

## **INQUIRY INTO BENEFICIAL AND PRODUCTIVE POST- MINING LAND USE**

**Organisation:** Yancoal Australia Ltd

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**Parliamentary Inquiry into beneficial and productive post-mining land use**

**NSW Legislative Council's Standing Committee on State Development**

**Submission from Yancoal Australia Ltd**

Yancoal welcomes the opportunity to provide a submission to the Standing Committee in relation to its inquiry into beneficial and productive post-mining land use.

We also note our support of the submission provided by the NSW Minerals Council to the Standing Committee on this inquiry.

**Company Summary**

Yancoal is a leading Australian coal producer and one of Australia's largest coal exporters, producing premium thermal and metallurgical coal.

Yancoal owns, operates or participates in nine producing coal mines across Australia – five mines in New South Wales, three in Queensland and one in Western Australia.

These operations employ over 6,000 full-time workers and contractors, mainly from the regional communities where we operate.

Locally, we partner with community groups to support a wide range of activities (healthcare, social events and clubs, environmental initiatives, cultural initiatives, and education and training). In 2023, we invested \$1.8 million into 199 such initiatives across Australia.

Nationally, Yancoal generated \$20 billion of value-added economic impact for Australia, which included indirectly supported almost 90,000 jobs and generating \$3.6 billion in government revenues.

This year, Yancoal celebrates 20 years since we started in Australia with one mine in 2004. Over these 20 years we are proud to have generated over \$10 billion in Foreign Direct Investment for Australia.

Yancoal is a public company, listed on both the ASX and the Stock Exchange of Hong Kong, and is majority owned by the HKSE-listed Yankuang Energy Group.

## Executive Summary

Yancoal Australia undertakes progressive rehabilitation at each of its New South Wales operations and works towards a final landform in accordance with its Development Consent, Mining Lease and associated regulatory requirements.

Further rehabilitation works are undertaken once mining production has ceased to achieve its final landform, closure activities and to meet completion criteria suitable to permit relinquishment of its tenements.

The nature of the existing rehabilitation framework under the NSW Mining Act is prescriptive in nature. Mine sites must be left in a safe, stable, non-polluting state once production has ceased.

These requirements are consistent with the expectations of Government where the priority has been to transition mines, once production has ceased, to a combination of grazing and native vegetation.

This framework, however, is not designed to support the utilisation of mining land for alternate purposes following the end of resource extraction.

If it is the appetite of Government to incentivise commercial opportunities once mining has ended at a site, Yancoal believes there may be opportunities to drive this through reviews of both the Planning and Mining regulatory framework with a view to streamlining regulatory requirements with the ability to pursue suitable post mining land uses.

## The Planning Framework

Mine rehabilitation is carried out in accordance with the conditions set out in a mine's Development Consent, granted in accordance with the *Environmental Planning and Assessment Act 1979* (NSW) (**EP&A Act**).

The Development Consent locks in the final landform that must be achieved as a part of rehabilitation work.

This final landform is incorporated into mine planning so shaping can occur, often over many years.

Any proposal to utilise land for a new development purpose captured by this consent would require a new consent to be issued by Government.

In addition, given the inherent uncertainty of the resource, and the influence of economic factors, it will almost always be the case that production will cease prior to all the approved resource having been extracted. As a consequence, the landform which can be achieved on completion of extraction will invariably be different from that contemplated in the planning

approval. This “disconnect” between the planning approval final landform and what can be achieved on the ground is problematic. If a modification of the planning approval is required to match what is achievable on the ground, this creates significant delay and uncertainty and is a material disincentive for mining companies to fast-track tenement relinquishment.

Further, rehabilitation criteria are generally governed under the Mining Act rather than the Planning Act.

As you would be aware, the pathways to amending development consents relating to coal mines are limited, costly, complex and take a long period of time.

These high thresholds to amending development consents act as a deterrent to pursuing post mining land uses that deviate from what is permitted under a consent.

If the NSW Government is minded to encouraging post-mining land uses on these areas (into commercial uses beyond grazing and native vegetation, such as renewable energy generation facilities), reforms to the Planning apparatus that streamline the ability to amend development consents, or for this responsibility to be managed under the Mining Act instead, would prevent regulatory duplication and would remove a significant barrier to pivoting mines reaching the end of their productive lives to new commercial opportunities that may arise.

## **The Mining Act Framework**

The closure and rehabilitation of a mine is monitored by Government regulators operating in accordance with the *Mining Act 1992* (NSW).

Rehabilitation obligations are enforced against a proponent’s mining lease.

A proponent works to achieve these obligations, both during the mine’s operations and following the end of production, with the goal of achieving a rehabilitation standard sought by Government and obtaining a relinquishment of the lease.

Further to the final landform that is set out under the Development Consent, current guidelines require a mine site to be rehabilitated so that it is safe, stable and non-polluting.

Mining land is shaped in accordance with its development consent, existing infrastructure is addressed, and the site is rehabilitated to ensure it is safe, stable and non-polluting.

Further to this, the current regulations generally look to drive grazing and native vegetation on post-mining land as the final rehabilitation outcome.

Achieving either of these outcomes will consist of seeding and planting efforts, in conjunction with an extended monitoring and maintenance period that can run for many years.

The ability for a proponent to relinquish their mining lease is dependent on satisfying these criteria, as well as demonstrating that it is safe, stable and non-polluting.

