

Wongawilli Coal Pty Ltd

Independent Environmental Audit of Wongawilli Colliery - Nebo Area Project

11 March 2014



Document information

Client: Wongawilli Coal Pty Ltd

Title: Independent Environmental Audit of Wongawilli Colliery - Nebo Area Project

Document No: 2187701A-ENV-RPT-001-RevA

Date: 11 March 2014

Rev	Date	Details
	26/02/2014	Draft Independent Environmental Audit Report
A	11/03/2014	Independent Environmental Audit Report

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A GRI Rating: Sustainability Report 2011

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Acronyms

AS/NZS	Australian Standard/New Zealand Standard
DP&I	Department of Planning and Infrastructure
DSC	Dam Safety Committee
EPA	Environment Protection Authority
EPL	Environment Protection Licence
ISO	International Standards Organisation
MOP	Mining Operation Plan
MSB	Mine Subsidence Board
NOW	NSW Office of Water
PIRMP	Pollution Incident Response Management Plan
PM10	Particulate Matter <10 um in diameter
PRP	Pollution Reduction Plan
SMP	Subsidence Management Plan or Subsidence Monitoring Plan
TSP	Total Suspended Particulate

Audit certificate

This is to certify:

- Parsons Brinckerhoff Australia Pty Limited (the Auditor) has prepared the accompanying 'Independent Environmental Audit – Wongawilli Colliery – Nebo Area Project' dated February 2014 (the Report) from certain information provided by Wongawilli Coal Pty Ltd (the Auditee) and observed during site inspections undertaken in September 2013, at the request of and exclusively for the use and benefit of the Auditee. A draft report was supplied to the Auditee on 26 February 2014. The final report was issued on 11 March 2014.
- This report has been prepared in accordance with the scope of work/services set out in a contract, or as otherwise agreed, between the Auditor and the Auditee. In preparing this report, the Auditor has relied upon data, surveys, analyses, designs, plans and other information provided by the Auditee and other individuals and organisations, which are referred to in the report (the data). Except as otherwise stated in the report, the Auditor has not verified the accuracy or completeness of the data. To the extent that the statements, opinions, facts, information, conclusions and/or recommendations in this report (conclusions) are based in whole or part on the data, those conclusions are contingent upon the accuracy and completeness of the data. The Auditor will not be liable in relation to incorrect conclusions should any data, information or condition be incorrect or have been concealed, withheld, misrepresented or otherwise not fully disclosed to the Auditor.
- This report has been prepared for the exclusive benefit of the Auditee and no other party. The Auditor assumes no responsibility and will not be liable to any other person or organisation for or in relation to any matter dealt with in this report, or for any loss or damage suffered by any other person or organisation arising from matters dealt with or conclusions expressed in this report (including without limitation matters arising from any negligent act or omission of the Auditor or for any loss or damage suffered by any other party relying upon the matters dealt with or conclusions expressed in this report). Other parties should not rely upon the report or the accuracy or completeness of any conclusions and should make their own inquiries and obtain independent advice in relation to such matters.
- The Audit has examined the Auditee's compliance with Major Project Approval (09_0161) for the period from 2 November 2011 to 30 June 2013. The Auditor has relied on information provided by the Auditee. The Auditor expresses no opinion as to the accuracy, truth, sufficiency or legality of the information provided by the Auditee in respect of the Auditee's compliance standards.
- This Report has been prepared in accordance with generally accepted practices (including the standards set out in *ISO AS/NZS 19011:2003 Guidelines for quality and/or environmental management systems auditing* using standards of care and diligence normally practiced by recognised consulting firms performing services of a similar nature.
- The Audit Lead (Hugh Madden) is a RABQSA certified Principal Auditor in the Environmental Scheme (Certificate No: 14761). The Peer Reviewer (Steven Crick) is a RABQSA certified Lead Auditor in the Environmental Scheme (Certificate No: 12453).
- To the best of the Auditor's knowledge, the facts and matters described in this report reasonably represent the conditions at the time of printing of the report. However, the passage of time, the manifestation of latent conditions or the impact of future events (including a change in applicable law) may result in a variation to the conditions. The Auditor will not be liable to update or revise the report to take into account any events or emergent circumstances or facts occurring or becoming apparent after the date of the report.
- This Report is issued with the understanding that it is the responsibility of the Auditee to ensure that the information contained herein is brought to the attention of the appropriate regulatory agencies, where required by law. Additionally, it is the sole responsibility of the Auditee to properly rectify any findings from the audit that indicate that relevant laws or regulations have been or may be breached.

- Neither the Auditor nor any member associate or employee of the Auditor undertakes any responsibility for any injury, loss or damage claimed by the Auditee arising out of a claim by any third party against the Auditee in connection with this Report.

1. Introduction

Wongawilli Coal Pty Ltd (Wongawilli Coal) commissioned Parsons Brinckerhoff Australia Pty Limited to conduct an independent environmental compliance audit of the Wongawilli Colliery.

The audit was conducted as required and under the direction of the NSW Department of Planning and Infrastructure (DP&I) and in accordance with the Major Project Approval (09_0161, Wongawilli Colliery – Nebo Area Project, dated 2 November 2011).

The audit covered the period 2 November 2011 to 30 June 2013.

1.1 Wongawilli Colliery and Nebo Project Area

The Wongawilli Colliery is an underground coal mine located to the south west of Wollongong with the Southern Coalfields of NSW. The Colliery is an amalgamation of a number of former collieries in the area; being the Avondale and Eloura Collieries which include the workings and mining domains of the previous Nebo, Avondale, Huntley and Wongawilli mines.

On 2 November 2011, Wongawilli Coal received Major Project Approval (09_0161, Wongawilli Colliery – Nebo Area Project) from DP&I for the continuation of mining and extraction of six small longwalls in the Nebo domain and drivage of access roads to the proposed new Avon domain in the west of the Colliery's lease areas.

Since the granting of the Major Project Approval, the Colliery has predominantly been in establishment phase, with its intended future life expected to be greater than 20 years. At the time of the audit, limited longwall mining had been undertaken as part of the Nebo Area Project. The first longwall (i.e. Longwall N2) within the Nebo Area Project commenced in June 2013 and had advanced approximately 290 m at the time of the on-site audit component (September 2013).

1.2 Major Project Approval (09_0161)

The project approval requires an Independent Environmental Audit in accordance with the requirements of Conditions 8 and 9 of Schedule 6 (Environmental Management, Reporting & Auditing). Specifically the requirement is as follows:

Condition 8 – *By the end of June 2013 (or other such timing as agreed by the Director-General), and every 3 years thereafter, unless the Director-General directs otherwise, the Proponent shall commission and pay the full costs of an independent Environmental Audit of the project. This audit must:*

- a) *Be conducted by a suitably qualified experienced and independent team of experts whose appointment has been endorsed by the Director-General;*
- b) *Include consultation with the relevant agencies;*
- c) *Assess the environmental performance of the project and assess whether it is complying with the requirements in this approval and any relevant EPL or Mining Lease (including any assessment, plan or program required under these approvals);*
- d) *Review the adequacy of strategies, plans or programs required under the above mentioned approvals; and*

- e) *Recommend measures or actions to improve the environmental performance of the project, and/or any strategy, plan or program required under these approvals.*

Condition 9 – *Within 6 weeks of the completion of this audit, or as otherwise agreed by the Director-General, the Proponent shall submit a copy of the audit report to the Director-General, together with its response to any recommendations contained in the audit report.*

1.3 Agency consultation

The following agencies were consulted prior to the audit to confirm any key issues that should be investigated as part of the audit:

- Department of Planning and Infrastructure (DP&I).
- NSW Environment Protection Authority (NSW).
- Sydney Catchment Authority (SCA).
- Mine Subsidence Board (MSB).
- Dam Safety Committee (DSC).
- NSW Office of Water (NOW).

