and disturbance to landscape are likely to be detrimental to our thoroughbred horse breeding and business operations.	that the proponent understands the sensitivities of our operations and our business.
Visual assessment	<i>"Visual impacts [in respect of any amended mine plan] will still need to be carefully managed as there will still be visible evidence of dust, blast plumes and lighting which will all need to be minimised in accordance with best practice standards." (p. 26)</i>	Despite retaining the Redbank Pit, the proponent has only provided a one page visual impact assessment. None of the visual impacts referred to by the PAC have been assessed further. No photomontages have been prepared. No visual catchment map has been prepared.	PAC recommendation not complied with. The visual impacts of the amended proposal remain unclear. Mining operations may still be visible in different degrees from various parts of Coolmore. Indirect visual impacts will still be in very close proximity to Coolmore and highly visible.
Noise and blasting assessment	<i>"Blast impacts will also need to be carefully controlled and detailed blast management plan and protocol will need to be developed in close consultation with the adjoining horse studs to ensure blasting is avoided during sensitive periods, and particularly during special events. If the mine proceeds in any form, then a protocol for managing and coordinating mine blasting with the operations on the Coolmore and Woodlands studs would need to be developed." (p. 26)</i> <i>"Only 1 blast per day should be allowed." (p. 26)</i>	The EIA for the Retracted Mine Plan finds that the Retracted Mine Plan results in no appreciable change in the minimum distance between the mining area and closest residences. The proponent has not taken the advice of the PAC and has instead relied upon the findings of its previous environmental assessment documentation without carrying out any additional meaningful acoustic or vibration assessment in relation to noise and blasting. The EIA now refers to blasting '5 days per week'. It is unclear as to how many blasts there will be per day on each of the 5 days.	PAC recommendation not complied with. There is no appreciable improvement in the noise impacts of the project brought about by the Retracted Mine Plan. Blasting arrangements remain unclear. There remains a threat to the viability of Coolmore's thoroughbred breeding operations and business.
Air quality assessment	<i>"The air quality impacts of the project are not considered acceptable due to the combined concerns about the additional amenity and health impacts to</i>	The air quality assessment does not address the comments made by the PAC Report and provides that the revised air	PAC recommendation not complied with. The air quality assessment is inadequate.

	<p><i>residents living on the studs (noting that the properties cannot be acquired by the mine as would usually be allowed) and the reputational damage that may be caused by the deterioration in air quality."</i> (p. 20)</p> <p><i>"In particular, air quality modelling will need to be updated to reflect the revised activities that would occur on site, and also to consider the worst case scenarios for the mine, including the influence of climate change. The Commission considers <u>that any redesign must include full consideration of the air quality issue</u>. A cautious approach to air quality is recommended, having regard to the fact that high background particulate levels are expected in and around what was this mine plan's year ten (during the 2020 decade)." (p. 26) (emphasis added)</i></p>	<p>quality modelling contemplated as part of the RTS demonstrated that there were no predicted exceedances of the annual average criteria for TSP, PM10 or dust deposition.</p> <p>The air quality assessment concludes that it would be expected that there would be an overall reduction in the predicted impacts for the project when compared to the RTS modelling.</p> <p>The proponent has not prepared or submitted a detailed air quality assessment as part of the EIA.</p> <p>No further modelling has been carried out, no worst case scenario has been considered and climate change has not been taken into account.</p>	<p>The air quality impacts of the amended proposal remain unclear.</p> <p>There remains a threat to the viability of Coolmore's thoroughbred breeding operations and business.</p>
Water impact assessment	<p><i>"[D]etailed consideration of the long term water balance and impacts will need to be undertaken before any determination could be made."</i> (p. 26)</p> <p><i>"In addition to the operational implications, changes to the mine plan will also alter the final landform, including any voids (which should be avoided) and the associated long-term water balance across the rehabilitated site. These changes will need very careful consideration."</i> (p. 27)</p>	<p>No further modelling has been carried out.</p> <p>The EIA purports to find that the removal of certain mining areas will significantly reduce any impacts on the loss of catchment flows to Saltwater Creek and ultimately to the Hunter River and the project will have a reduced requirement to discharge water from the site under the Hunter River Salinity Trading Scheme.</p>	<p>PAC recommendation not complied with.</p> <p>No additional assessment of the issues referred to in the recommendations of the PAC.</p> <p>No additional modelling assessment has been undertaken for the changes in groundwater behaviour and impacts associated with the Retracted Mine Plan.</p> <p>No meaningful assessment can be carried out in respect of the Retracted Mine Plan.</p>
Final landform assessment	<p><i>"Changes to the mine plan will also alter the final landform, including any voids (which should be avoided) and the associated long-term water balance across the rehabilitated site. These changes will need very careful consideration."</i> (p. 27)</p>	<p>No further assessment is provided in relation to the final landform or rehabilitation.</p> <p>No final landform is provided.</p>	<p>PAC recommendation not complied with.</p> <p>Final landform and rehabilitation remains unclear.</p> <p>This failure is made more serious by the presence of Strategic Agricultural Land in the immediate vicinity of the project area.</p>
Biodiversity	<p><i>"The Office of Environment and Heritage also raised</i></p>	<p>No further biodiversity assessment is</p>	<p>PAC recommendation not complied with.</p>

assessment	<i>concerns about the adequacy of the offsets proposed to be provided and that this issue will need to be assessed before a determination can be made."</i> (p. 27)	provided.	Biodiversity impacts and adequacy of offsets remain unclear.
Aboriginal cultural heritage assessment	<i>"Other impacts were not considered critical. Nonetheless these would need to be considered prior to any determination and include Aboriginal cultural heritage..."</i> (p. 27)	No further Aboriginal cultural assessment is provided.	PAC recommendation not complied with. Aboriginal cultural heritage impacts remain unclear.
Climate change assessment	<i>"Other impacts were not considered critical. Nonetheless these would need to be considered prior to any determination and include... climate change."</i> (p. 22)	No further climate change assessment is provided.	PAC recommendation not complied with. Climate change impacts remain unclear.
Traffic impact assessment	<i>"Other impacts were not considered critical. Nonetheless these would need to be considered prior to any determination and include... traffic impacts."</i> (p. 22)	No further traffic impact assessment is provided.	PAC recommendation not complied with. Traffic impacts remain unclear.

PART B

Introduction and Executive Summary

PAC Report

1. The PAC Report recommended that:

- "1. The Coolmore and Woodlands horse studs should be recognised as essential to the broader Equine Critical Industry Cluster and given the highest level of protection from the impacts of mining.*
- 2. The mine plan proposed for the site should not be approved.*
- 3. Any open cut mining contemplated on the site should be required to demonstrate that its impacts will not affect the viability of the Coolmore and Woodlands horse studs.*
- 4. If mining on any portion of the site is to proceed, a new mine plan would be need to be developed to plan for extraction from a considerably reduced mining area. As a minimum, the mine plan would need to be constrained to adopt the following physical restrictions:*
 - (a) Open cut mining must be setback behind the existing natural ridgelines;*
 - (b) Considerable buffering to shield the studs from the mine is necessary and, having regard to the topography of the area, open cut mining must not be allowed to extend through the second ridge to the north of the Golden Highway (marked in yellow on Figure 5).*

These physical constraints are put forward as minimum setbacks and any proposed mining area on the site would need to be subject to rigorous assessment to ensure compliance with recommendation 3 above.

- 5. Any new mine plan for the site would need to be further assessed to ensure the visual, blasting, noise and dust impacts could be managed to an acceptable level at the neighbouring stud properties and should take into account worst case scenarios. Other impacts would also need to be carefully considered both in relation to any impacts to the horse studs and more broadly, particularly in relation to the long term water impacts and the final landform."*

2. Recommendation 2 in particular is noted. The PAC recommended the mine plan referred to in the Preferred Project Report (**PPR**) not be approved. The PAC Report found that if the Project was to proceed, it would be essential to set the mine back behind the natural ridge line and remove the majority of the Redbank pit (to the second ridge) to protect the horse studs from the impacts of mining. The PAC found that if the smaller mine footprint is found unviable, it was considered that the Project cannot proceed.
3. The PAC Report also stated that even with a reduced mine plan, *“given that the pits will still be in relatively close proximity to the studs [any new mine plan] will need to achieve unprecedented standards of performance, management, consultation and co-operation to ensure the operations of the two horse studs are protected...”* and *“any new mine plan for the site would need to be further assessed to ensure the visual, blasting, noise and dust impacts could be managed to an acceptable level at the neighbouring stud properties and should take into account worst case scenarios.”*. This submission will demonstrate that the proponent has disregarded the recommendations of the PAC Report to an overwhelming degree.
4. In relation to the credibility of the PAC Report, Coolmore notes that the PAC Report was prepared by the members of the Planning Assessment Commission (**PAC**) following an extensive and comprehensive process over nine months in 2013. This involved:
 - (a) the review of the proponent’s environmental assessment documentation;
 - (b) the review of submissions made by government agencies and stakeholders;
 - (c) numerous site visits;
 - (d) holding a public hearing;
 - (e) the commissioning by the PAC of independent expert advice; and
 - (f) the preparation of the PAC Report.
5. In light of the scope of information considered, the lengthy process involved, and the relevant expertise of the PAC members and expert consultants engaged by the PAC, Coolmore is of the view that the PAC Report can only be described as a thoroughly considered and well reasoned response to the Project.

