



Our Ref: 31368_UungulaWF_Letter_20240910_FINAL_V1

10 September 2024

Sheree Kidziak
Environmental Advisor
Squadron Energy Pty Ltd

E | sheree.kidziak@squadronenergy.com

Dear Sheree

RE: Uungula Wind Farm - Offset Statement (EPBC 2013/7026, Condition 2)

1.0 Introduction

Umwelt has been engaged by the Uungula Wind Farm Project (UWFP) to prepare a written statement (this document) to satisfy the requirements of Condition 2 of EPBC 2013/7026 (the EPBC Act Approval).

This written statement (Offset Statement) presents an overview of impacts to Matters of National Environmental Significance (MNES) associated with clearing of habitat required for the UWFP (Section 3.0).

It also presents an overview of steps taken by the UWFP to calculate offset liabilities and to secure offset credits for MNES in accordance with the State Development Consent (SSD-6687) (Section 4.0).

The relevant EPBC Act Approval and State Development Consent requirements are set out in Section 2.0 below.

The action commenced on 11 March 2024 with the commencement of the Road Upgrade Works. It is noted that with respect to the State Development Consent, the project is still within the pre-construction phase and construction of the project has not yet commenced.

2.0 Overview of Project Approval Requirements

The Conditions of the EPBC Act Approval that are relevant to this Offset Statement, are:

Condition 1

- 1) *The approval holder must not clear outside of the Project Site and the Road Upgrade Area. In accordance with the maximum impact limits specified in Annexure C, the approval holder must not clear more than:*

Inspired People.
Dedicated Team.
Quality Outcomes.

Umwelt (Australia)
Pty Limited

ABN 18 059 519 041

T | 1300 793 267
E | info@umwelt.com.au

www.umwelt.com.au

- a. 13.88 ha of Box Gum Grassy Woodland;
- b. 142 ha of potential Koala habitat;
- c. 142 ha of potential Regent Honeyeater foraging habitat;
- d. 142 ha of potential Swift Parrot foraging habitat; and
- e. 125.73 ha of potential Superb Parrot foraging habitat.

Condition 2

2) *The approval holder must, within 6 months of commencement of the action, submit to the department a written statement, specifying:*

- a. *what clearing has been, or will be, undertaken as part of the action in relation to each of the clearing limits specified in condition 1;*
- b. *what offsets, calculated and secured in accordance with conditions B21.(b) and B22 of the State development consent, will be provided for all Box Gum Grassy Woodland, Koala, Regent Honeyeater, Swift Parrot foraging habitat and Superb Parrot foraging habitat cleared.*

The statement must be endorsed by an accredited assessor under the Biodiversity Conservation Act, 2016 (NSW) before being submitted to the department and must be published on the website within 20 business days of being submitted to the department.

2A) *The biodiversity credits that the approval holder must retire in accordance with condition B22 of the State development consent must address all clearing that will be undertaken as part of this action in respect of Box Gum Grassy Woodland and habitat of Koala, Regent Honeyeater, Swift Parrot and Superb Parrot*

The conditions B21.(b) and B22 of the State Development Consent are:

Condition B21. (b)

Unless the Planning Secretary agrees otherwise, prior to the commencement of construction, the Applicant must:

- b) *calculate the biodiversity offset credit liabilities for the development in accordance with the Framework for Biodiversity Assessment under the NSW Biodiversity Offset Policy for Major Projects, in consultation with BCS, and to the satisfaction of the Planning Secretary.*

Condition B22

Unless the Planning Secretary agrees otherwise, prior to the commencement of construction, the Applicant must retire the biodiversity credits.