1.3.1 DP&I

The auditor liaised with DP&I prior to the on-site audit (Clay Preshaw, 27 August 2013). No specific issues were raised by DP&I.

The DP&I confirmed that a detailed assessment of subsidence undertaken by a subsidence specialist would not be required as part of this audit. At the time of the audit, limited longwall mining had been undertaken as part of the Nebo Area Project. The DP&I approved audit team comprised specialists in the fields of surface water, groundwater, noise/vibration and air quality.

1.3.2 NSW EPA

The auditor liaised with NSW EPA prior to the on-site audit (Andrew Couldridge, 13 August 2013). No concerns, problems or pressing issues were raised by NSW EPA.

1.3.3 SCA

The auditor liaised with SCA prior to the on-site audit (Ravi Sundaram, 19 August 2013). No specific issues were raised by SCA.

1.3.4 MSB

The auditor liaised with MSB prior to the on-site audit (Darren Bullock, 19 August 2013). No specific issues were raised by MSB.

1.3.5 DSC

The auditor liaised with DSC prior to the on-site audit (Bill Ziegler, 19 August 2013). No specific issues were raised by DSC.

1.3.6 NOW

At the request of NOW (Hemantha Desilva, 20 August 2013), the auditor provided an email to NOW seeking feedback regarding the Nebo Area Project with respect to any potential issues relating to statutory compliance. A formal response from NOW was received by the auditor following the completion of the on-site component of the audit. The following questions were raised by NOW:

- Has the consent holder provided a water balance in their annual review and as part of the Water Management Plan? Does the site water balance include details of all sources and security of water supply, on site water use and management and off site water transfers and investigates measures to minimise water use by the projects?
- Is the water balance provided sufficient to determine the volume of water taken from each relevant water source?
- Does the consent holder hold sufficient licences to account for their take of surface and groundwater from water sources managed under the *Water Management Act 2000* (Water Sharing Plan for Greater Metropolitan Region Groundwater Sources 2011 and Water Sharing Plan for the Greater Metropolitan Region Unregulated River Water Sources 2011) for all stages of the project?
- Does the consent holder comply with the conditions on those licences?
- Did the consent holder undertake a comparison of the EIS predicted versus observed/measured impacts on water resources and their dependent eco-systems?

Section 3.6.1 provides details regarding the audit findings in relation to the questions raised by NOW.

1.4 Structure of this audit report

This report contains the following sections:

- Section 1: Introduction – An overview of the Wongawilli Colliery and Nebo Project Area as well as background to this audit.
- Section 2: Audit process – A description of the audit process.
- Section 3: Audit findings - Presentation of the findings of the audit.
- Section 4: Summary of audit findings including recommendations to address non-compliance and improvement opportunities.
- Section 5: Conclusion – Concluding comments regarding the audit.
- Appendix A – Detailed audit checklist for Major Project Approval (09_0161).
- Appendix B – Detailed audit checklist for Statement of Commitments.
- Appendix C – Detailed audit checklist for Mining Lease 1596.

2. Audit process

2.1 Audit scope and methodology

The audit was generally undertaken in accordance with the principles of ISO AS/NZS 19011:2003 *Guidelines for quality and/or environmental management systems auditing*.

The audit covered the period 2 November 2011 to 30 June 2013. The site component of the audit was undertaken between 2 September 2013 and 5 September 2013. Due to Wongawilli Coal experiencing financial difficulties the audit was put on hold following the completion of the on-site component. The audit was recommenced in mid-January 2014 following the resolution of commercial issues and the supply of requested information. The off-site component of the audit was completed on 26 February 2013.

2.2 Audit team

The audit was undertaken by the following Parsons Brinckerhoff staff:

- Lead Auditor – Hugh Madden, Principal Environmental Scientist (RABQSA Certified Principal Environmental Auditor No. 14761). Hugh managed the audit and prepared the audit report.
- Surface Water Specialist – Dan Evans, Senior Environmental Scientist. Dan assisted with the site component of the audit and provided expertise in the field of surface water.
- Groundwater Specialist – Andrea Madden, Senior Hydrogeologist. Andrea assisted with the site component of the audit and provided expertise in the field of groundwater.
- Noise/Vibration and Air Quality Specialist – Aaron McKenzie, Senior Environmental Engineer. Aaron assisted with the site component of the audit and provided expertise in the fields of noise/vibration and air quality.

Peer review of the audit report was undertaken by Steven Crick, Senior Environmental Scientist (RABQSA Certified Lead Environmental Auditor No. 12453).

The following sections provide an overview of the main elements of the audit process.

2.3 Site interviews and inspection

The on-site component of the audit was undertaken by the lead auditor between 2 September and 5 September 2013. The supporting specialists attended the site on 4 September 2013.

2.3.1 Opening meeting

An opening meeting was held at the Wongawilli Colliery administration facilities, which commenced at 9.00 am on 2 September 2013. The purpose of the opening meeting was to introduce the audit team, discuss the scope of the audit and the audit process. The methods to be used to undertake the audit were also explained. It was stated that the audit team would be interviewing personnel, evaluating environmental reporting and documentation, examining records and conducting a site inspection in order to address specific compliance requirements.

The attendees of the opening meeting are listed in Table 2.1.

Table 2.1 Opening meeting attendees

Staff	Organisation	Title
Hugh Madden	Parsons Brinkerhoff	Lead Environmental Auditor
David Clarkson	Wongawilli Coal Pty Ltd	Group Environment and Approvals Manager
Chris Irving	Wongawilli Coal Pty Ltd	Environment and Community Manager
Paul Coxhead	Wongawilli Coal Pty Ltd	Manager Mining Engineering
Prashant Kumar	Wongawilli Coal Pty Ltd	D/S Undermanager & Ventilation Officer

2.3.2 Audit interviews

Audit interviews and discussions were conducted by the audit team during the on-site component of the audit. Table 2.2 identifies the staff who were interviewed for the audit.

Table 2.2 Audit interviews

Staff	Organisation	Title
David Clarkson	Wongawilli Coal Pty Ltd	Group Manager and Approvals Manager
Chris Irving	Wongawilli Coal Pty Ltd	Environment and Community Manager
Paul Coxhead	Wongawilli Coal Pty Ltd	Manager Mining Engineering
Prashant Kumar	Wongawilli Coal Pty Ltd	D/S Undermanager & Ventilation Officer
Sudip Bhattacharya	Wongawilli Coal Pty Ltd	Geophysicist

2.3.3 Data collection and verification

Publically available documents were reviewed by the audit team prior to the on-site component of the audit. A number of documents were provided to the audit team during the on-site component of the audit. At the end of the on-site audit component and during the off-site audit activities a series of information requests and clarifications were issued by the auditor in order to complete the audit.