February Response

6. Despite the unequivocal statement in the PAC Report that the mine plan was inappropriate, the February Response does not contribute any new or meaningful information to the assessment of the Project. It appears to be a series of unsupported assertions regarding:
 - (a) the accuracy of the proponent's environmental assessment documentation;
 - (b) the legal invalidity of the PAC Report; and
 - (c) the qualifications, independence and findings of the experts engaged by the PAC.
7. Unhelpfully, the February Response characterised the submissions made by stakeholders as being '*biased and motivated by self interest*' and '*unreliable*'.¹ Coolmore declines to comment as to whether Anglo's environmental assessment documentation is similarly problematic. Coolmore notes however that all relevant submissions made to the Department in respect of the Project have been confirmed and corroborated by detailed expert reports and appropriate data.

Retracted Mine Plan

8. The Retracted Mine Plan does not comply with the limits of mining proposed in the PAC Report. In this regard it proposes to mine the vast majority of the Redbank pit contrary to the PAC's recommendations and only reduces the size of the pit by approximately seven per cent. The proximity of the proposed mining operations continues to involve unacceptable adverse impacts on Coolmore.
9. It is therefore of great concern to Coolmore that the proponent has submitted an EIA that contains no meaningful or detailed assessment of the impacts of the Retracted Mine Plan. The document contains a series of unproven, unsupported and unquantified assertions in relation to the environmental impacts of the Retracted Mine Plan.
10. A full assessment should have been submitted in respect of any new mine plan, particularly in circumstances where the mine plan in the PPR was recommended for refusal by the PAC, and the February Response does not contribute any new meaningful information pertaining to the mine plan recommended for refusal.

¹ Drayton South Coal Project: Justification, p 17-18

11. In order for the Retracted Mine Plan to be adequately assessed, Coolmore expected the proponent to amend the proposal in accordance with the PAC recommendations and prove the merits of any amended proposal based on appropriate evidence, specialist reports and scientific data. In Coolmore's view the environmental assessment is completely inadequate, the impacts of the Retracted Mine Plan are uncertain and as such the Project cannot be approved.
12. The issues referred to above reveal that the Project in either form of mine plan cannot be approved. Coolmore notes:
 - (a) **PPR and February Response:** this mine plan and supporting environmental assessment documentation has been thoroughly discredited, expressly by the PAC and implicitly by the proponent in choosing to submit the EIA for the Retracted Mine Plan; and
 - (b) **Retracted Mine Plan:** the failure to submit a meaningful or detailed environmental assessment in respect of the Retracted Mine Plan, relying instead on the proponent's discredited assessment in the PPR means that the Retracted Mine Plan cannot be approved.
13. As the Department is aware, Coolmore has been mapped as *Strategic Agricultural Land – Critical Industry Cluster – Equine* in the Upper Hunter Strategic Regional Land Use Plan. We again reiterate our concern that despite the advanced stage of the assessment of the Project, the proponent has not properly and adequately addressed the Director General's Requirements (**DGRs**) for environmental assessment. The DGRs required the proponent to prepare '*an Agricultural Impact Statement that includes a specific focused assessment of the impacts of the proposal on strategic agricultural land, having regard to the draft gateway criteria in the Upper Hunter Strategic Regional Land Use Plan.*' As detailed in the body of this response, the proponent has assumed that the absence of strategic agricultural land within the disturbance boundary results in 'no impact' on such land. The Agricultural Impact Statement is otherwise totally deficient. This is particularly concerning where the Project (even as amended by the Retracted Mine Plan) involves considerable adverse impacts on strategic agricultural land including surface and groundwater impacts, as well as visual intrusion.
14. Coolmore was advised by its visual impact expert, Michael Wright on 6 March 2014 that part of the Project area, including Coolmore, Darley and part of the proposed mine site has been classified by the National Trust of Australia as part of the '*Muswellbrook –*

Jerrys Plains Landscape Conservation Area'. Please see attached at Annexure C a copy of this listing (**National Trust Classification**).

15. Coolmore can only conclude that despite its efforts, detailed submissions and the time invested over many years to engage in productive consultations with the proponent, the proponent does not understand (or chooses to ignore) the sensitivities of its business operations or its considerable value to the regional and NSW economies.

PART C Submission regarding February Response

(i) Response regarding Coolmore's operations

International Significance

16. The PAC Report referred to Coolmore's operations in Ireland, America and Australia and found that Coolmore's operation in the Hunter Valley is a '*significant international thoroughbred breeding operation*'.² In relation to Coolmore and Darley, Mr Terry Short advised the Commission that the studs '*are likely the more important of central actors*' and '*are central to the functioning of the (critical industry) cluster*'.³ Mr Short also referred to the figures that nearly half of all stallion standing fees in the Hunter Valley are attributable to Coolmore and Darley⁴. Coolmore agrees with these findings which are consistent with its previous submissions. The proponent did not dispute these findings.

Critical issues to breeding operations

17. As a significant international thoroughbred breeding operation, there are two issues which are of paramount importance to Coolmore. The first is the quality, health and safety of our thoroughbreds and staff. Any threat to the health of our thoroughbreds, related to water quality, air quality, noise, disturbance and vibration is of great concern to Coolmore. The PAC Report found that '*noise, blasting, lighting and even air emissions could have the potential to disrupt or impact on the breeding operations of the studs*'.⁵ This is consistent with our previous submissions and supporting expert reports.
18. As noted by the PAC Report⁶, Coolmore's business operations include:

² PAC Report, p 10

³ PAC Report, p11

⁴ PAC Report, p12

⁵ PAC Report, p ii

⁶ PAC Report, p 20-21

- (a) standing of stallions of the highest calibre and the covering of mares;
 - (b) care for the broodmare and development of the foal and yearling during the sensitive early stages of the breeding cycle. Coolmore is located on land conducive to fostering the development of elite bloodstock (including excellent soil and undulating landscapes);
 - (c) sales and promotions including visits to the property from clients and key industry stakeholders throughout the year. Coolmore has gone to great lengths and expense to ensure it presents an environment constituted by manicured grounds, historic homesteads and natural views, untouched by any industrial activity; and
 - (d) residential and guest accommodation to support the operations on site including capability for monitoring certain activities 24 hours a day, particularly foaling.
19. The nurturing and fostering of elite thoroughbred athletes requires a quiet, stable, peaceful and tranquil environment. Our clients are keenly aware that races are won or lost on fractions of seconds. As custodians of our client's assets, it is of great concern to us that we can provide an appropriate safe and sensitive environment that encourages the development of our thoroughbreds.
20. The second related issue is our reputation as an ideal environment for thoroughbred horse breeding, removed from mining or heavy industrial activities. Visual amenity (along with clean air, clean water, quiet pastures, soil types and the topography of the region) is central to the presentation and operation of our business. The proponent has never acknowledged that industrial levels of noise, dust, blasting and disturbance to landscape are likely to be detrimental to our thoroughbred horse breeding and business operations. Instead of recognising the importance and sensitivity of Coolmore's operations, the February Response has sought to dismiss our concerns as being '*biased, and motivated by self interest*' and '*unreliable*'⁷. The EIA for the Retracted Mine Plan does not refer to these issues at all. Rather than take our concerns seriously (and those of the independent experts engaged by the PAC, and the Gateway Panel), the February Response and the previous environmental assessment documentation repetitively conclude that there will be '*minimal or no impact*'⁸ from the proposed mine. Such a failure to recognise the impacts on Coolmore and other thoroughbred breeding studs is a key failure in the proponent's environmental assessment documentation.