The retirement of the credits must be carried out in accordance with the NSW Biodiversity Offsets Policy for Major Projects, and can be achieved by:

a) acquiring or retiring 'biodiversity credits' within the meaning of the Biodiversity Conservation Act 2016;

b) making payments into an offset fund that has been established by the NSW Government; or

c) funding a biodiversity conservation action that benefits the entity impacted and is listed in the ancillary rules of the biodiversity offset scheme

3.0 Project Clearing Extent – Final clearing calculations (Condition 2a)

Since the EPBC Act Approval and State Development Consent were granted, the UWFP has undergone extensive detailed design which has enabled final clearing impacts to be calculated by UWFP in consultation with the NSW Biodiversity Conservation and Science Directorate (BCS).

With respect to MNES habitats, the final calculated clearing impacts are below the approved maximum impact areas as set out in Annexure C of the EPBC Act Approval. **Table 3.1** displays the maximum amount of habitat to be impacted (per Annexure C of the EPBC Act Approval) and the final clearing impacts as calculated in consultation with BCS.

Table 3.1 MNES – Approved maximum habitat impacts vs Revised habitat impacts

Veg Zone	Plant Community Type (equivalent)	Maximum amount of habitat to be impacted (ha)	Revised MNES impact calculations (ha)				
			Box Gum Grassy Woodland	Koala Habitat	Regent Honeyeater Foraging Habitat	Swift Parrot Foraging Habitat	Superb Parrot Foraging Habitat
1	PCT 277 Blakely's Red Gum - Yellow Box grassy tall woodland of the NSW South-Western Slopes Bioregion <i>Moderate/Good_Moderate</i>	6.28	5.47	5.47	5.47	5.47	5.47
3	PCT 1095 Red Stringybark woodland of the dry slopes of the NSW South Western Slopes Bioregion <i>Moderate/Good_Medium</i>	17.39		15.67	15.67	15.67	15.67
5	PCT 1095 Red Stringybark woodland of the dry slopes of the NSW South Western Slopes Bioregion <i>Moderate/Good_Other - Weedy</i>	7.74		6.03	6.03	6.03	6.03
6	PCT 1279 Tumbledown Red Gum - Black Cypress Pine - Red Box low woodland of hills of the NSW South Western Slopes Bioregion <i>Moderate/Good_Moderate</i>	16.27		6.91	6.91	6.91	
8	PCT 274 White Box - Rough-barked Apple alluvial woodland of the NSW central western slopes including in the Mudgee region <i>Moderate/Good_Moderate</i>	7.60	5.43	5.43	5.43	5.43	5.43
10	PCT 270 White Box - Tumbledown Red Gum - Long-leaved Box shrub/grass woodland on fine-grained sediments of the upper Macquarie River gorge, NSW central western slopes <i>Moderate/Good_Moderate</i>	14.56		9.67	9.67	9.67	9.67
12	PCT 270 White Box - Tumbledown Red Gum - Long-leaved Box shrub/grass woodland on fine-grained sediments of the upper Macquarie River gorge, NSW central western slopes <i>Moderate/Good_Other-Grassland</i>	72.16		56.4	56.4	56.4	56.4
Maximum Impact Total			13.88	142.00	142.00	142.00	125.73
Revised Impact Total			10.9	105.58	105.58	105.58	98.67

4.0 Calculation of Biodiversity Offset Credit liabilities (State Condition B21b)

4.1 Overview of the approach to credit liability calculation

The Biodiversity Assessment Report (BAR) prepared by Eco Logical Australia (2020) informed the Uungula Wind farm Environmental Impact Statement (EIS) and was prepared in accordance with the NSW Framework for Biodiversity Assessment (FBA) therefore fell under the savings and transitional arrangements that commenced at the inception of the NSW Governments Biodiversity Conservation Act 2016 (BC Act).

The offset obligations outlined in the BAR were originally calculated using the BioBanking Calculator which determines the Biobanking credit liability for ecosystem and species credit entities impacted by the UWFP.

The UWFP biodiversity impacts were primarily ecosystem credits for native vegetation communities and ecosystem credit species that can be reliably predicted based on vegetation being a surrogate (foraging habitat). Species credits were generated for threatened species that are not reliably predicted to occurred based on the vegetation these were the Koala (*Phascolarctos cinereus*) and Regent honeyeater (*Anthochaera phrygia*).