Due to Wongawilli Coal experiencing financial difficulties the audit was put on hold following the completion of the onsite component. The audit was recommenced in mid-January 2014 following the resolution of commercial issues and the supply of requested information. The off-site component of the audit was completed on 26 February 2014.

The auditor used detailed checklists to examine the compliance of Wongawilli Coal's operations during the audit period against Major Project Approval 09_0161, Statement of Commitments and Mining Lease 1595. These checklists, including a detailed assessment of compliance against each condition are provided as Appendix A (Major Project Approval 09_0161), Appendix B (Statement of Commitments) and Appendix C (Mining Lease 1596).

All responses provided to audit questions during the audit were verified where possible. For example, statements made by on-site staff were verified by reviewing relevant documentation and/or visual observations made during the site inspection.

Any instances where suitable verification could not be ascertained have been outlined in the detailed audit findings (refer to section 3).

2.3.4 Site inspection

A site inspection of Wongawilli Colliery main surface facility area (Pit Top) and Nebo Project Area (located within the Sydney Catchment Authority Special Area) was undertaken by the audit team on 4 September 2013. The audit team was escorted by Chris Irving (Environment and Community Manager).

2.3.5 Closing meeting

A closing meeting was held at Wongawilli Colliery administration facilities, commencing approximately 10.30am. During the closing meeting, a brief overview of the key audit findings was given followed by a discussion as to the process associated with the off-site audit component and audit reporting. The attendees of the closing meeting are identified in Table 2.3.

Table 2.3 Closing meeting attendees

Staff	Organisation	Title
Hugh Madden	Parsons Brinckerhoff	Lead Environmental Auditor
David Clarkson	Wongawilli Coal Pty Ltd	Group Environment and Approvals Manager
Chris Irving	Wongawilli Coal Pty Ltd	Environment and Community Manager

2.4 Reporting

Following the off-site review of documents provided and the close out requests for information/clarifications, the audit checklists (Major Project Approval, Statement of Commitments and Mining Lease) were completed.

This report was prepared to provide an overview of any compliance issues identified via the audit process and other observations made by the auditor and audit team members regarding environmental compliance and performance issues. This report has been prepared on an exception basis, highlighting any areas where action or improvements are required or recommended.

A draft version of this report was provided to Wongawilli Coal on 26 February 2014. Following consideration of comments from Wongawilli Coal, the report was finalised and issued to Wongawilli Coal on 11 March 2014.

2.5 Definitions

The categorisation of results from the audit was based on the following definitions:

- **Compliant (C)** – The intent and all specific requirements of the condition have been met.
- **Non-Compliant (NC)** – The intent or one or more specific requirements of the condition have not been met.
- **Not Applicable (NA)** – A condition or requirement has an activation or timing requirement that had not been sufficiently triggered at the time of the audit, therefore a determination of compliance could not be made.

3. Audit findings

3.1 Major Project Approval (09_0161)

Appendix A provides a detailed audit checklist of compliance against each condition of the Major Project Approval (09_0161, Wongawilli Colliery – Nebo Area Project). Overall, the audit identified 23 non-compliances against specific conditions of major project approval.

Non-compliances associated with the major project approval for the audit period of 2 November 2011 to 30 June 2013 were associated with the following issues:

- Schedule 2, Condition 6 – With respect to train movements at night, where night time is defined as 11.00 pm to 7.00 am by the project approval, the auditor noted instances where a train arrives at site prior to 7.00 am and combined with a train arrival and departure after 11.00 pm results in three (3) train movements at night and is a breach of the two (2) train movements a night restriction during normal operations.
- Schedule 2, Condition 7 – Longwall change-out notification was not issued to the Community Consultative Committee (CCC).
- Schedule 4, Condition 1 – Wongawilli Coal advised that current noise monitoring program is complaint driven and that there is no established noise monitoring program. This arrangement prevents an assessment of compliance against the noise criteria and goals detailed in the major project approval.
- Schedule 4, Condition 3 – As per above comment for Schedule 4, Condition 1.
- Schedule 4, Condition 4(b) – Train wagons numbers are less than the specified 30 wagons.
- Schedule 4, Condition 6(b) – Lack of an established noise monitoring program.
- Schedule 4, Condition 7(b) – Failure to prepare and submit a Noise Audit for the Director-General's approval by the end of June 2013.
- Schedule 4, Condition 8 - DP&I approval of the Noise Management Plan had not been achieved by the time of the audit. The Noise Management Plan does not provide details of a noise monitoring program.
- Schedule 4, Condition 11 – Lack of an established real-time dust monitoring program for PM10 and TSP.
- Schedule 4, Condition 12 – Lack of an established real-time dust monitoring program for PM10 and TSP.
- Schedule 4, Condition 13 – Lack of an established real-time dust monitoring program and meteorological station.
- Schedule 4, Condition 14 – DP&I approval of the Air Quality and Greenhouse Gas Management Plan had not been achieved by the time of the audit.
- Schedule 4, Condition 14 – Lack of an established meteorological station.
- Schedule 4, Condition 19 – Environment Protection Licence non-compliance (discharge of dirty water) reported in Annual Return for October 2011 – September 2012.
- Schedule 4, Condition 20 – DP&I approval of the Surface Water Management Plan had not been achieved by the time of the audit.
- Schedule 4, Condition 21 – DP&I approval of the Heritage Management Plan had not been achieved by the time of the audit.
- Schedule 4, Condition 23(b & c) – No inspections of external colliery lighting has been undertaken.

- Schedule 5, Condition 1 – Lack of an established noise monitoring program and real-time dust monitoring program.
- Schedule 6, Condition 1 – DP&I approval of the Environmental Management Strategy was obtained after the required 6 months from date of the major project approval.
- Schedule 6, Condition 4 – Wongawilli Coal advised that no specific reviews of strategies, plans or programs has been undertaken with respect to the requirement of this condition of approval.
- Schedule 6, Condition 6 – DP&I was not notified of environmental incidents.
- Schedule 6, Condition 8 – Failure to have completed an independent environmental audit by 30 June 2013.
- Schedule 6, Condition 10 – Company website does not provide access to some of the information specified by this condition of approval.

3.2 Statement of commitments

Appendix B provides a detailed audit checklist of compliance against each of the statement of commitments. Overall, the audit identified 12 non-compliances against specific statement of commitment.

Non-compliances associated with the statement of commitments for the audit period of 2 November 2011 to 30 June 2013 were associated with the following issues:

- Bushfire Management Plan has yet to be finalised and made available on the company's website.
- DP&I approval of the Surface Water Management Plan had not been achieved by the time of the audit.
- Lack of an established meteorological station (including rain gauge) at Pit Top.
- Lack of an established real-time dust monitoring program.
- Lack of a protocol to prevent the overfilling of rail wagons.
- Deposition dust gauges installed along rail line were not installed within the specified timeframe.
- No energy audits have been undertaken to date.
- Emissions inventory prepared for the project's environmental assessment has not been updated.
- Emissions and abatement strategies are not being reported on be it via internal reports or reports prepared for external parties.
- Lack of an established noise monitoring program.
- DP&I approval of the Noise Management Plan had not been achieved by the time of the audit.
- Waste skips bins were not covered or located under a roofed area.