⁷ Drayton South Coal Project: Justification, p 17-18

⁸ See, for example p 31 of Justification Report and pp 5, 37, 41 of the PPR

Encroachment of coal mining

21. The February Response states that at the time Coolmore purchased the Arrowfield Stud in 1991, the Drayton South Area was subject to a development consent and mining lease for the Mt Arthur South Coal Project.
22. However, there has never been a proposed coal mine in such close proximity to Coolmore as the Project. Coolmore notes:
 - (a) it is not in dispute that there is a long history of thoroughbreds on land in this location, with thoroughbreds on the property dating from the early 1900's;
 - (b) the closest existing open cut coal mine, Mt Arthur is 6.5km away from Coolmore's front gate;⁹
 - (c) as the PAC Report stated, the previously approved Mt Arthur South Project did not propose to mine the Houston Pit; and
 - (d) it is Coolmore's view that historical approvals have extremely limited applicability in assessing the merits of the Project. This is particularly so in circumstances where those proposals are approaching 30 years in age, involved a different mine plan and were granted under a different environmental assessment regime.
23. The project boundary of the Project the subject of the PPR and the February Response is within 700m of Coolmore's land with proposed highwall mining being within 30m - 50m of the Coolmore boundary. The project boundary remains within 700m in the Retracted Mine Plan. Further, the Project is the first proposed incursion into Coolmore's direct visual catchment, regardless of whether mining is behind the ridge as some impacts (lighting, blasting, plumes) will remain visible. The presentation given by Coolmore's visual consultant Michael Wright to the PAC on 10 October 2013 included a map indicating the extent of encroachment of surrounding coal mines. The relevant distances are as follows:
 - Mt Arthur : 6.5km
 - Hunter Valley Operations: 11.6km
 - Bayswater Power Station: 12.6km

⁹ Annexure A and Commentary On Drayton South Coal Project Visual Impact Assessment Working Paper prepared by Michael Wright RLA and submitted with Coolmore submission regarding the Project's Environmental Assessment dated February 2013

24. Please see attached a copy of this presentation at Annexure A.

'Cater[ing] for the wealthy demographic'

25. The February Response states that there is a narrow public interest in protecting thoroughbred horse breeding because it attracts wealthy customers and only appeals to a wealthy demographic.
26. Coolmore wishes to make several points in this regard:
- (a) the thoroughbred breeding industry in the Hunter Valley is vertically integrated and interdependent. Not only is it Australia's largest domestic producer and exporter of premium thoroughbreds and a significant regional, state and national employer, it also supports a sophisticated infrastructure of network support industries (veterinarians, farriers, transport and feed companies) that would not be located in the Hunter Valley but for the presence of world scale and world class thoroughbred breeding operations. This has not been disputed by the proponent;
 - (b) the statistics support the view that the racing industry (to which Coolmore's breedings operations are central) appeal to a wide demographic. For example:
 - (i) according to the Australian Bureau of Statistics, in 2005/2006, horse racing was the second highest attended sporting event in Australia, with 2 million people attending during that period¹⁰;
 - (ii) the Racing Fact Book Season 2012 /2013¹¹ reported that there are:
 - (A) almost 70,000 individual race horse owners in Australia (18,915 in NSW);
 - (B) 389 racing clubs in Australia (127 in NSW);
 - (C) 367 race tracks in Australia (120 in NSW);
 - (D) 2,700 race meetings per annum in Australia (759 in NSW); and
 - (E) 3,891 trainers in Australia (1,019 in NSW).

¹⁰ <http://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/4174.0Main+Features12005-06?OpenDocument>
¹¹ http://www.australianracingboard.com.au/fact-book/ARB_Fact_Book_2013_v18112013.pdf

- (c) In 2006, a report commissioned by the Australian Racing Board estimated that the thoroughbred horse breeding and racing industry contributes more than A\$5 billion in value added to the national economy per annum. The findings of this report have not been disputed by the proponent.

(ii) Response regarding assertions of legal invalidity

- 27. The February Response identifies several grounds on which the legal validity of the PAC Report is challenged. These grounds include:
 - (i) excess of authority;
 - (ii) denial of natural justice;
 - (iii) irrelevant considerations; and
 - (iv) failure to take into account relevant considerations.
- 28. Coolmore does not see the utility in discussing the legal validity of the PAC Report at this stage of the process.
- 29. Coolmore wishes to note however that:
 - (a) the proponent appears to have made assertions of legal invalidity despite no evidence of legal advice being obtained or relied upon in relation to this issue. No legal advice is provided or referred to in the February Response. It is difficult to understand how planning advice prepared by KDC Pty Ltd makes an informed or meaningful contribution to this issue;
 - (b) the evidence and public record would otherwise suggest that the PAC Report was prepared strictly in accordance with the statutory regime and should be accorded due weight in the assessment of the Project. In Coolmore's view, the recommendations of the PAC Report were fair and reasonable having regard to the terms of reference and information submitted; and
 - (c) a challenge to the validity of the PAC Report is counterproductive to the assessment of the Project, particularly in circumstances where the proponent has an opportunity to address any outstanding matters prior to the determination of the Project and has submitted a Retracted Mine Plan which assumes that the PAC's findings have a degree of validity.

(iii) Response regarding impacts of the Project described in the February Response

30. The proponent made numerous statements in the February Response in relation to the various impacts associated with the Project. Although a Retracted Mine Plan has been submitted, it is necessary to respond to these statements as the February Response has not been withdrawn. Coolmore responds as follows.

Visual impacts

31. In general, Coolmore relies on the statement prepared by Michael Wright, visual impacts expert and provided at Annexure B to this statement. We also wish to note the following set out below.
32. Firstly, despite the length of time spent planning the Project, as far as Coolmore is aware the proponent has not carried out any analysis regarding the importance of landscape and visual amenity to the presentation and success of thoroughbred horse breeding studs. Coolmore has not been consulted by the proponent in this regard.
33. Secondly, in the February Response, Dr Kannegieter makes several comments criticising the importance of the surrounding landscape to thoroughbred horse breeders, stating that *'owners do not choose a stallion based on the visual impact the stud presents'*.¹² We understand that Dr Kannegieter is a specialist Equine surgeon. The basis of his expertise in relation to visual impact issues is unclear.
34. Finally, as referred to above Coolmore was advised by its visual impact expert, Michael Wright on 6 March 2014 that part of the Project area, including Coolmore and Darley has been classified by the National Trust of Australia as part of the *'Muswellbrook – Jerrys Plains Landscape Conservation Area'*. Please see attached at Annexure C a copy of the National Trust Classification.
35. Coolmore notes the recommendations in the National Trust Classification provide:
- 'Open cut mining of the alluvial river flats should not be permitted. Should it be necessary for open cut mining of the non-alluvial lands, the aesthetic and social values of the Classified area should be recognised in the mining and rehabilitation programme.'*

¹² Justification Report, p 22

36. In Coolmore's view, this recommendation is consistent with Coolmore's submissions and the findings in the PAC Report. The failure of the proponent to identify the National Trust Classification does not give Coolmore any confidence that the visual impact assessment was prepared adequately.

Air quality

37. In general, the February Response relies on previous submissions made by the proponent in relation to air quality. However, the February Response refers to the findings of the Mining and Petroleum Gateway Panel, which state '*dust, noise, vibration and blasting overpressure impacts on the horse studs are poorly considered*' and concludes that this statement is not supported by objective evidence or testimony and so forth. We wish to note that the findings of the Gateway Panel are entirely consistent with the expert report prepared by Gilbert & Sutherland and provided to the PAC in October 2013.

Noise, blasting and vibration

38. The February Response has relied on previous submissions in relation to noise, blasting and vibration. It included statements that:

'The predicted cumulative noise levels are within the non-discretionary development standards specified in clause 12AB of the Mining SEPP'; and

*'Modelling determined that cumulative noise levels would be below the amenity criteria at all privately owned residences on Coolmore Stud and Woodlands Stud.'*¹³

39. The proponent has indicated that 10 blasts per week would be required to support the proposed production rate of the Project.¹⁴ For thoroughbred breeding studs located directly opposite the Project, and the communities of people and families who live and work on these studs, and the valuable livestock on these properties, this continual process of blasting will be highly intrusive, damaging and plainly an untenable situation to endure for any period of time.
40. The implication that people and livestock would or should become desensitised to blasting, noise and vibration over time is also flawed. It represents a cavalier attitude to what the communities of people residing and working close to the mine should be

¹³ Page 24 of the Justification Report

¹⁴ Page 27 of the Response to the PAC

expected to tolerate and endure. A serious issue for Coolmore is the health and safety of its thoroughbreds and employees – blasting and overpressure levels, noise, disturbance and vibration could potentially cause injury to our thoroughbreds and their handlers. No evidence is provided by the proponent that horses will develop an increased tolerance to blasting over time, nor is this an acceptable assumption. Coolmore has previously provided detailed evidence in relation to the movement of horses around the property.¹⁵ In addition, overpressure levels from blasting would be extremely inappropriate during client visits.