4.2 Statement of Assessment of Reasonable Equivalence

In 2023, the UWFP made an application to the NSW Department of Planning and Environment (DPE) for a Draft Statement of Assessment of Reasonable Equivalence (Draft SARE). The purpose of the SARE was to convert Biobanking credits to biodiversity credits that have been generated in accordance with the Biodiversity Assessment Method (BAM) credits (BAM credits) under the BC Act. This is necessary, because the UWFP intends to retire BAM Credits (rather than Biobanking Credits) in accordance with Condition B22 of the State Development Consent.

The UWFP has applied to the DPE to prepare a Final SARE, based on the final clearing impact calculations as described in Section 3.0 above. The Final SARE is currently being processed by the DPE, and the UWFP expects to receive the Final SARE in late September 2024.

Table 4.1 outlines the impact areas used in the Draft SARE as well as those used in the Final SARE application.

To ensure the UWFP meets the conditions of approval this Offset Statement has been prepared based on the information available to date. As the accredited assessor, it is acknowledged that the offset liability still needs to be finalised in accordance with Condition B21(b) of the State Development Consent.

The following sections outline the expected offset credit liabilities for each of the MNES based on the final clearing calculations and the application that has been made for the Final SARE.

Table 4.1 MNES Impacts – Draft SARE (2023) and Final SARE application

Veg Zone	Plant Community Type	Impact area per Draft SARE 2023 (ha)	Impact Area per Final SARE application (ha)			Difference (Draft SARE vs Final SARE) (ha)
			Box Gum Grassy Woodland	Koala Habitat, Regent Honeyeater Swift Parrot Foraging Habitat	Superb Parrot Foraging Habitat	
1	277	5.46	5.47	5.47	5.47	+0.01
3	1095	15.74		15.67	15.67	-0.07
5	1095	6.03		6.03	6.03	0
6	1279	6.91		6.91		0
8	274	4.89	5.43	5.43	5.43	+0.54
10	270	9.67		9.67	9.67	-0.01
12	270	56.4		56.4	56.4	0
Total		105.1	10.9	105.58	98.67	N/A

4.3 Box Gum Grassy Woodland – Offset liability

The White Box - Yellow Box - Blakely's Red Gum Grassy Woodland and Derived Native Grassland – CEEC impacts will be offset using the NSW Biodiversity Offset Scheme. Vegetation zones one (1) and eight (8) are the only two zones that conform to the Commonwealth conservation advice criteria for the CEEC.

Table 4.1 sets out the impact areas used in the Draft SARE (2023) and the Final SARE application.

Using the Draft SARE (2023) the 10.35ha of CEEC (zones 1 & 8 only) requires a total of 462 ecosystem credits from the Offset Trading Group (OTG) White Box - Yellow Box - Blakely's Red Gum Grassy Woodland to be retired to extinguish the offset liability under the BC Act.

The Final SARE application has included an additional 0.55ha of impact to the CEEC (bringing the total to 10.9 ha). It is expected that this additional 0.55 ha impact will require a further 24 ecosystem credits to be retired.

On this basis, it is expected that a total of 486 biodiversity credits will need to be retired for Box Gum Grassy Woodland. The final number of biodiversity credits required to meet the Offset relating to the Commonwealth CEEC will be finalised once the Final SARE is received from DPE.

UWFP have secured over 5,000 White Box - Yellow Box - Blakely's Red Gum Grassy Woodland from the private sales of which 3,247 have been secured specifically for the UWFP. These credits have been transferred to UWFP ready for retirement prior to the commencement of construction (estimated early 2025) in accordance with the State Development Consent.