3.3 Mining Lease (1596)

Appendix C provides a detailed audit checklist of compliance against each condition of Mining Lease (1596). Overall, the audit identified 5 non-compliances against mining lease conditions.

Non-compliances associated with Mining Lease (1596) for the audit period 2 November 2011 to 30 June 2013 were associated with the following issues:

- Condition 3b - Amend Mining Operation Plan to address future earthwork requirements in North West Portal area associated with steep slope stability.

- Condition 15a - No vibration monitoring of underground blasting associated with underground construction activities or a documented risk assessment to justify why vibration monitoring is not required.
- Condition 15b – No blast overpressure monitoring of underground blasting associated with underground construction activities or a documented risk assessment to justify why blast overpressure monitoring is not required.
- Condition 17(1) – NSW Office of Water has not been notified in advance of drilling operations and the required information to accompany the notification has not been supplied.
- Condition 18 – A number of environmental management housekeeping issues were observed at the time of the on-site audit component (e.g. excessive build-up of dirt on paved sections of the colliery work area, instances of poor chemical storage and steep banking with limited ground cover).

3.4 Site inspection

As described in section 2.3.4, a site inspection of the Wongawilli Colliery main surface facility area (Pit Top) and Nebo Project Areas (located with the Sydney Catchment Authority Special Area) was undertaken by all members of the audit team. The following sections detail recommendations for improved environmental management identified during the site inspection.

3.4.1 Surface water management

The following recommendations are made for improved surface water management:

- Stabilise steep and exposed bank adjacent to unsealed access track (North West Portal area).
- Improve erosion and sedimentation controls on flattened work bench areas of Colliery Pit Top to minimise the potential transfer of sediment in to the clean water system.
- Improve chemical storage practices. Ensure no chemical products are stored in the vicinity of established monitoring points. At the time of the site inspection a bitumen product was stored adjacent to EPL licensed discharge point 2.
- A flow meter is fitted to a pipe associated with mine dewatering. Ensure flow meter calibration is in date.
- Wattle Creek WC3 monitoring point (located in Sydney Catchment Authority Special Area). The flow gauging cross section is comprised of bedrock but there is overlying gravel which might cause the cross-section area to alter during high and low flows. Check rating curves during both low and high flows for accuracy.
- Undertake and document an assessment as to when Mine Dam requires dredging.
- Undertake and document an assessment of the Settlement Dam to ensure correct sizing for catchment in accordance with the guidance provided in the 'Blue Book'.
- Review of EPL licensed discharge points with EPA once surface water schematic has been updated.

3.4.2 Noise management

Based on the site inspection, future noise source audits should include ventilation plant and coal loading conveyors used to load train wagons.

3.4.3 Air quality and greenhouse gas management

Based on the site inspection, Wongawilli Coal should investigate options to enable the levelling out of coal once it is loaded into a train wagon (e.g. levelling bar/screen) to reduce the potential for coal dust being generated during its transport to port by rail. The levelling bar/screen should also comprise a watering system to assist with coal dust suppression. In addition, Wongawilli Coal should ensure that the trial for the reduction of the coal stockpile height as per the Coal Mine Particulate Matter Control Best Practice Report (dated September 2012) is undertaken and documented.

At the time of the on-site component of the audit, an excessive build-up of dirt was observed on paved sections around the Colliery work areas (Pit Top). Housekeeping efforts with respect to dust mitigation requires improvement.

3.4.4 Other environmental management recommendations

The following environmental management recommendations were identified during the site inspection component of the audit:

- Wongawilli Coal to review and improve their chemical storage practices. Specifically, Wongawilli Coal should:
 - ▶ Reduce the number of locations where chemicals are stored and ensure the chemical stores are designed in accordance with current EPA recommended practices and have designated spill response kits.
 - ▶ Use or dispose of redundant chemical products (e.g. Petrotek, which is an underground dust suppressant).
 - ▶ Clean out bunded areas to ensure that the full capacity of bunded areas are available.
 - ▶ Look to purchase chemicals (e.g. oils) in bulk as opposed to numerous small/medium drums, which present a storage challenge and additional containers requiring waste management.
- Demarcate sampling locations associated with EPL 1087 (e.g. licensed discharge point 2) to prevent the encroachment of equipment, materials and chemicals.
- Review and determine the need to clear vegetation within the easement of Wongawilli Coal's overhead electrical transmission line. At the time of the site inspection, vegetation growth was significant compared to the easement of Sydney Water's electrical transmission line. The proper management of vegetation in electrical transmission easements can reduce the risk of bushfires.

3.5 Environmental management plans

The Wongawilli Colliery and Nebo Area Project operate under a suite of environmental management plans that have been prepared in response to the requirements of the Major Project Approval, Statement of Commitments and Mining Lease. The following documents were made available to the audit team:

- Wongawilli Colliery Environmental Management System Strategic Framework (ref: NREW EMS STD 001, Rev 2, 20 May 2013).
- Wongawilli Colliery Nebo Longwalls N1-N6 Extraction Plan (ref: NREW EMS MP019, Rev 1, November 2012 & Rev, 2 18 March 2013). This document is also known and referred to as the Subsidence Management Plan. The Extraction Plan includes the following management plans:
 - ▶ Built Features.
 - ▶ Public Safety.
 - ▶ Water.

- ▶ Biodiversity.
- ▶ Land.
- ▶ Heritage.
- Wongawilli Colliery Mining Operation Plan 2011-2013 (ref: 111067-04/Report 001, Rev 3, December 2011).
- Wongawilli Colliery Nebo Longwalls N1-N6 Subsidence Monitoring Plan (ref: NREW EMS MP002, Rev 2, 6 June 2013).
- Wongawilli Colliery Noise Management Plan (ref: NREW EMS MP010, Rev 2, 20 May 2013).
- Wongawilli Colliery Air Quality & Greenhouse Gas Management Plan (ref: NREW EMS MP011, Rev 3, 29 August 2013).
- Wongawilli Colliery Surface Water Management Plan (ref: NREW EMS MP006, Rev 3, 29 August 2013).
- Wongawilli Colliery Heritage Management Plan (ref: NRE EMS MP008, Rev 3, 29 August 2013).

The auditor notes that there is no stand-alone Rehabilitation Management Plan and that rehabilitation requirements are addressed by the Extraction Plan and the Mining Operation Plan.

The auditor was advised that a Bushfire Management Plan was in the process of being finalised, however it was not made available to the auditor.

3.5.1 Improvement opportunities for management plans

The following management plan improvement opportunities were identified by the audit process.

3.5.1.1 Surface water management plan

The following improvement opportunities were identified with respect to the surface water management plan:

- Details regarding water supply contingencies should be addressed in the surface water management plan. The contingencies should address the potential loss of access to water from Cordeaux reservoir and local water reticulation system.
- Update management plan with relevant aspects of the NSW Office of Water issued Groundwater Licence 10BL602990.
- Update management plan with details of water discharge locations and limits as specified in Environment Protection Licence (EPL 1087).
- Review and update surface water schematic based on actual site water management process, controls and features.
- Update management plan to provide a schedule for change in site waste water management (i.e. decommissioning of site sewage system and connection to town sewerage system).
- Review and update documented wastewater practices.
- Review and update proposed measures to reduce potable water use.
- Provide specific details regarding the required erosion and sedimentation control measures and their corresponding location as well as clarifying other sediment control practices on site.