41. Further, it is our contention that the non-discretionary development standards under *State Environmental Planning Policy (Mining, Petroleum Production and Extractive Industries) 2007 (Mining SEPP)* are flawed and inappropriate as they have not been designed with sensitive and sustainable industries like thoroughbred horse breeding in mind.
42. As the Department well knows, blasting events have the capacity to go wrong as they did at Mt Arthur Coal Mine on Wednesday 19th February 2014. It has been reported in the local and broadsheet media (and by the NSW EPA) that on 19th February 2014, ammonium nitrate and fuel oil were detonated at the mine, causing toxic poisonous fumes containing nitrogen dioxide to spread several kilometres from the site. The following image was also attached to an article from the Sydney Morning Herald, available here <http://www.smh.com.au/environment/mine-blast-gone-wrong-spews-toxic-cloud-20140221-335rf.html#ixzz2v9IHumn4>



43. Whilst incidents such as these are of great concern to Coolmore, they are some distance away. The risk of impacts associated with a blasting incident are magnified greatly in the case of the Project which is in the direct vicinity of Coolmore property (within 700m). When one considers the number of Coolmore residents (including families) and employees, the value of our thoroughbreds and the lack of a buffer area, the consequences of a similar adverse blasting incident would be disastrous.
44. The Department also is aware that the environmental performance of the proponent at the Drayton coal mine (referred to by the proponent as Drayton North) has been far from exemplary. The compliance records available on the EPA's website indicate a number of non-compliances in relation to environmental protection licences over the past 13 years including:
- airblast overpressure exceedences;
 - failure to monitor discharge points, samples, and particulate matter;
 - ROM coal production exceeding licence limits;
 - lack of noise compliance and noise limit exceedences;
 - odours from spontaneous combustion;
 - dragline operating in an area affected by spontaneous combustion;
 - dust emission exceedences and complaints;
 - blast fired exceeding blasting limits and blasts fired outside of time permitted by the licence; and
 - failure to undertake appropriate dust monitoring.¹⁶
45. These non-compliances make it impossible for stakeholders to trust that the adverse impacts of the Project can be managed in a satisfactory manner.

Equine health

46. According to the February Response, an equine health impact assessment was undertaken by Dr. Nicholas Kannegieter, Specialist Equine Surgeon, to determine whether the air quality, noise and blasting impacts of the Project will have any adverse impacts on the health of thoroughbred horses.
47. Dr. Kannegieter conducted a literature review of material of limited relevance and compared the findings of the literature review to the predicted impacts of the Project

¹⁶ POEO Act Public Register, available at:
<http://www.epa.nsw.gov.au/prpoeoapp/Detail.aspx?instid=1323&id=1323&option=licence&searchrange=licence&range=POEO licence&prp=no&status=Issued>

(based on the air quality and acoustic assessments). Dr Kannegieter found that the predicted effects on air quality in the region '*will not impact the health or performance of thoroughbred horses and foals at Coolmore and Woodlands Studs.*'¹⁷

48. Coolmore is disappointed that the assertions made by the proponent regarding dust and equine health are not supported by any independent, peer reviewed research and appear to be assertions based on anecdotal evidence and first person observations by consultants engaged by the proponent. The literature review relates to studies of hay dust on thoroughbreds and does not relate to dust emanating from soil. Accordingly, it is Coolmore's view that the findings are to be treated with caution and do not meet the requirements in the DGRs.
49. Considering the value of our bloodstock and the time spent by the proponent planning the Project, the failure to carry out a proper study in relation to the effects of noise, vibration and soil dust on thoroughbreds is disappointing and unacceptable considering that the proponent has been planning the mine since at least 2010.
50. The February Response also refers to comments from Dr Kannegieter that the economic factors would '*deter the horse studs from relocating.*'¹⁸ Again, we note that Dr Kannegieter is a Specialist Equine Surgeon. The basis of his expertise on the economics of the thoroughbred breeding industry is unclear.

Surface and groundwater impacts

51. The February Response does not provide any new or material information in relation to surface and groundwater. Coolmore otherwise wishes to rely upon its previous submissions made in respect of surface and groundwater. For your reference however, we have provided the further updated advice from Owen Droop of OD Hydrology at Annexure D in relation to surface water and groundwater impacts.

Agricultural impacts

52. Coolmore has previously criticised the Agricultural Impact Statement prepared by the proponent as inadequate having regard to the DGRs and for failing to consider, in any meaningful way, the impacts of the Project on '*Strategic Agricultural Land – Equine Cluster,*' the area of land within which Coolmore falls.

¹⁷ Justification Report, p 10

¹⁸ Justification Report, p 19

53. The February Response concludes that:

*'The predominant agricultural land use at Drayton South is beef cattle grazing... The use of this land for mining will result in the loss of this agricultural production from the land used for the Project. The Agricultural Impact Statement included an assessment of impacts on Biophysical Strategic Agricultural Land (BSAL) and CIC land. Based on the latest mapping, there is no equine or viticulture CIC within the disturbance boundary.'*¹⁹

54. The proponent has wrongly concluded that because there is no Equine CIC within the disturbance boundary that there is 'no impact' on the Equine CIC. In circumstances where the proponent's own Environmental Assessment clearly acknowledges serious impacts in relation to noise and dust, surface and groundwater, and visual intrusion, it is difficult to see how this conclusion is sustainable.

55. Coolmore's professional pasture agronomist prepared a brief report regarding the Coolmore property. This assessment found that:

- (a) Coolmore is the largest single thoroughbred breeding business and property in Australia;
- (b) the property occupies around 3000 ha of predominately Class 1, 2 and 3 Agricultural Land, that being prime and good agricultural land;
- (c) Coolmore's property has one of the largest areas of prime agricultural land, of any single property, in the Hunter Region;
- (d) these prime agricultural land areas on Coolmore are some of the best quality soils in Australia and certainly within the Hunter Region. Much of the major stud farm development is located on these prime agricultural land areas, which are dissected by the Hunter River;
- (e) the soils, due to their alluvial development, have uniquely high levels of major and minor soil nutrients, and a highly favourable soil pH of 6.5-7. The high nutrient and mineral content of the pastures contributes to healthy and well grown thoroughbred horses and other livestock;

¹⁹ Justification Report, p 12

- (f) the clay loam soils have excellent structural characteristics, high water holding capacity and soil profile depth. The soils possess all the qualities of Class 1 Agricultural Land which would allow long term, sustainable agricultural production. The soils are rare and must be protected for future agricultural activities;
 - (g) Coolmore possesses a unique balance of high quality alluvial soils adjoining the Hunter River with medium fertility, undulating hill country surrounding and adjoining the river flats. The improved pastures are required to meet the elevated nutritional demands and grazing intensity of their major mare and foal operations throughout spring, summer and early autumn;
 - (h) the Coolmore pastures are regularly tested for their nutritional qualities. They provide an excellent nutrient base for the production of well grown and healthy horses; and
 - (i) the standard of the pastures at Coolmore are amongst the highest of any livestock operation in New South Wales.
56. Please see attached a copy of this report at Annexure G.
57. The proponent's own environmental assessment documentation refers to adverse impacts on groundwater and surface water. In light of such admissions, it was incumbent on the proponent to prove, as part of its agricultural assessment, that the Project would have no impacts on the agricultural values of Coolmore's property. It has not done so.

Economic impacts

58. The proponent has simply repeated its broad assertions in relation to economic benefits associated with the Project. This is despite the methodology used by the proponent being criticised by the Chief Judge of the Land and Environment Court in *Bulga Milbrodale Progress Association Inc v Minister for Planning and Infrastructure and Warkworth Mining Limited* (2013) 194 LGERA 347 (**Warkworth Decision**) in 2013.
59. In relation to the economic assessment associated with the Warkworth project, Preston CJ accepted the criticisms of the applicant in that case, that the assessment:

'fails to accurately measure and include noise, vibrations, dust, air quality and amenity impacts, non-use values attached to rural communities, and ecosystem services; it overstates the benefits from the social value of employment and the

economic value of offsets; and it fails to include costs arising from increased CO2 emissions and the increase in worldwide consumption of coal.' [449]

60. In Coolmore's view, the proponent's economic assessment suffers from the same faults as the ones described in relation to the Warkworth project because it does not take into account, in any meaningful way, the adverse impacts of the Project.
61. However, the criticism is made more pointed in the present context. Whereas the Warkworth decision considered impacts on surrounding residences, the Project involves significant competing economic operations that involve likely loss and damage to Coolmore's business operations. The proponent has not taken into account the loss and damage that will be caused by the Project to Coolmore as part of its economic assessment or the damage to the thoroughbred industry in the area, or our neighbours.
62. In addition, Coolmore has received updated advice from its economic impacts experts, Marsden Jacobs. Please see this advice attached at Annexure E. This updated advice again raises serious doubts as to the prices of coal predicted by the proponent to justify the Project of between AU\$107 - \$120 per tonne. Relevantly, Marsden Jacobs refer to a forecast of the World Bank (an authoritative source for commodity prices) in January 2014 that the price of Australian thermal coal will be US\$90 per metric tonne in 2015 and then continue to fall to around US\$79 per metric tonne by 2025 (in real 2011 dollars). These statistics confirm that the economic justification for the Project is overstated and the merits assessment of the Project is flawed.