4.4 Swift Parrot, Regent Honeyeater and Superb Parrot – Offset liability

The impacts to foraging habitat for Swift Parrot, Regent Honeyeater and Superb Parrot have been reviewed with consideration to the type of biodiversity credits generated for impacts to foraging habitat. Under the BAM all three of the species are listed as dual credit species. **Table 4.2** provides a summary of when each of the species are considered a species credit or ecosystem credit species.

Table 4.2 Threatened Woodland Bird Species and Ecosystem Credit Species

Species	Threat Status BC Act	Threat Status EPBC Act	Threatened Biodiversity Data collection (TBDC)	Species Credit habitat Constraints
Swift parrot (<i>Lathamus discolor</i>)	Endangered	Critically Endangered	The species is a dual credit species, assessed for species credits (important habitat map) and ecosystem credits (all other areas the species is likely to occur). No survey is required if the subject land is on an important habitat map for a species unless the species profile in the TBDC states otherwise. The species is considered present and the part of the subject land that is within the important habitat map forms the species polygon used to generate species credits (BAM section 5.2.5 Box 2). Any remaining habitat on the subject land, e.g. unmapped locations used by these species is assessed for ecosystem credits	The UWFP is not located within the important habitat map for a species therefore it is considered the species will be offset by ecosystem credits representing foraging habitat
Regent honeyeater (<i>Anthochaera phrygia</i>)	Critically Endangered	Critically Endangered	The species is a dual credit species, assessed for species credits (important habitat map) and ecosystem credits (all other areas the species is likely to occur). No survey is required if the subject land is on an important habitat map for a species unless the species profile in the TBDC states otherwise. The species is considered present and the part of the subject land that is within the important habitat map forms the species polygon used to generate species credits (BAM section 5.2.5 Box 2). Any remaining habitat on the subject land, e.g. unmapped locations used by these species is assessed for ecosystem credits.	The UWFP is not located within the important habitat map for a species therefore it is considered the species will be offset by ecosystem credits representing foraging habitat

Species	Threat Status BC Act	Threat Status EPBC Act	Threatened Biodiversity Data collection (TBDC)	Species Credit habitat Constraints
Superb parrot (<i>Polytelis swainsonii</i>)	Vulnerable	Vulnerable	The species is a dual credit species, assessed for species credits for breeding habitat. Breeding habitat can be identified by the presence of habitat features and observed nest OR two or more birds seen on site. This species is an ecosystem credit species for foraging habitat only.	Breeding habitat was not identified within the UWFP area and the COA relates to impacts of foraging habitat, therefore it is considered the species will be offset by ecosystem credits representing foraging habitat.

As all three threatened woodland birds are considered ecosystem credits species for foraging habitat, only ecosystem credits are required to offset impacts to these entities under the BC Act. Table 4.3 outlines the PCTs and offset trading groups summary of the credits required to offset impacts to the woodland birds.

The BioBanking Calculator used for the BAR generated species credits for the Regent honeyeater. As outlined above under the BAM this species is only a species credits when the impacts occur within areas identified on the important habitat map. As a Draft SARE has been prepared to modernise the credits this species is now only an ecosystem credit in accordance with **Table 4.3**.

Table 4.3 Ecosystem Credits for Woodland Threatened Birds

Plant Community Type	Offset Trading Group	Regent Honeyeater Swift Parrot Foraging Habitat (ha)	Superb Parrot Foraging Habitat (ha)	Ecosystem Credits Required	Ecosystem Credits Secured
277	White Box - Yellow Box - Blakely's Red Gum Grassy Woodland and Derived Native Grassland in the NSW North Coast, New England Tableland, Nandewar, Brigalow Belt South, Sydney Basin, South Eastern Highlands, NSW South Western Slopes, South East Corner and Riverina Bioregions	5.47	5.47	253	Yes: Private seller and DPE
274		5.43	5.43	233*	
1095	Western Slopes Dry Sclerophyll Forests with percent cleared <50%	15.67	15.67	433	Yes: Private seller and DPE
1095		6.03	6.03	205	
1279	Western Slopes Dry Sclerophyll Forests with percent cleared ≥70% and <90%	6.91	N/A	256	Yes: Private seller and DPE