Groundwater management

Attachment E of the Surface Water Management Plan is the Wongawilli Colliery Nebo Longwalls N1–N6 Surface and Groundwater Baseline Report (Wongawilli Coal Pty Ltd, 28 March 2013).

The minimum, maximum and medium values for the groundwater parameters measured and analysed are provided. Although the geological units the piezometers are screened across are not known, therefore it can be difficult to compare against the expected results and some of the data implies potential issues. For example, at Nebo 1D, the pH ranges from 2.42 to 10.46 and the electrical conductivity ranges from 123 to 2,965 uS/cm. A number of reporting errors were also observed for Nebo 1 D.

The groundwater triggers have been developed based on a variation to the established baseline, i.e. percentage increase above the baseline maximum or value decrease below the baseline minimum. Given the uncertainties regarding the data presented, potential impacts may not be identified.

To address the above issues the following recommendations are made:

- Management plan to provide details as to the geological units that have been screened by each piezometer.
- Undertake a quality check of the data to ensure the accuracy of the baseline data.
- Hydrogeologist to review the data collected to date and determine if potentially erroneous values should be removed from the baseline data set.
- Statistical analysis of baseline data to be performed to review outliers that may not represent 'true' baseline data.

3.5.1.2 Noise management plan

The following improvement opportunities were identified with respect to the noise management plan:

- Update management plan with recommendations from noise audit including a noise monitoring program.
- Noise management plan to address individual residences on West Dapto Road.
- Provide written advice and evidence to DP&I that current site arrangements only allow for trains with 21 wagons and include this information in the noise management plan.
- Review the feasibility of reducing the maximum train movements (particularly at night).
- Maintain a current copy of the RailCorp EPL (12208).

3.5.1.3 Air quality and greenhouse gas management plan

With respect to the air quality and greenhouse gas management plan, it should be updated with details of the real-time air quality monitoring program (i.e. location of monitoring stations, parameters monitored, compliance criteria, action response trigger levels and reporting requirements).

3.5.1.4 Extraction plan

Where appropriate, the improvement opportunities identified for the surface water management plan, noise management plan and the air quality and greenhouse gas management plan should be adopted within the extraction plan.

Groundwater management

The following improvement opportunities were identified with respect to the groundwater management aspects of the extraction plan:

- The extraction plan should be updated to reflect compliance requirements associated with the NSW Office of Water issued Groundwater Licence 10BL602990.
- Provision of a more detailed geology section (i.e. section 2.4 of Extraction Plan) including a stratigraphic section representative of the site rather than a generic stratigraphic section of the Southern Coalfield. It is noted that this section focusses on the Cordeaux Crininite which dominates the surface geology.
- Provision of additional information regarding piezometers. Within the Nebo Longwalls N1–N6, there are six open standpipe piezometers. It would be useful to detail the aquifer the piezometers are screened across so as to allow a better review of the adequacy of the monitoring network and data collected.
- Update groundwater quality summary. The groundwater quality summary presented is based on a report prepared by Geo Terra in June 2010, and therefore has not been updated to include data collected in subsequent years.
- A number of inconsistencies were identified with respect to groundwater, which should be addressed. These inconsistencies include the following:
 - ▶ There is inconsistency between the groundwater quality monitoring program for the piezometers. Table 7.10 states that a sample for laboratory analysis will be collected at the start and end of each longwall panel for piezometers adjacent to each longwall panel, otherwise one sample per year. However, in Table 7.11, the program consists of laboratory analysis every four months prior to mining, every two months during mining, and every four months until Nebo mining is completed.
 - ▶ Monitoring groundwater quality (laboratory parameters) every four months until Nebo mining is completed (Table 7.11) is contrary to the statement in Section 7.3.2 that the groundwater monitoring program will extend beyond the active mine life in order to assess the longer term water quality for an agreed period after closure.
 - ▶ There are inconsistencies in whether samples collected for iron and manganese will be filtered or unfiltered. In Table 7.10 it states metals will be filtered, however in Table 7.11, the triggers are related to total iron and total manganese (i.e. unfiltered).
 - ▶ There are inconsistencies with the groundwater level and quality triggers specified in Section 7.3.2 (page 61) and triggers specified in Table 7.11 (pages 68–71). Page 61 specifies a groundwater level trigger will be 10 m or greater decline in groundwater level (basement piezometers) over at least 2 months, a greater than 10% reduction in the unconfined alluvial aquifer over at least 2 months, and a groundwater quality parameter exceedance over at least 4 months. Table 7.11 specifies a reduction in groundwater level which extends for more than 2 months and is outside baseline variability (no specification on metre or percentage reduction) and a groundwater quality reduction which extends for more than 2 months.
- During the on-site component of the audit, the audit team was advised that purging of groundwater piezometers prior to collection of samples is not undertaken. Stagnant water needs to be removed prior to sampling in order to obtain a representative sample, with at least three well volumes removed and until such time as the pH and electrical conductivity have stabilised. It is recommended that a field sampling guideline be developed and implemented in accordance with the relevant Australian and New Zealand Standards. The guideline should include procedures addressing calibration of monitoring equipment, purging of piezometers, sample preparation (e.g. filtered or unfiltered), sample preservation and holding times.
- The groundwater monitoring program would benefit from the addition of field measurements for temperature and oxidation-reduction potential.

3.5.1.5 Bushfire management plan

The Bushfire management plan needs to be finalised and made available on the company's website.

3.5.1.6 Review of management plans

The Major Project Approval (Schedule 6, Condition 4) details a number of trigger actions that require Wongawilli Coal to review, and if necessary revise, the strategies, plans and programs required under the major project approval to the satisfaction of the Director-General. The project's management plans are to be updated to reflect the review/revision requirements of Schedule 6, Condition 4.

3.6 Agency issues

Of the government agencies consulted prior to the audit, only NOW raised any specific questions for consideration. It should be noted that the response from NOW was received following the completion of the on-site component of the audit.

3.6.1 NOW questions

The following summarises the questions raised by NOW and Wongawilli Coal's responses.

Question 1 - Has the consent holder provided a water balance in their annual review and as part of the Water Management Plan? Does the site water balance include details of all sources and security of water supply, on site water use and management and off site water transfers and investigates measures to minimise water use by the projects?

Wongawilli Coal Response – Annual review as required by groundwater licence is expected to be completed in February 2014.

Auditor Comment – The Surface Water Management Plan provides the following information regarding the water balance. Water demands for the Colliery are predicted to be 30 ML per year. Two thirds of this demand is anticipated to be met from the Upper Cordeaux Reservoir No.1 and one third from the Wollongong Reticulation System. At present the Colliery is not dewatering the mine. The first workings associated with the western drivage have started to produce small quantities of groundwater. This water is directed through the site's dirty water system to the Filter Lagoon. As the volume of water increases, and the quality is found to meet the discharge criteria of EPL 1087 licensed discharge point 2, the flow will be re-directed to this system.

Auditor Comment – Details of water management associated with water supply and use, surface water management, groundwater management as well as sewage treatment/disposal is addressed as part of the Annual Environmental Management Reports prepared and submitted to NSW Trade & Investment, Division of Resources and Energy and Annual Reviews prepared and submitted to the DP&I.