Comments regarding Dr Richard Lamb and Terry Short

63. Despite being independently engaged by the PAC and well qualified, the proponent dedicated a great deal of effort in the February Response attacking the findings and credibility of Dr Richard Lamb and Terry Short. We respond to those comments at Annexure F.

PART D: Submission regarding EIA for Retracted Mine Plan

(i) Retracted Mine Plan design does not comply with PAC Report

64. As the Retracted Mine Plan has disregarded the majority of the findings and recommendations of the PAC Report, it is necessary to refer to these recommendations and findings in some detail.
65. As the Department is aware, the PAC Report recommended that:
- "1) *The Coolmore and Woodlands horse studs should be recognised as essential to the broader Equine Critical Industry Cluster and given the **highest level of protection from the impacts of mining.***
 - ...
 - 3) *Any open cut mining contemplated on the site should be required to demonstrate that its **impacts will not affect the viability of the Coolmore and Woodlands horse studs.***
 - 4) *If mining on any portion of the site is to proceed, a new mine plan would need to be developed to plan for extraction from a considerably reduced mining area. As a minimum, the mine plan would need to be constrained to adopt the following physical restrictions:*
 - a) *Open cut mining must be setback behind the existing natural ridgelines;*
 - b) *Considerable buffering to shield the studs from the mine is necessary and, having regard to the topography of the area, open cut mining must not be allowed to extend through the second ridge to the north of the Golden Highway (marked in yellow on Figure 5).*

*These physical constraints are put forward as minimum setbacks and **any proposed mining area on the site would need to be subject to rigorous assessment to ensure compliance with recommendation 3 above.***
 - 5) *Any new mine plan for the site would need to be further assessed to ensure the visual, blasting, noise and dust impacts could be managed to an acceptable level at the neighbouring stud properties and should take into account worst case scenarios. Other impacts would also need to be carefully considered both in*

relation to any impacts to the horse studs and more broadly, particularly in relation to the long term water impacts and the final landform."²⁰
(emphasis added)

66. The Department would be aware that in relation to the design of the Project, the Retracted Mine Plan does not comply with the minimum mining setback requirements recommended in the PAC Report. In particular, the Retracted Mine Plan proposes to retain the majority of the Redbank pit contrary to the recommendations of the PAC Report. We remind the Department that the PAC Report contained the following comments in relation to the Redbank pit:
- (a) The PAC agreed that *'as a general principle, the closer the operations approach the boundaries of the studs, the more likely there are to be indirect visual exposure effects'*²¹;
 - (b) *'Consequently the proximity of the mine, and the Redbank pit in particular, is of concern'*²².
67. Despite these clear findings and comments from the PAC, the proponent has chosen to retain the majority of the Redbank pit within the Retracted Mine Plan. The proponent has provided a one page justification in respect of this course of action. The proponent makes general comments such as *'the Redbank mining area is an integral part of the mine plan for the Project and it has been confirmed that the removal of this operational area from the mine plan would render the Project unviable'*²³ but has provided no detailed justification as to why this is the case. The retention of the Redbank pit is not supported by a detailed justification and does not conform with the recommendations of the PAC.
- (ii) **Level of environmental assessment is inadequate such that the Project cannot be approved**
68. The EIA for the Retracted Mine Plan provides that *'given the fact that the Retracted Mine Plan represents a reduction in footprint only and there are no new project elements, all remaining environmental and socioeconomic aspects are deemed consistent with the*

²⁰ PAC Report, page iii

²¹ PAC Report, p 14

²² PAC Report, p 16

²³ EIA for Retracted Mine Plan, p7

impact assessments and associated mitigation and management measures provided in the EA and PPR'.²⁴ This statement is impossible to verify based on the information provided.

69. Nevertheless, it is on this basis that the EIA presents a Retracted Mine Plan which provides a '*qualitative assessment of the consequential environmental impacts that would be expected from the further retraction of proposed mining activities in the Houston Whynot and Redbank mining areas*'.²⁵
70. Having regard to the recommendations and findings of the PAC Report, it is inadequate and inappropriate for the proponent to provide a general qualitative assessment of the environmental impacts of the Retracted Mine Plan and not provide a detailed, meaningful quantified assessment of these impacts. The reliance on previous environmental assessment documentation also presupposes that the impacts of the Project as described in the PPR were acceptable, when the PAC Report identifies serious issues with nearly all of the impacts.
71. Part 2.2 of the EIA describes the retractions made to the Project. The Houston mining area has been removed, and the proponent simply states '*all other project elements are assumed to remain the same as per the project description in the EA*' (emphasis added). This position is symptomatic of the EIA. It provides general unsupported assumptions and assertions in relation to environmental impacts which are not quantified or investigated in any further detail. The Retracted Mine Plan contains significant differences from the mine plan described in the February Response. Considering the sensitive receivers in the vicinity of the project area, a full detailed environmental assessment was required in respect of these changes.
72. The failure to carry out a full environmental assessment of the Retracted Mine Plan is such that the Project cannot be approved.

(iii) Merit issues with Retracted Mine Plan

Visual impacts

73. The PAC Report endorsed the findings of Dr Richard Lamb who found that "*the combination of physical, aesthetic, cultural and historical values that characterise the*

²⁴ EIA for Retracted Mine Plan, p10

²⁵ EIA for Retracted Mine Plan, p1

studs, along with the nature of the rural industry that underpins them, gives rise to a heightened level of sensitivity to visual impacts."²⁶

74. The PAC Report found visual impacts in respect of any amended mine plan will need to be carefully managed as there will still be visible evidence of dust, blast plumes and lighting which will all need to be minimised in accordance with best practice standards.²⁷
75. The EIA in respect of the Retracted Mine Plan does not provide a meaningful environmental impact assessment in respect of the visual impacts of Retracted Mine Plan. The EIA finds that:
 - (a) the retractions to the mine plan completely remove mining activity from the more sensitive and visually exposed Saltwater Creek catchment and ensures that all activities remain behind existing natural topography;
 - (b) this protects the visual catchments and views of Coolmore Stud, Jerrys Plains and the Golden Highway;
 - (c) all views of the mining operations are eliminated from the horse studs primary areas of operations; and
 - (d) further, as a consequence of the additional set-backs proposed it would also reduce the minor indirect ephemeral visual impacts and any resulting effect this may have on image considerations.²⁸
76. The proponent has only provided a one page visual impact assessment from its visual consultant John van Pelt. This is of great concern considering the shortcomings which were associated with the proponent's original environmental assessment referred to by Dr Richard Lamb²⁹. Coolmore cannot obtain any degree of confidence in relation to the direct or indirect visual impacts of the Retracted Mine Plan. In any event, the level of detail provided by the proponent in the EIA is insufficient.
77. Coolmore has sought further expert advice from its visual impacts expert Michael Wright in relation to the visual impacts of the Retracted Mine Plan. In relation to Anglo's

²⁶ PAC Report, p ii

²⁷ EIA for Retracted Mine Plan, p 2, 10

²⁸ EIA for Retracted Mine Plan, p 2, 10

²⁹ See for example page 15 of the advice of Dr Richard Lamb to PAC dated 18 November 2013

comments that all visual impacts are now entirely concealed from the stud's primary areas of operations behind existing ridge lines as a result of the Retracted Mine Plan,³⁰ we note:

- (a) no photomontages have been provided to prove the assertion that the stud's operations are not directly impacted. For example, photomontage views from Coolmore at Ellerslie towards the Whynot Pit have not been prepared to demonstrate these statements. An assessment on this Retracted Mine Plan cannot be made;
- (b) a Visual Catchment Area map has not been produced to confirm which areas within the total area of the studs will remain exposed to the direct visual impacts of the mining activity;
- (c) the Golden Highway is a corridor which provides the primary means of access to the studs for client, staff and their families. It has been disregarded by the proponent; and
- (d) there is potential that the dragline will be visible from the studs at times during mining operations, particularly when the dragline is mining close to the ridgelines. Mr Wright understands that the dragline at Drayton is a Bucyrus 1370W which can have a boom length of 95m. This machine and its powerful spotlights would potentially be clearly visible both during the day and night, when mining these areas. This would constitute a direct visual impact.