Yancoal understands and accepts the rationale behind the nature of the current rehabilitation regime – however it presents challenges where there may be an appetite from the Parliament or the Government to expedite the transition of land from mining to other commercial uses.

The transition of mining land to commercial uses, be it for electricity storage and/or generation, or other commercial purposes, would face significant time delays given the existing timeframes involved before the relinquishment of mining leases become practicable.

Furthermore, it presents a scenario where rehabilitation works undertaken by the miners over an extended period at considerable cost, are then required to be significantly altered by the proponent of a subsequent commercial use once rehabilitation is signed off and mining leases are relinquished.

If Government wishes to motivate for the transition to alternate economic uses on post-mining land, a more flexible approach is required to balance the needs of rehabilitation and lease relinquishment where other beneficial land use opportunities are identified. This could present opportunities to streamline requirements that look to remove duplicative or unnecessary requirements where the re-use of land is intended, whilst continuing to ensure best practice rehabilitation is undertaken by the mining lease holder.

## **CASE STUDIES**

### **STRATFORD RENEWABLE ENERGY HUB**

- Yancoal Australia Limited (Yancoal) is proposing the Stratford Renewable Energy Hub (SREH), which would comprise a Pumped Hydro Energy Storage (PHES) and photovoltaic solar farm facility (Solar Farm) at the site of the Stratford Mining Complex (SMC).
- Mining at the SMC will be completed in 2024.
- The SREH is a strategically important 'long duration storage' renewable energy project, that can complement solar and wind energy as coal-fired power stations are retired.

- It also aligns with Government policy that encourages mining proponents to consider beneficial re-uses of mine land.
- The strategic importance of the SREH has been recognised by the NSW Government via declaration as *Critical State Significant Infrastructure*.
- There are numerous environmental benefits in locating the SREH at the SMC site – including the opportunity to reuse previously disturbed land, mine infrastructure and water stored in mine voids to minimise additional impacts (e.g. compared to ‘greenfield’ sites).
- To realise these environmental benefits, and demonstrate tangible impact avoidance/mitigation for the SREH, Yancoal proposes to maximise the overlap between the SREH and existing SMC disturbance footprint, and maximise the reuse of existing SMC infrastructure.
- However, maximising the interaction between the SREH and SMC means rehabilitation of the SMC will need to occur in parallel with construction of the SREH.
- To enable the SREH to be delivered in a timely manner, the following will be required:
  - A clear approval process to facilitate changes in rehabilitation commitments at the SMC to reflect the SREH. This must provide flexibility to allow rehabilitation of the SMC and commencement of SREH to occur in parallel – rather than in series.
  - Certainty that any requirement for ‘harmonisation’ approvals for the SMC will not result in the imposition of additional and unrelated conditions of approval (i.e. no ‘opening up’ of existing conditions).
  - Clarity that non-mining SREH works could occur outside mining workplace safety requirements, notwithstanding their location within mining tenements.
  - Overall, a land use transition regulatory framework that allows for the modification of final land uses in a parallel ‘one touch’ approvals process rather than duplicate processes, would reduce time and risk to post-mining land use projects like SREH.

## **NORTHERN (RHONDDA) COLLIERY CONVERSION TO BLACKROCK MOTORSPORT PARK**

- In Q1, 2024 construction began at the \$95 million BlackRock Motor Resort park on the site of the former Northern (Rhondda) Colliery (“**Rhondda Colliery**”).
- The Rhondda Colliery is situated in the Lake Macquarie local government area. Historically, land uses in the area have been mining, agriculture and conservation. Urban growth and close proximity to large population centres of Newcastle and Sydney means

Lake Macquarie is well positioned to provide the land necessary for commercial, industrial and residential development in the region.

- Rhondda Colliery ceased operation in ~1970. At the time mining ceased the colliery was part of the Coal and Allied group and placed in care and maintenance.
- Decommissioning of pit top infrastructure, bulk earthworks, contamination remediation and revegetation took place between 1999 and 2008. In November 2008 the then NSW Department of Primary Industries assessed the site as having achieved satisfactory rehabilitation.
- Yancoal acquired Coal and Allied and with it the Rhondda Colliery in 2017, with the mining lease still in place. Although the site had previously been assessed to be satisfactorily rehabilitated, changing expectations of the regulator, along with historical lack of agreed completion criteria for the site added complexity to relinquishing the mining lease.
- Although BlackRock emerged as a developer for the site in ~2015-2016 and secured a Council planning approval to develop the motor resort in 2019, there was no simple mechanism for the new development to become the final land use for the site, when the mining company was in parallel finalising the rehabilitation of the site. Changing regulatory requirements meant more onerous new completion criteria were required further to the 2008 requirements.
- These changing regulatory requirements, compounded by the commencement of the new Rehabilitation Reforms, meant significantly more time was required for the site to achieve the required completion criteria and relinquish its mining lease to allow for BlackRock to develop the site.
- As of July 2024, in excess of 95% of the mining lease has been relinquished.
- Yancoal's reflection on the process was that there was common recognition from ourselves, the new proponent, and the regulator, of the merit of working to achieve satisfactory rehabilitation outcomes and a timely relinquishment of mining leases to facilitate future land use of the site.
- As an early case study of alternate land use, however, it is clear that opportunities exist to streamline the regulatory environment in the interests of both achieving satisfactory rehabilitation outcomes AND expediting a transition of land to alternate post-mining use.