Question 2 - Is the water balance provided sufficient to determine the volume of water taken from each relevant water source?

Wongawilli Coal Response – Not Applicable.

Auditor Comment – The auditor notes that the supply of water from the Upper Cordeaux Reservoir No. 1 is metered with Sydney Catchment Authority's agent (Sydney Water) responsible for issuing the Colliery a water bill on behalf of the Sydney Catchment Authority. Water sourced from the Wollongong Reticulation System would also be subject to metering and associated invoicing. With respect to Groundwater Licence 10BL602990, the volume of groundwater extracted from the works authorised by this licence shall not exceed 1,650 Megalitres in any 12 month period commencing 1 July.

Question 3 - Does the consent holder hold sufficient licences to account for their take of surface and groundwater from water sources managed under the *Water Management Act 2000* (Water Sharing Plan for Greater Metropolitan Region Groundwater Sources 2011 and Water Sharing Plan for the Greater Metropolitan Region Unregulated River Water Sources 2011) for all stages of the project?

Wongawilli Coal Response – Yes. Groundwater Licence 10BL602990 was issued to the Wongawilli Colliery on 16 January 2013.

Question 4 - Does the consent holder comply with the conditions on those licences?

Wongawilli Coal Response – Yes. In accordance with Condition 5 of the Groundwater Licence, Wongawilli Coal will be preparing their first annual compliance report against for the reporting period 1 January 2013 to 1 January 2014. This report is expected to be issued in February 2014 and in future this report will be integrated into Annual Environmental Review Reports.

Auditor Comment – None.

Question 5 - Did the consent holder undertake a comparison of the EIS predicted versus observed / measured impacts on water resources and their dependent eco-systems?

Wongawilli Coal Response – Yes, In Annual Environmental Management Reports and predominantly as part of the subsidence management plan impacts in catchment areas.

Auditor Comment – Details regarding any impact to surface water quality, groundwater quality, threatened flora, threatened fauna within the catchment lease and subsidence management plan areas are documented in Annual Environmental Management Reports prepared and submitted to NSW Trade & Investment, Division of Resources and Energy and Annual Reviews prepared and submitted to the DP&I.

3.6.2 Auditor recommendation

The groundwater licence (ref: 10BL602990) was issued by NOW on 16 January 2013. It is noted that the audit period of this independent environmental audit does not cover a full year of operations under the groundwater licence.

The auditor notes that the groundwater licence is prescriptive in nature. As such, it is recommended that future independent environmental compliance audits assess compliance with the requirements of the groundwater licence (ref: 10BL602990) as a number of reporting periods 'water years' would have been completed.

3.7 Environmental management performance

The following sections provide a summary of the environmental management performance of the project during the audit timeframe of 2 November 2011 to 30 June 2013.

3.7.1 Environment Protection Licence 1087

The Wongawilli Coal holds an Environment Protection Licence (EPL No. 1087) for the schedule activities of Coal Works and Mining for Coal. The approved scale of the scheduled activities are as follows:

- Coal Works: 0 – 2,000,000 tonnes handled.
- Mining for Coal: >500,000 – 2,000,000 tonnes produced.

EPL No. 1087 specifies requirements associated with five air quality and six water quality monitoring points.

As part of this audit, the following annual return reports were reviewed:

- 01 October 2011 to 30 September 2012.
- 01 October 2012 to 30 September 2013.

3.7.1.1 EPL Non-Compliances

The Annual Return report for 1 October 2011 to 30 September 2012 identified one non-compliance, which occurred in November 2011. The non-compliance was associated with the discharge of dirty water during an intense storm (rainfall) event. The storm mobilised vegetation which blocked a drain resulting in the discharge of dirty water. The dirty water ran down Jersey Farm Road and entered a tributary of Robins Creek. Wongawilli Coal cleared the blockage and the inspection of this area has been included as part of its weekly environmental sump inspection/report.

The Annual Return report for 1 October 2012 to 30 September 2013 identified one non-compliance. The non-compliance was due to the fact that laboratory analysis results for all depositional dust monitoring sites for the months of March and April 2013 were not presented in the respective monthly summaries. The non-compliance arose due to commercial issues between Wongawilli Coal and the service provider.

3.7.1.2 EPL Complaints

The Annual Return report for 1 October 2011 to 30 September 2012 identified thirteen complaints consisting of one air complaint, eleven noise complaints and one 'other' complaint.

The Annual Return report for 1 October 2012 to 30 September 2013 did not identify any complaints.

3.7.1.3 Pollution Incident Response Management Plan

The auditor notes that the Annual Return for 1 October 2012 to 30 September 2013 includes the following details regarding the Colliery's Pollution Incident Response Management Plan (PIRMP):

- The PIRMP had not been activated during the reporting period.
- The PIRMP had not been tested.

The auditor notes that company's website link to the PIRMP does not provide access to the PIRMP, but rather EPL 1087 and EPA correspondence dated 6 December 2011.

3.7.1.4 Pollution Reduction Programs

The following Pollution Reduction Programs were completed during the audit timeframe (2 November 2011 to 30 June 2013):

- **PRP9:** Coal Mine Particulate Matter Best Control Best Practice – Licensee is to conduct and report a site specific Best Management Practice (BM) determination to identify the most practicable means to reduce particulate emissions. The auditor notes that this PRP was completed in September 2012.
- **PRP10:** Decline Conveyor Stormwater Management – Licensee is to install diversion drains and sediment ponds to capture overflow from the decline conveyor sediment pond. The auditor notes that this PRP was completed 28 February 2012.
- **PRP11:** Noise Reduction from the Screener/Sizer Building – Licensee must reduce noise from the vibrating screen in the screen/sizer building by extending the existing housing structure towards the west and the north side and roof of the building. The works must be completed by 31 May 2012. PRP11 was completed 8 June 2012.

3.7.2 Environmental incidents

During the course of the audit, the following environmental incidents were identified.

3.7.2.1 Annual Review reporting period 2 November 2011 to 2 November 2012

- Incident involving the spill of hydraulic oil to ground during exploration activities. 20–30 litres of hydraulic oil was spilt due a burst hydraulic hose on a drill rig. The spill was contained at the area using spill kits located on the drill rig and the surface of the ground was stripped, with contaminated soil placed in contamination bags and transported out of the Sydney Catchment Authority Special Area. The incident was reported through the SCA and an investigation was conducted on the incident.
- Threatening Incident (7 May 2012) – Wongawilli Coal advised the EPA of a situation whereby there was an increase in the observed level of sediment and measured TSS concentrations being discharged from the colliery's clean water Mine Dam. The auditor notes that the EPL pollution limit for TSS was not exceeded and that the Wongawilli Coal advised the EPA that the incident was not a pollution incident. The auditor notes that Wongawilli Coal did not include DP&I as part of the notification. Wongawilli Coal Annual Review Report for 2 November 2011 to 2 November 2012 provides additional commentary on this incident.

"...sediment from the C Portal at the North West Mains Portal area entered the clean water management system as a result to a change in drainage in the area. Increased sediment was observed during inspection of the Mine Dam at the bottom of the Colliery. Drainage for the C Portal area was changed and sediment levels in the Mine Dam returned to pre-disturbance levels. The EPA was notified of this occurrence on 7th May 2012 but no water pollution incident resulted due to this issue as identified by water quality monitoring".