78. In relation to the comment that setbacks would '*reduce the minor indirect ephemeral visual impacts and any resultant effect this may have on image*',³¹ Mr Wright notes:

- (a) the presence of mining will still negatively affect the image of the studs and indirect impacts are not '*minor*'. The proposed setback will not change the major impact of an open cut mine less than 1km from the Golden Highway and the studs' boundaries. The retention in the Retracted Mine Plan of most of the Redbank Pit and the part of Blakefield Pit (which were recommended for removal by the PAC), means that these indirect visual impacts will still be in very close proximity and highly visible.

³⁰ EIA for Retracted Mine Plan, p 2

³¹ EIA for Retracted Mine Plan, p 10

- (b) a range of indirect visual impacts will still be visible from a wide range of view points both within the studs and on the Golden Highway including dust and potential gas plumes resulting from blasting, light spill from plant and machinery at night. Dust will emanate not only from blasting but will also be wind generated from the open cut and overburden dumps, as it is understood that only the haul roads will be treated for dust suppression;
- (c) in addition the presence of numerous mining vehicles on roads (ranging from 4WDs with orange flags to oversized trucks carrying huge pieces of mining machinery), roadside screen plantings and signage, all contribute to the many and varied indirect visual impacts of open cut mining. Reverse warning noises from vehicles and the sound of blasting will heighten awareness of the presence of the mine, particularly at night when noise levels are low and the mine is still operating;
- (d) the high wall mining is still to extend to within 30 - 50 metres of Coolmore's boundary. The proponent has not confirmed that there would be no noise or vibration impacts perceptible at the surface as a result of this form of mining in such close proximity to the studs and the Arrowfield Winery; and
- (e) the high country on Coolmore will still be significantly impacted by being visually exposed to large areas of the mining operations. Overburden dumps in particular, are a significant visual element in the mine's operations and involve a potentially higher degree of visual impacts than the open cut areas and therefore these huge piles of material should have been more accurately modelled and included in the proponent's assessment in the form of plans, cross sections and 3D models.

79. Figure 2 of the EIA for the Retracted Mine Plan which sets out the Retracted Mine Plan Buffer Distances is misleading:

- (a) the Coolmore location point, north of the Golden Highway, points to more distant sections of the Redbank and Whynot Pits and the distances from these pits to Coolmore should be reduced by 300m and 1200m respectively;
- (b) the starting point for the Coolmore location point, north of the Golden Highway could be moved north west to the actual boundary on the river which would make it even closer to these two pits.

80. In Mr Wright's opinion, this is further evidence that Anglo are either continuing to make mistakes or attempting to misrepresent the distances and therefore the level of impact on Coolmore.
81. The statement that the removal of the Redbank Pit would make the mine unviable is the same line of argument that Coolmore has previously been told by the proponent about the Houston Pit. Yet there is now a new mine plan without the Houston Pit. Accordingly, we question the credibility of the proponent's statements with respect to this matter.
82. Considering the importance of visual impacts to the assessment of the Project as a whole, it is inexcusable that the proponent has not submitted a detailed visual impact assessment. The PAC clearly made comment that visual impacts would remain an issue even if the mining limits set out by the PAC are adopted. Not only has the proponent refused to accept this concession, it has not provided an adequate visual impact assessment. In Coolmore's view, this is further evidence that the Project is not capable of being approved.

Air quality impacts

83. In relation to air quality impacts, the PAC Report found that:
- (a) *"The air quality impacts of the project are not considered acceptable due to the combined concerns about the additional amenity and health impacts to residents living on the studs (noting that the properties cannot be acquired by the mine as would usually be allowed) and the reputational damage that may be caused by the deterioration in air quality;"³² and*
 - (b) If the project was to be amended, air quality modelling:

*'will need to be updated to reflect the revised activities that would occur onsite, and also to consider the worst case scenarios for the mine, including the influence of climate change. The Commission considers that any re-design must include full consideration of the air quality issue. A cautious approach to air quality is recommended, having regard to the fact that high background particulate levels are expected in and around what was this mine's year 10 (during the 2020 decade)'.*³³

³² PAC Report p 20

³³ PAC Report, p26

84. In the EIA for the Retracted Mine Plan, the proponent has presented only a very basic and general air quality assessment. In particular, contrary to the PAC's recommendation, the assessment does not include updated modelling, has not considered a worst case scenario, or taken into account the influence of climate change. The air quality assessment does not address the comments made by the PAC Report and provides that the revised air quality modelling undertaken as part of the Response to Submissions (**RTS**) demonstrated that there were no predicted exceedances of the annual average criteria for TSP, PM10 or dust deposition. The air quality assessment concludes that it would be expected that there would be an overall reduction in the predicted impacts for the Project when compared to the RTS modelling. Again, in Coolmore's view, the proponent has relied on a discredited mine plan based on discredited environmental assessment documentation in respect of its air quality assessment. The proponent has not prepared or submitted a detailed air quality assessment as part of the EIA. It has chosen to rely on predictions that have been deemed to otherwise be unsuitable by the PAC.
85. We refer to the review of the Retracted Mine Plan prepared in respect of the project by Advitech and dated 7 May 2014 (**Advitech report**) at Annexure D1. The Advitech report makes several comments in relation to the Retracted Mine Plan. The Advitech report refers to the following:
- (a) the addition of a drag line in the Redbank mining area has the potential to change the dust emission estimates. However, no supportive air modelling and predictions of dust impact that include the drag line is provided by the proponent;
 - (b) the proposed drag line now to be used in the Redbank mining area may result in dust emissions released at an elevated height and therefore raise the potential for a greater spatial dispersion of dust offsite; and
 - (c) soil moisture and silt measurement ranges are not provided. It is not clear as to why the average values were applied, as opposed to worse case data as recommended by the PAC. It is unclear if PM10 emissions will also increase with adjusted values of soil moisture and silt content.

Noise and blasting impacts

86. The PAC Report found the following in respect of noise impacts:
- (a) *"The proposed blasting operations would have a noticeable amenity impact on people at Darley and Coolmore (and other neighbouring properties, particularly*

*Arrowfield) with the implementation of all the mitigation measures... blasts would still be obvious, particularly in the closer pits and there would remain a visual impact from the cloud of dust and gases created by each blast. ...The Commission accepts that the proximity of the proposed mining operations increases the risk of impacts to the studs. It is difficult to define an appropriate buffer distance for the mine because several factors can affect the propagation of blast impacts including blasting conditions, blast type and size, topography, wind, temperature inversions and other meteorological conditions. Likewise, an appropriate criteria is difficult to nominate due to the complex interaction between the actual impact and the way that noise and blasting is perceived to affect the studs.'*³⁴

- (b) *'..the Proponent has indicated that additional blast events would be required, resulting in up to 10 blasts per week (Hansen Bailey, 2012). This requirement for 10 blasts per week would not comply with the ANZEC guidelines (1990)..'*³⁵
- (c) *'Blast impacts will need to be carefully controlled and a detailed blast management plan and protocol will need to be developed in close consultation with the adjoining horse studs to ensure that blasting is avoided during sensitive periods and particularly during special events. Given the cumulative impacts from mining across the region, the Commission considers the ANZEC Guideline should be applied and only 1 blast per day should be allowed. In addition, the blasts have the potential to cause particular difficulties for the Coolmore and Woodlands horse studs both in relation to horse handling and reputation. If the mine proceeds in any form, then a protocol for managing and coordinating mine blasting with the operations on the Coolmore and Woodlands Studs would need to be developed.'*³⁶

87. The EIA for the Retracted Mine Plan finds that there is no appreciable change in the minimum distance between the mining area and closest residences in respect of the Retracted Mine Plan. Accordingly the results and conclusions in the EA regarding blasting impacts would remain substantially unchanged. The blast criteria for the Project are then provided. In Coolmore's view, it is completely unacceptable that the proponent has not addressed the PAC's findings and recommendations and has simply relied upon the findings of its previous environmental assessment documentation without carrying out any additional meaningful acoustic or vibration assessment in relation to noise and

³⁴ PAC Report, p19

³⁵ PAC Report, p18

³⁶ PAC Report, p26

blasting. We also note that there is no appreciable improvement in the noise impacts of the Project brought about by the Retracted Mine Plan.