Plant Community Type	Offset Trading Group	Regent Honeyeater Swift Parrot Foraging Habitat (ha)	Superb Parrot Foraging Habitat (ha)	Ecosystem Credits Required	Ecosystem Credits Secured
274	Western Slopes Grassy Woodlands with percent cleared $\geq 70\%$ and $< 90\%$	9.67	9.67	302	Yes: Private seller and DPE
270	Western Slopes Dry Sclerophyll Forests with percent cleared $< 50\%$	56.4	56.4	1039	Yes: Private seller and DPE

*Includes the additional 23 ecosystem credits required to meet the Box gum grassy woodland obligation

UWFP have secured all required ecosystem credits to meet the woodland bird foraging habitat offset obligation. The final number of biodiversity credits required to meet the Offset relating to Box Gum Grassy Woodland will be finalised once the Final SARE is received from DPE. The credits have been secured from private credit holders and DPE. All ecosystem credits required for the UWFP have been transferred to the proponent and will be retired prior to the commencement of construction, which is likely to be in early 2025.

4.5 Koala – Offset liability

Table 4.4 sets out the koala habitat impact areas as applied within the Draft SARE (2023) and the Final SARE application.

Based on the Draft SARE (2023), the UWFP has secured species credits for 101.35 ha of habitat impact – which equates to 2,725 Koala credits. These credits have been transferred to the proponent and are ready for retirement prior to the commencement of construction (estimated early 2025) in accordance with the State Development Consent.

During preparation of this Offset Statement, the accredited assessor has identified an error within the Draft SARE (2023) with respect to the Koala, whereby the DPE used the incorrect impact areas when calculating the BAM credit requirements for Koala. This has been raised with the DPE and the Final SARE will reflect the final calculated impact area to Koala habitat of 105.58 ha (ie. 4.23 ha more than the Draft SARE).

It is estimated the additional koala habitat impact area of 4.23 ha will require an additional 109 Koala credits. UWFP intend to retire these credits through payment in the Biodiversity Conservation Fund (BCF) once the Final SARE is received.

On this basis, it is expected that a total of 2,834 credits will need to be retired to offset impacts to Koala habitat.

Table 4.4 Koala Habitat Impacts – Draft SARE vs Final SARE

Veg Zone	Plant Community Type	Impact area used in Draft SARE 2023 (ha)	Impact area used in Final SARE application 2024 (ha)	Difference (Draft SARE vs Final SARE) (ha)
1	277	5.44	5.47	+0.01
3	1095	15.08	15.67	+0.59
5	1095	5.77	6.03	+0.26
6	1279	6.58	6.91	+0.33
8	274	5.19	5.43	+0.24
10	270	9.52	9.67	+0.15
12	270	53.77	56.4	+2.63
Total		101.35	105.58	+4.23

5.0 Statement Finalisation

The information provided in this Offset Statement has been reviewed by Adam Cavallaro (accredited assessor BAAS18056). This Offset Statement should be considered an Interim Offset Statement until the Final SARE is received, and the accredited assessor is satisfied the impacts and offsets are final.

All information is a true representation of the offset requirements for the UWFP based on what has been provided by UWFP to the accredited assessor. As noted in this Offset Statement, the UWFP are waiting to receive a Final SARE from DPE, which is expected to be issued in late September 2024. This Offset Statement will be reviewed at the time of receiving the Final SARE and updated to reflect any changes that may be required to ensure impacts to MNES are offset in accordance with the BC Act, and in accordance with the requirements of the State Development Consent Conditions B21(b) and B22.

Any updated Offset Statement will be supplied to the Commonwealth Department Climate Change Energy the Environment and Water (Cth DCCEEW).



Adam Cavallaro
Principal Ecologist
Accredited Assessor #18056