

## **INQUIRY INTO CLOSURE OF PUBLIC SCHOOLS IN NEW SOUTH WALES**

**Organisation:** KEPCO Bylong Australia Pty Ltd

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Suite 1301, 141 Walker Street  
North Sydney NSW 2060  
Phone: 02 8904 9508

The Director  
Select Committee on the Closure of Public Schools  
Parliament House  
Macquarie St  
Sydney NSW 2000

7 August 2015

**Re: Submission to the Select Committee on the Closure of Public Schools**

KEPCO Bylong Australia Pty Ltd (KEPCO) thanks members of the Select Committee on the Closure of Public Schools for the opportunity to make a submission to its Inquiry. This submission focuses on the future of the Bylong Upper Public School ("the School").

Background:

KEPCO holds Authorisations A287 and A342 encompassing approximately 10,317 hectares of land within the Bylong Valley, including the land on which the School is located. The School is currently in recess due to falling (this year, nil) enrolments. KEPCO has undertaken an exploration program within the Authorisations since 2011 with a view to developing the Bylong Coal Project ("the Project"), comprising an open cut and underground coal mining operation with a Life of Mine (LoM) of 25 years. If approved, the Project is likely to employ up to 800 people during construction and a peak of approximately 470 full time equivalent operations employees at full production.

The Project is State Significant Development and development consent is currently being sought under Division 4.1 of Part 4 of the *Environmental Planning and Assessment Act 1979* ("EPA Act"). KEPCO received the Secretary's Environmental Assessment Requirements (SEARs) from the Department of Planning and Environment on 23 June 2014 (subsequently modified on 11 November 2014) which incorporated the requirements of the Gateway Certificate for the preparation of an Environmental Impact Statement (EIS) in support of a Development Application (DA) for Project, including both open cut and underground mining operations. The DA was lodged with Department of Planning and Environment on 22 July 2015.

KEPCO has purchased some 7,547 hectares of land within and adjacent to the Authorisations including land completely surrounding the School as part of its program for the development of the Project. The School is located within one of the Project's proposed open cut mining areas meaning its relocation will be required to enable open cut mining operations to proceed, subject to development consent being granted for the Project under the EPA Act.

Communications with the Department of Education and Memorandum of Understanding:

The Project provides a unique opportunity to arrest the decline in population which has been occurring in the Bylong Valley since the 1980s. Population modelling undertaken for the Project's Social Impact Assessment suggests that at peak operations, up to approximately 20 employees with families could relocate to the Bylong Valley, with a resulting

increase in population of approximately 50 people. This positive impact is reinforced by KEPCO's commitment to making properties it owns in the Valley available to Project staff. For these reasons, KEPCO would like to see a public school facility remain in the Bylong Valley, however ultimately it is the Department of Education ("The Department") that will make the final decision based on likely future enrolments at the School.

KEPCO has engaged in numerous discussions with the Department over the last two years regarding future options for the School in light of falling enrolments and its location relative to the Project's proposed mine plans. KEPCO's intention has been to cooperate with the Department and provide an offer to relocate the school away from the mining area should the Project be approved and the School continue to operate. KEPCO wished to facilitate the means to ensure a public school facility could remain in the Bylong Valley and provided the Department with a draft Memorandum of Understanding (MOU) outlining how this could be achieved (Attachment A) in a letter dated 9 February 2015.

Details of the options available for the School were set out in the draft MOU. KEPCO identified two potential sites on KEPCO-owned land in the Bylong Valley which could be made available for the relocation of the School if the Project is approved. KEPCO also undertook to provide support for design and planning and reasonable funding for the relocation or reconstruction of school facilities on an alternative site. The Department subsequently sought an amendment to the draft MOU to state that KEPCO would undertake to purchase the school facility in the event that it was decided to close the School.

Current situation:

KEPCO's position remains that it supports the relocation of the School as per the draft MOU should the Department decide a school in the Bylong Valley is required in the future.

Yours sincerely

William (Bill) Vatovec  
Chief Operating Officer  
KEPCO Bylong Australia Pty Ltd

Encl: Attachment A  
*Draft Memorandum of Understanding between KEPCO Bylong Australia Pty Ltd (KEPCO) and the NSW  
Department of Education*