- On 29 August 2013, Wongawilli Coal advised Trade & Investment/Resources & Energy of unauthorised land clearing and earthworks in the North West Mains Portal area had occurred. This work was not covered by the approved MOP. Wongawilli Coal advised that this work had occurred 'a few months ago' (i.e. prior to 29 August 2013). The unauthorised work involved the clearing of several trees to create a small bench on a steep slope. The works took place in an effort to resolve land stability issues resulting from the initial development of the project area. Due to stability issues, several trees were identified as safety hazards for operations in the area. The auditor notes that Wongawilli Coal did not include DP&I and EPA as part of the notification.

3.7.2.2 Annual Review reporting period 2 November 2012 to 2 November 2013

- During an inspection of exploration drill site NWW GW02 by SCA personnel on 18 April 2013, it was observed that the standard of sediment control was inadequate. Sections of the sediment fence around the perimeter of the drill site needed to be tightened and adjusted due to slackening since the time of installation. The sediment fences were still providing adequate sediment control from the drill site but an improved standard of housekeeping was required. Wongawilli Coal responded and resolved this issue with the SCA and will ensure sediment controls are inspected and maintained at a better standard at future borehole sites.
- A water cart servicing drill site NWW GW02 became bogged along the access track to the site. The impact to the track was minor and remediation was completed as per the Incident Response Plan for the Exploration Program. The SCA was notified of the incident and no environmental harm or water quality impacts occurred as a result.
- Incident involving the spill of hydraulic oil to ground during exploration activities. Approximately 5 litres of hydraulic oil was spilt due to a burst hydraulic hose from the main winch on the drill rig. The spill was contained at the area using spill kits located on the drill rig and the surface of the ground was stripped, with contaminated soil placed in contamination bags and transported out of the Sydney Catchment Authority area. The incident was reported through to the SCA and an investigation was conducted on the incident.

3.7.2.3 Annual Environmental Management Review reporting period 1 July 2012 to 30 June 2013

Two wallabies were struck and killed by vehicles on the Wongawilli Colliery Access Road during the reporting period.

3.7.3 Complaints

The following is a summary of the complaints Wongawilli Coal received during the Annual Review reporting periods of 2 November 2011 to 2 November 2012 and 2 November 2012 to 2 November 2013.

3.7.3.1 Annual Review reporting period 2 November 2011 to 2 November 2012

- Five noise complaints regarding vibrating screen at Screener/Sizer building.
- One noise complaint regarding train sounding horn at crossing on West Dapto Rd at 2.00 am.
- One noise complaint regarding loud noise from colliery and attributed to maintenance on coal bins at the stockpile.
- One odour complaint attributable to rill tower conveyor malfunction.
- One complaint regarding speeding vehicles and dangerous driving through Wongawilli Village by mine personnel.

3.7.3.2 Annual Review reporting period 2 November 2012 to 2 November 2013

One dust complaint was received regarding suspected coal dust deposited on house and back yard over the weeks leading up to complaint being lodged. Wongawilli Coal identified that the issue was attributed to strong winds in the area at the time and passing trains as well as low moisture coal being loaded into train wagons from the stockpile.

The auditor notes that the number of complaints has decreased since the first Annual Review reporting period. This reduction is attributed to the resolution of noise issues associated with the vibrating screen of the screen/sizer building.

3.8 Environmental performance reporting

3.8.1 Annual Reviews

Given the nature of the project and its status at the time of the audit, the following is a summary of the reported environmental management performance from the project's Annual Review reports for the reporting periods of 2 November 2011 to 2 November 2012 and 2 November 2012 to 2 November 2013.

3.8.1.1 Air quality

2 November 2011 to 2 November 2012

Air Pollution (Depositional Dust) – There has been no non-compliances of the NSW EPA yearly average guideline value of 4g/m²/month for the reporting period. During December 2011, dust monitoring gauge A693(F) recorded an insoluble solid level of 5.0 g/m²/month. On investigation, Wongawilli Coal is of the opinion that this high insoluble solids level was due to a localised disturbance, as the other depositional dust gauge results from the same area do not have similar elevated levels and as such it indicates that the source was not from the Wongawilli Colliery. Wongawilli Coal stated that monitoring from the following months did not identify this exceedence as a re-occurring event.

2 November 2012 to 2 November 2013

Air Pollution (Deposition Dust) – There has been no non-compliances with the NSW EPA yearly average value of $4\text{g/m}^2/\text{month}$ for the reporting period. The auditor notes two instances where insoluble solids levels were reported as $6.0\text{ g/m}^2/\text{month}$ and $6.1\text{ g/m}^2/\text{month}$ with no commentary or explanation provided.

3.8.1.2 Operational noise

2 November 2011 to 2 November 2012

There were no reportable noise related incidents during the reporting period.

2 November 2012 to 2 November 2013

There were no reportable noise related incidents during the reporting period.

3.8.1.3 Surface water and groundwater

2 November 2011 to 2 November 2012

Surface Water Pollution – There were no reportable surface water pollution incidents during the reporting period. There were no non-compliances with the subsidence management plan approvals during the reporting period.

Groundwater Water Pollution – There were no non-compliances with subsidence management plan approvals and no other reportable groundwater pollution incidents during the reporting period at either Pit Top sites or in subsidence management plan area.

2 November 2012 to 2 November 2013

Surface Water Pollution – There were no reportable surface water pollution incidents during the reporting period. There were no non-compliances with the subsidence management plan approvals during the reporting period.

Groundwater Water Pollution - There were no non-compliances with subsidence management plan approvals and no other reportable groundwater pollution incidents during the reporting period at either Pit Top sites or in subsidence management plan area.

3.8.2 Recommendations

The following recommendations are made with respect to future Annual Review reports:

- Monitoring data collected over the life of the project is to be progressively included in the Annual Review reports as tabulated data and be presented graphically. This will facilitate the identification of trends in monitoring data and support the interpretation of monitoring results against trends.
- Annual Review reports would benefit from a more detailed commentary regarding what the monitoring data identifies in terms of whether actual impacts are as predicted and the identification of any associated discrepancies. This recommendation would also enable a more detailed assessment as to the significance of any discrepancies.
- Following the establishment of the noise monitoring program and real time air quality monitoring program, future Annual Review reports would benefit from a detail assessment of compliance against the relevant noise and air quality criteria as specified in the project approval.

- Annual Review reports would benefit from the inclusion of an actions tracking register. Where DP&I requests an action, clarification or additional information following their review and acceptance of an Annual Review report, the action would be placed in the tracking register. Details regarding how the action was addressed and closed out by Wongawilli Coal would be documented. The action register would form part of the Annual Review report. The action register could also be used to record actions, clarifications or additional information requests from other regulators (e.g. EPA) and could also be applied to the Annual Environmental Management Reports.
- It is possible that Wongawilli Coal may seek to combine the Annual Review reporting requirements of DP&I with the Annual Environmental Management Report requirements of NSW Trade & Investment/Resources & Energy. If a combined report approach is proposed, it should be done with the agreement of DP&I and NSW Trade & Investment/Resources & Energy. In addition, the combined report should address both reporting requirements and not be a case of substituting one report for the other.

