

14 November 2019

By Email: ProductivityFeedback@treasury.nsw.gov.au

NSW Treasury
Productivity Commission
GPO Box 5469
Sydney NSW

Dear Commissioner for Productivity

Review of the Independent Planning Commission Submission

Centennial is an underground coal producer in NSW and a wholly owned subsidiary of Banpu Public Company Limited; a leading integrated energy solutions Company in Asia Pacific.

Centennial supplies coal to domestic and export markets and fuels approximately 40% of NSW's coal fired electricity. Operating five mines in NSW, in Lake Macquarie and the western coalfields near Lithgow (including rehabilitation projects and potential new mining projects), Centennial employs over 1,700 people.

Centennial welcomes the review of the Independent Planning Commission's (IPCs) role and operations and the opportunity to provide a submission to the NSW Commissioner for Productivity.

Centennial has extensive experience with the NSW Planning system, the (then) Planning and Assessment Commission (PAC) and the now IPC. The NSW Planning system has become increasingly time consuming and complex. NSW is not an easy place to do business and the role of the IPC, in its current form, adds duplication, policy uncertainty and sovereign risk to an already comprehensive planning and assessment process.

The role of the IPC should be based on the following principles:

- The IPC should provide independent oversight of the assessment process and make a recommendation to the Minister, based on the advice of the Department of Planning, Industry and Environment (DPIE) and other state agencies, therefore returning the responsibility for determining projects to the elected government through the Minister.
- The IPC should not duplicate the assessment role undertaken by the DPIE.
- The policies of the elected government must provide the parameters of the independent review undertaken by the IPC.
- DPIE should be the primary assessment body and the role of the IPC limited to reviewing the DPIE assessment and recommendations.

Below are further comments:

- 1) Minor administrative modifications should not be referred to the IPC for determination.

Currently the IPC is the determining authority for developments of which at least 25 persons (other than a council) have objected. Groups opposed to mining developments often use form letters to oppose projects triggering the development to be determined by the IPC. This results in minor administrative modifications being determined by the IPC, therefore adding further time, cost and uncertainty to an already comprehensive assessment and determination process.

- 2) The IPC should operate within timelines delivering timely independent oversight of the assessment process.

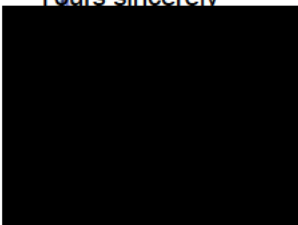
The role of the IPC in the planning system adds considerable time to an already lengthy process, with IPC duplicating the assessment process already undertaken by DPIE.

The use of multi-stage public hearings within the IPC assessment process further exacerbates these already lengthy assessment timeframes. The ability for objectors to raise new issues, not previously raised, through public hearings also results in considerable cost being incurred by the proponent in having to respond to a range of additional matters.

Also, consultation undertaken by the IPC as part of their assessment and determination process is again a duplication of the already extensive consultation already undertaken by the proponent and the Department of Planning, Industry and Environment. This duplication in consultation adds considerable time to the assessment and determination timeframes by the IPC and adds no value to the process and final determination.

In conclusion, governments are elected to govern and provide the policy framework and settings that are in the best interests of its constituency, not to abdicate difficult and complex planning projects to an unelected part-time planning panel whose decisions impact projects and proposals that ultimately underpin investment and jobs in NSW.

Yours sincerely



Group Manager Approvals