

Section 8

Evaluation and
Conclusion



WINCHESTER SOUTH PROJECT

Environmental Impact Statement



WHITEHAVEN COAL



Resource
Strategies

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8 EVALUATION AND CONCLUSION

The Project involves the development of an open cut metallurgical coal mine in an existing mining precinct, located approximately 30 km south-east of Moranbah, within the Bowen Basin, in Queensland.

The Project involves mining the Coal Reserves associated with the Rangal and Fort Cooper Coal Measures (Leichhardt Seams, Vermont Upper Seam and Vermont Middle Lower Seam) within MLA 700049, MLA 700050 and MLA 700051.

An infrastructure corridor would be established within MLA 700065 to provide access to the Project and for the transmission of power and water supply.

ROM coal would be mined by open cut methods for approximately 30 years at a peak forecast rate of up to 17 Mtpa. Products would include metallurgical coal for the steel industry and thermal coal for energy production.

This EIS has been prepared in accordance with the provisions of the SDPWO Act and the EPBC Act, and the Terms of Reference issued by the Coordinator-General.

Whitehaven WS has consulted a range of stakeholders regarding the Project and would continue to consult with these stakeholders during construction and operation of the Project.

Consultation undertaken during development of the EIS has influenced the design of the Project. Key feedback that has been incorporated into the design of the Project includes:

- targeting employment in the local region and limiting the use of a FIFO workforce;
- encouraging the Project workforce to live locally;
- minimising the extent of the waste rock emplacements and infrastructure areas to avoid disturbance of MNES and MSES;
- minimising the surface disturbance associated with off-site infrastructure by co-locating the ETL, raw water pipeline and mine access road within an infrastructure corridor;

- constructing an overpass over the Norwich Park Branch Railway to avoid realignment of the railway, reduce potential safety concerns and minimise surface disturbance;
- preferentially utilising existing accommodation options rather than constructing a temporary on-site accommodation camp for the construction workforce;
- connecting the ETL to Powerlink's Eagle Downs Substation to reduce supply disturbance to other customers;
- targeting agriculture as the main post-mining land use;
- maintaining operations at the existing on-site quarry (Winchester Quarry); and
- offsetting impacts to biodiversity.

In addition, a key concern of stakeholders was the potential for reduced availability, affordability and accessibility of housing and accommodation. To ensure the Project does not adversely affect the affordability and availability of housing and accommodation in local communities, Whitehaven WS is committed to increasing permanent housing stock through the construction of new houses and contributing to the Isaac Affordable Housing Trust and/or Emergency and Long-Term Accommodation Moranbah Inc.

Whitehaven WS is committed to establishing itself as a long-term community partner that makes a positive contribution to community development.

To this end, Whitehaven WS has already developed a comprehensive Community and Stakeholder Engagement Plan detailing the approach to engaging with potentially impacted communities and other Project stakeholders, and to establish constructive relationships that can continue throughout the life of the Project.

8.1 KEY BENEFITS

The potential for the Project to create increased local employment options and opportunities for local businesses were key benefits identified during local community and other stakeholder engagement.

The Project would result in a total net benefit to the Queensland community of \$756 million in NPV terms. This value is inclusive of estimated costs for environmental externalities and internalisation of environmental mitigation and management costs by Whitehaven WS.

The estimated net benefit of the Project for Queensland in NPV terms consists of royalties of \$563 million, company income tax of \$136 million and net producer surplus of \$79 million.

In addition, the Project would result in the following additional socio-economic benefits:

- generation of approximately 500 new direct, long term jobs, with a significant proportion of the Project workforce to be employed from the region (Isaac and Mackay LGAs);
- indirect (flow-on) employment as the result of increased wages, and participation of regional businesses, including:
 - 285 full time equivalents in the local area;
 - 934 full time equivalents in the region; and
 - 1,894 full time equivalents in Queensland;
- enhanced skills and capacities in local communities due to targeted training and skills development initiatives (Appendix C); and
- increased economic well-being in local communities through contributions to community development (Appendix C).

Further, the Project would allow the development of a new coal project, within a region serviced by well-established infrastructure, to achieve continuity in supply of high-quality coal to the international market.

This EIS also includes a SIMP which details significant financial and community commitments by Whitehaven WS to appropriately avoid or mitigate any potential adverse impacts.

The Project includes a significant biodiversity offset commitment that would result in a net increase in Queensland and Commonwealth biodiversity values.

8.2 KEY POTENTIAL IMPACTS

Key potential adverse direct and indirect impacts associated with the Project include:

- potential impacts to water quality or water resources, that were determined to be immaterial with the implementation of monitoring and mitigation measures;
- the progressive removal and clearance of remnant vegetation and fauna habitat within the Project area and associated edge effects, that have been appropriately offset;
- short-term removal of agricultural land until post-mining land use is achieved;
- long-term removal of agricultural land within the NUMAs post-mining;
- potential short-term noise and air quality impacts at one residence in the vicinity of the Project, which would be managed in consultation with the relevant landholder and in accordance with the relevant Queensland Government policy;
- potential Scope 1 and Scope 2 greenhouse gas emissions;
- potential for social impacts due to uncertainties or concerns about amenity and health impacts for surrounding landholders and nearby communities; and
- the potential for increased demand or competition for rental housing and skilled labour, which would be managed through the SIMP for the Project.

8.3 CONSIDERATION OF THE CONSEQUENCES OF NOT CARRYING OUT THE PROJECT

Were the Project not to proceed, the following consequences are inferred:

- approximately 500 direct, long-term operational employment opportunities would be foregone and the associated flow-on effects would not be created;

- the high-quality coal resource would remain available to be extracted by other means, however, the efficiencies associated with access to well-established infrastructure in the region may be lost;
- a net benefit of \$756 million to the State of Queensland in NPV terms would be forgone;
- the potential environmental impacts described in this EIS would not occur;
- economic and social benefits to the region (including to the Isaac Regional Council and Mackay Regional Council) associated with the Project would not be realised; and
- the incremental benefits of the Project biodiversity offset strategy would not be realised.

8.4 CONCLUSION

Potential impacts of the Project have been assessed against established thresholds of acceptability contained in relevant guidelines and policies, including for surface water, groundwater, social, ecology, noise, air quality, road transport, soils, economics, heritage and geochemistry. Potential impacts have been avoided or minimised as far as is reasonable or feasible. Mitigation measures and offset strategies are proposed where residual impacts are predicted.

Throughout the Project design and EIS process, Whitehaven WS has carefully considered the feedback provided by the local community, government agencies and other stakeholders. This has also included feedback on surrounding contemporary projects proposed by other companies.

The potential for the Project to create increased local employment options and benefit local businesses is a key benefit identified in local community and other stakeholder engagement.

The Project would generate a significant net benefit to the State of Queensland. Economic benefits potentially forgone if the Project does not proceed amount to a net benefit to the State of Queensland of \$756 million in NPV terms.

In weighing up the environmental impacts (costs and benefits) associated with the proposal as assessed and described in this EIS, the Project is, on balance, considered to be in the public interest.