88. We otherwise note that Section 3.3 of the EIA is uncertain, vague and ambiguous. For example, there is the statement that blasting will not be performed within 500 metres of any occupied or sensitive buildings or structures '*unless adequate controls are in place*'. The EIA does not specify what those adequate controls would be. Coolmore maintains that the noise and blasting levels are completely inappropriate to its operations and that a response from the proponent is required but has not been forthcoming.
89. Finally, the number of blasts per day and the total number per week remains uncertain. The February Response refers to '*10 blasts per week*', but page 13 of the EIA for the Retracted Mine Plan refers to blasting '*5 days per week*'. It is unclear as to how many blasts there will be per day on each of the 5 days.

Water impacts

90. The PAC Report found that if any mining was to proceed, long term water impacts, such as those on groundwater and the ultimate water balance, connectivity and water quality of the final void these impacts would need to be carefully considered.³⁷
91. We refer to an expert report prepared by Owen Droop of OD Hydrology (attached at Annexure D) which states that '*no assessment has been undertaken or additional evidence provided or a well-founded understanding of the long-term impacts associated with the final void. Long-term water impacts are addressed (within AGE, 2014) by reference to an assessment undertaken for the previous Preferred Project Report (PPR) mine plan "reshaped void" with the statement:*

*"At a high level the conclusions reached for the reshaped void are considered likely to apply to the void that will remain from the retracted mine footprint... With no additional information provided, our conclusions regarding concerns related to final void modelling and long term impacts remain consistent with those described in our March 2014 review"*³⁸

92. The EIA for the Retracted Mine Plan only contains broad general and unsupported statements in relation to ground and surface water which could not be characterised as a 'detailed consideration'. In relation to groundwater, the comment is simply made that the

³⁷ PAC Report, p 18

³⁸ OD Hydrology 2014, p 2

'removal of certain mining areas reduce groundwater inflow into the mine'.³⁹ A comment is also made that *'given the reduced zone of depressurisation from the retracted mine plan, the take from the Hunter River alluvium is expected to be negligible and undetectable'.⁴⁰* Such generalised statements serve to highlight the inadequacies of the proponent's consideration of this important issue. The Retracted Mine Plan represents a significant change in the overall site water balance that has been recognised but not meaningfully assessed.

93. Similarly in relation to surface water, the EIA simply finds that the removal of certain mining areas will significantly reduce any impacts on the loss of catchment flows to Saltwater Creek and ultimately to the Hunter River and the Project will have a reduced requirement to discharge water from the site under the Hunter River Salinity Trading Scheme.
94. We refer to an expert report prepared by Owen Droop of OD Hydrology in respect of water related issues for the Retracted Mine Plan. We have provided a copy of this report at Annexure D. We note that the report provides as follows:
 - (a) there is no additional assessment of the issues referred to in the recommendations of the PAC;
 - (b) no additional modelling assessment has been undertaken for the changes in groundwater behaviour and impacts associated with the Retracted Mine Plan. In particular, no assessment has been undertaken or additional evidence provided of a well-founded understanding of the long term impacts associated with the final void;
 - (c) critical assumptions in the final void water and salt balance modelling are highly problematic; and
 - (d) the water assessment does not comply with the Aquifer Interference Policy.
95. Accordingly, considering the flaws and lack of information in the EIA, no meaningful assessment of groundwater and surface water impacts can be carried out in respect of the Retracted Mine Plan.

³⁹ EIA for Retracted Mine Plan, p 15

⁴⁰ EIA for Retracted Mine Plan, p 15

Final landform

96. The EIA for the Retracted Mine Plan merely provides that the final landform for the Project will be designed and rehabilitated generally in accordance with the commitments made in the PPR. The key difference with the Retracted Mine Plan is that the area requiring rehabilitation will be substantially reduced. Very little further detail is given.
97. Based on the information provided by the proponent, it is impossible to understand what the final landform or the final void will look like and how it will respond to the natural environment in time. This failure is all the more serious considering the strategic agricultural land in the vicinity of the Project and the conservation values of the site.
98. In Coolmore's view, the failure to provide an adequate, meaningful and detailed description of the final landform is a further reason why the Retracted Mine Plan cannot be approved. As discussed in Paragraph 91 of this submission, "*with no additional information provided, our conclusions regarding concerns related to final void modelling and long term impacts remain consistent with those described in our March 2014 review*".⁴¹

Economic benefits

99. In relation to the '*economic benefits*' of the project, the PAC considered that there is value in maintaining a wide range of industries within a diversified economy including the equine critical industry cluster. The PAC noted that the Project has the potential to severely impact on the studs, putting the equine industry at risk.⁴²
100. Section 2.2.2 of the EIA describes the Retracted Mine Plan's concessions. It indicates that the retractions to the mine plan would result in a reduction of coal reserves by 22 Mt (18.5% ROM (run-of-mine) coal), and reduce the mine life by seven years. The reduction would reduce the royalties payable to the New South Wales government by \$190 million and would also represent an estimated revenue loss of \$7.5 billion.⁴³
101. Coolmore has concerns in relation to the way that these figures were calculated. In accordance with the Marsden Jacobs report provided at Annexure E, we note that there has been very little breakdown of the capital costs of the Project and whilst the ROM coal to be extracted has fallen by 18.5%, the present value of revenue from royalties to New

⁴¹ OD Hydrology Report 2014, p 2

⁴² PAC Report, p 21

⁴³ EIA for Retracted Mine Plan, p4

South Wales increases from \$320 million to \$333 million. These results are counter-intuitive and point to either analytical error or bias.⁴⁴ In addition, the report does not specify either the quality of thermal coal being produced, or the assumed value of that coal. Further information is provided in the Marsden Jacobs report at Annexure E .

102. At Part 3.8 of the EIA, the proponent has included a revised economic assessment. We note that in Table 10 under the heading '*Costs in respect of potential environmental, social and cultural impacts*', the proponent has again failed to incorporate in its economic assessment the impacts on Coolmore and Woodlands.
103. An economic assessment by Marsden Jacobs⁴⁵ found that the Project could:
 - (a) put 640 sustainable jobs at risk in the Hunter Valley;
 - (b) strip over \$120 million per annum in gross regional production from the local economy; and
 - (c) result in a net economic loss to the NSW economy of between \$153 million and \$457 million;
104. We refer to the Marsden Jacobs report provided at Annexure E in response to the EIA for the Retracted Mine Plan. In summary, the Marsden Jacobs report finds that the economic assessment of the Retracted Mine Plan remains fundamentally deficient and misleading for four reasons:
 - (a) firstly, the economic analysis does not comply with New South Wales Government guidelines;
 - (b) secondly, the coal price assumptions remain unspecified, unjustified and unrealistically high;
 - (c) thirdly, the economic analysis continues to overestimate the benefits and underestimate the costs; and
 - (d) fourthly, the economic analysis ignores the impact of the project on Coolmore and Darley and their critical contribution to the regional and New South Wales economies.

⁴⁴ Marsden Jacobs Report, 2014, p4

⁴⁵ Marsden Jacobs Report, 2014, pp5-7

105. We also note that the Marsden Jacobs report calls into question the economic benefits of the mine based on the removal of certain areas and uncertainties in relation to coal prices.

Conclusion

106. In light of the above, it is not unreasonable to suggest that the February Response has criticised the views of every consultant or public officer not employed or engaged by the proponent, regardless of their qualifications. In Coolmore's view, an unfavourable PAC Report for the proponent should not have descended into assertions regarding legal invalidity and baseless findings.
107. Coolmore objects to the Project and the Retracted Mine Plan because the impacts that are described in the environmental assessment documentation are unacceptable for a highly sensitive, multi-million dollar thoroughbred horse breeding operation and the proponent's environmental assessment documentation in relation to the Retracted Mine Plan is manifestly deficient in its assessment of environmental impacts. We also reiterate that the Agricultural Impact Statement in relation to the mine plan is deficient and does not address all of the matters required by the DGRs.
108. In relation to equity issues and open cut coal mining, Preston CJ in the Warkworth Decision stated that the impacts will be borne by the local residents who are the receivers, but the benefits of the Project will be enjoyed by others, including Warkworth:

"The burdened residents ... will not be compensated effectively by Warkworth. There will not be full internalisation by Warkworth of the external costs of the Project .. The (residents) would suffer the burdens of significant adverse noise, dust, visual and social impacts, as well as degradation of the natural environment of the local area."

109. The same analysis applies to the impacts of the Project on:
- (a) Coolmore. It is potentially more serious considering the world class thoroughbred horse breeding operation we operate (and the families that reside on our property);
 - (b) the Equine CIC in the Hunter Region; and
 - (c) the heritage values of the Muswellbrook – Jerrys Plain Landscape Conservation Area.

110. For all these reasons, Coolmore sees no basis for any approval to be given to the Project in either the form of the PPR mine plan or the Retracted Mine Plan.

Please contact me if you require any further information.

Regards,

A handwritten signature in black ink, appearing to read 'Tom Magnier', with a stylized flourish at the end.

Thomas V. Magnier
Coolmore Australia

cc: matthew.sprott@planning.nsw.gov.au

ANNEXURE A – Presentation to the PAC of Michael Wright, visual impacts expert

ANNEXURE B – Supplementary statement of Michael Wright, visual impacts expert

ANNEXURE C – National Trust Heritage Classification of Muswellbrook – Jerrys Plains Landscape Conservation Area

ANNEXURE C1 – Updated Advice from GML Heritage

**ANNEXURE D – Updated advice from Owen Droop of OD Hydrology
regarding groundwater and surface water impacts**

ANNEXURE D1 – Updated advice from Advitech regarding air quality impacts

ANNEXURE E - Updated advice from Marsden Jacobs

ANNEXURE F – Comments in relation to Dr Richard Lamb and Terry Short

Response in relation to findings of Dr Richard Lamb

1. Rather than accept the findings of Dr Richard Lamb published in the PAC Report, the proponent has chosen to criticise these findings as being unfounded, lacking '*logically probative evidence*' or suggesting that his comments are beyond the scope of his engagement. Coolmore reminds the proponent that Dr Lamb was engaged as an independent expert by the PAC. Further, it is a dangerous approach to refer to the findings of one of the preminent experts in visual impact assessment in Australia in this manner.
2. According to Dr Lamb's curriculum vitae:
 - (a) he is a professional consultant specialising in visual and heritage impacts assessment and the principal of Richard Lamb and Associates;
 - (b) he was a Senior Lecturer in Architecture and Heritage Conservation 1980-2007 and Director of Master of Heritage Conservation Program, University of Sydney, 1998-2006, Faculty of Architecture, Planning and Design;
 - (c) he has 30 years experience in teaching and research in environmental impact, heritage and visual impact assessment;
 - (d) he has teaching and research expertise in interpretation of heritage items and places, cultural transformations of environments, conservation methods and practices, visual perception and cognition, aesthetic assessment and landscape assessment;
 - (e) he is a member of the EBS disciplinary group M. The field is based around empirical research into human aspects of the built environment, in particular aspects of aesthetic assessment, visual perception, landscape preference and environmental psychology;
 - (f) he has provided expert advice, testimony and evidence to the Land and Environment Court of NSW and Planning and Environment Court of Queensland in various classes of litigation, including appearances in over 150 cases and

submissions to several Commissions of Inquiry and the principal consultant for over 400 consultancies;

- (g) his tertiary qualifications include:
 - (i) Bachelor of Science - First Class Honours, University of New England; and
 - (ii) Doctor of Philosophy, University of New England in 1975;
 - (h) his work has been published in the following international peer-reviewed journals:
 - (i) Landscape & Urban Planning;
 - (ii) Journal of Architectural & Planning Research;
 - (iii) People and Physical Environment Research (Journal of the Australian and New Zealand Association for Person Environment Studies);
 - (iv) Journal of Environmental Psychology;
 - (v) Australasian Journal of Environmental Management;
 - (vi) Ecological Management & Restoration; and
 - (vii) Urban Design Review International.
3. In Coolmore's view, Dr Lamb's findings in relation to the visual impacts of the Project on surrounding stakeholders should be given considerable weight.
 4. The February Response claims that Dr Lamb has considered '*impacts on image and implications for cultural heritage, which are not 'visual or associated amenity impacts'*' and that Dr Lamb's findings regarding these issues are '*therefore beyond the scope of his engagement.*'
 5. These criticisms reflect a lack of understanding of the significance of visual impacts:
 - (a) in relation to '*image*', Dr Lamb notes that visual presentation, perception and the image of the Coolmore property is highly significant. Coolmore submits that there is a close relationship between adverse visual impacts and damage to Coolmore's business image which it has carefully established over the years. It is difficult to see how this issue was beyond the scope of '*visual impacts*'; and

- (b) cultural heritage is similarly within the scope of visual impacts. This is because classic or iconic views involving heritage items are to be accorded more significance from a planning perspective than views which do not. Dr Lamb found that the view catchment in the vicinity of Coolmore land is of great visual, cultural and heritage significance.
- 6. Dr Lamb found that the visual impact of the Houston visual bund is greater than the visual impacts it seeks to mitigate. This is consistent with the findings of Coolmore's visual impacts expert Michael Wright.
- 7. Finally, the proponent argues that there was further relevant information regarding the rehabilitation of the bund that Dr Lamb should have been aware of had the proponent been able to respond. Coolmore would suggest that this information should have been in the proponent's Environmental Assessment, Response to Submissions or the Preferred Project Report. In any event, the ultimate approval authority will be able to take this information into account.

Response in relation to findings of Terry Short/Gateway Panel

- 8. The February Response is particularly critical of Mr Terry Short's contributions to the PAC Report and makes assertions regarding:
 - (a) the objectivity of Mr Short;
 - (b) the reliance on public opinion by Mr Short;
 - (c) the adequacy of Mr Short's assessment;
 - (d) incompatibility of land uses;
 - (e) qualifications regarding equine health;
 - (f) the potential departure of Coolmore and Darley; and
 - (g) qualifications regarding visual impact issues.
- 9. We deal with these assertions briefly as follows.

The objectivity of Mr Short

10. The proponent impugns Mr Short as '*simply acting as a partisan advocate for the horse studs rather than an independent expert*' on the basis that he has accepted the views of Coolmore and Darley, allegedly without question or probative evidence.
11. Coolmore again refers to the extensive expert reports prepared by Gilbert & Sutherland, Michael Wright and Sharon Veale of Godden Mackay Logan and submits that acceptance of the findings in these reports constitutes probative evidence.
12. We also note that Mr Short refers to independent third party research.
13. Furthermore, Coolmore understands that Mr Short has acted as a consultant in the mining industry for many years including to BHPB in relation to the proposed Caroon Coal Mine in the Liverpool Plains. Without evidence of a conflict of interest, it is difficult to see how he is '*simply acting as a partisan advocate for the horse studs rather than an independent expert*'.

Reliance on public opinion

14. The February Response also suggests that Mr Short has accepted the submissions of Coolmore and Darley at face value which was an error given that objectors such as Coolmore and Darley are driven by self-interest.
15. Coolmore again refers to the extensive expert reports it has commissioned and submitted in relation to the Project.
16. The proponent also has not taken into account that the PAC's findings and recommendations were based on its acceptance of the evidence of the stakeholders rather than the evidence of the proponent.

Incompatibility of land uses

17. The proponent criticises Mr Short's finding that open-cut coal mining and a viable international scale thoroughbred breeding enterprise are '*incompatible land uses*' on the basis that he did not have sufficient grounds to make such a finding.
18. Mr Short was entitled to have regard to the body of expert reports prepared by Coolmore, the PAC Report in respect of the Bickham Coal Project and the various submissions by government agencies and third parties in relation to the Project. It is good professional

practice to take into account all of the available evidence, not just the evidence of the proponent, before coming to a conclusion.

Qualifications regarding equine health

19. Mr Short's report references three studies that address the impacts of dust on equine health. The proponent's equine surgeon Dr Kannegieter subsequently reviewed these studies and concluded that the findings are not applicable to the Project.
20. Coolmore does not wish to make any further submission in this regard except to agree with Mr Short's finding that: *'There is a dearth of scientific literature concerning the potential impacts of open-cut coal mining on nearby equine breeding enterprises, particularly with respect to equine responses to environmental stressors.'*

Equine industry

21. The proponent relies on several comments from Dr Kannegieter in respect of the dynamics and economics of the equine industry, particularly comments such that economic factors would *'deter the horse studs from relocating'* if the Project was to proceed. Dr Kannegieter has a degree in Veterinary Science from the University of Sydney and has held various positions as a veterinary scientist, surgeon and researcher. However, there does not appear to be any evidence in Dr Kannegieter's curriculum vitae of any agricultural or economics qualifications of the type which would ordinarily be required to make broad ranging opinion-based comments regarding the economics and dynamics of the equine industry generally. As a Specialist Equine Surgeon engaged by the proponent, we are of the view that the Department should treat these statements with caution.
22. The proponent states that *'past experience in the industry has shown that when a stud leaves the industry, other studs or new enterprises will gain influence and prominence'*. Coolmore queries whether this statement is an admission by the proponent that Coolmore will be forced to leave the industry.
23. We also note that Dr Kannegieter provides no examples of such instances.
24. In Coolmore's view, Mr Short's findings are fair and reasonable.

ANNEXURE G – Agronomist Report