3.9 Environmental impact assessment

The project's Environmental Assessment 'NRE Wongawilli Colliery Nebo Area Environmental Assessment' (ref: 0097271RP01, October 2010) was prepared by ERM on behalf of Wongawilli Coal.

Table 3.1 provides a review of key environment assessment conclusions made and the findings of the audit.

Table 3.1 Summary of audit findings with respect to the key environmental assessment conclusions

Environmental Assessment Conclusions	Audit finding
Subsidence – due to the presence of the Cordeaux Crinanite, predicted subsidence movements as a result of the extraction of the Nebo longwalls are relatively low. The maximum predicted total subsidence within the potential subsidence footprint, resulting from the extraction of the proposed longwalls N1 to N6 is 400 mm which occurs above the pillar between longwalls N1 and N5. There are no significant features located within the subsidence footprint. As a results impacts to natural and manmade features are not likely.	<p>This is first independent environmental audit. At the time of the audit, limited longwall mining had been undertaken as part of the Nebo Area Project. The first longwall (i.e. Longwall N2) within the Nebo project area commenced in June 2013 and had advanced approximately 290 m at the time of the audit (September 2013).</p> <p>Given the limited extent of long wall mining associated with the Nebo Area Project within the audit timeframe (i.e. 2 November 2011 to 30 June 2013) no assessment can be made regarding the predicted subsidence impacts.</p> <p>Recommendation - Future independent environmental audits should assess subsidence matters and the audit team should include an independent subsidence specialist to support the auditor.</p>
Catchment Surface Water – due to the lack of predicted subsidence, stream bed cracking or associated stream flow changes in Wattle Creek or Little Wattle Tree Creek, no adverse effect on Upper Cordeaux No. 1 or No. 2 Reservoirs water quality is anticipated.	As per previous comment.
Wongawilli Pit Top Water – the project will not result in significant changes in water demand at the Colliery. The existing surface water management system will continue to operate as per existing practices. The frequency of off-site discharge is likely to be relatively low and the project is not expected to cause significant changes to downstream water quality.	Based on the information reviewed as part of this audit (e.g. EPL Annual Return reports, Annual Reviews, etc.) and site observations, the operation of the Colliery is in line with the conclusions/predictions of the Environmental Assessment with respect to Wongawilli Pit Top Water.

Environmental Assessment Conclusions	Audit finding
<p>Groundwater – due to the presence of the Cordeaux Crinanite, which is predicted to remain an aquitard after mining, it is predicted that there will be no adverse impacts on groundwater. In addition, there will be no lowering of the piezometric surface.</p>	<p>Given the limited extent of longwall mining within the Nebo Project Area at the time of the audit, no assessment can be made regarding the predicted groundwater impacts.</p> <p>Recommendation - Future independent environmental audits should assess groundwater impacts and the audit team should include an independent groundwater specialist to support the auditor.</p>
<p>Air Quality - the project is not expected to significantly impact on the long term air quality parameters of dust deposition, annual average PM10 and TSP.</p>	<p>The lack of a real-time dust monitoring program prevents an assessment being made regarding the predicted air quality impacts.</p> <p>The auditor notes that there were no air quality complaints recorded by Wongawilli Coal for the period (January 2011 to July 2013).</p> <p>Recommendation - Establish real-time dust monitoring program.</p>
<p>Greenhouse Gas – total emissions over the lifetime of the Project (Scopes 1, 2 and 3) have been calculated as being 18, 378, 427 t CO₂-e. Annual total emissions are anticipated to peak in 2011, contributing 6,126,246 t CO₂-e to atmosphere.</p>	<p>The auditor was provided the NGER (Section 19 – Energy and Emissions report) for reporting period 1 July 2012 to 30 June 2013. The total greenhouse gas emissions (scope 1 and scope 2) from operation of this facility during the reporting period was 73,083 t CO₂-e.</p> <p>Recommendation – Review and update emissions inventory and estimates of greenhouse gas emissions for comparison against the environmental assessment conclusion during the lifetime of the project.</p> <p>Recommendation - Undertake energy audits as per Statement of Commitments.</p>
<p>Noise – modelled noise levels are expected to meet the relevant project specific noise criteria at most receivers. Exceedences of up to 4 dB are predicted at one receiver and up to 2 dB at another receiver. Maximum noise emissions during night time operations are predicted to be below the sleep disturbance noise criteria. Exceedences of up to 5 dB are predicted from rail noise at receivers. These predictions will be confirmed through a noise monitoring program and mitigation will be undertaken if required.</p>	<p>At the time of the audit, a noise monitoring program was not in place, which prevents the confirmation of prediction made during the noise modelling as part of the environmental assessment process.</p> <p>The auditor notes that the Noise Audit (as required by project approval) involved the construction of new and updated noise model, revised scenarios and updated predictions. A number of exceedences were predicted by the noise audit. The predicted exceedences range from 1–8 dB for various scenarios.</p> <p>The auditor notes that noise complaints received by Wongawilli Coal have been investigated and addressed.</p> <p>Recommendation – Implement a noise monitoring program that is not complaints based/driven.</p>
<p>Aquatic Ecology – predicted subsidence arising from mining in the Nebo Area is not expected to have any detectable impacts on aquatic habitats or their biota.</p>	<p>Given the limited extent of longwall mining within the Nebo Project Area at the time of the audit, no assessment can be made regarding the predicted aquatic ecology impacts.</p> <p>Annual Review Reports for November 2011 to November 2012 and November 2012 to November 2013 indicate no impacts on aquatic ecology.</p> <p>Recommendation - Future independent environmental audits should assess aquatic ecology impacts and the audit team should include an independent ecologist to support the auditor.</p>

Environmental Assessment Conclusions	Audit finding
Terrestrial Ecology – the proposed activities will be unlikely to significantly impact ecologically sensitive values.	<p>Given the limited extent of longwall mining within the Nebo Project Area at the time of the audit, no assessment can be made regarding the predicted aquatic ecology impacts.</p> <p>Annual Review Reports for November 2011 to November 2012 and November 2012 to November 2013 indicate no impacts to terrestrial ecology.</p> <p>Recommendation - Future independent environmental audits should assess terrestrial ecology impacts and the audit team should include an independent ecologist to support the auditor.</p>
Aboriginal Heritage – no Aboriginal heritage items are predicted to be significantly impacted by the project.	<p>No evidence of significant impacts to Aboriginal heritage items was identified by the audit.</p> <p>Annual Review Reports for November 2011 to November 2012 and November 2012 to November 2013 indicate that there were no known reportable incidents affecting Aboriginal heritage items during the reporting periods.</p>
Historical Heritage – no items of historic heritage are predicted to be significantly impacted by the project.	<p>No evidence of significant impacts to Historical heritage was identified by the audit.</p> <p>Annual Review Reports for November 2011 to November 2012 and November 2012 to November 2013 indicate there were no known reportable incidents affecting Historical heritage during the reporting periods.</p>
Traffic and Transport – the project is not predicted to impact on the safety and performance of the road network or transport rail corridor.	<p>Site observations during the audit support the environmental assessment conclusion that the project is not predicted to impact on the safety and performance of the road network.</p> <p>The auditor did not identify any issues associated with the safety and performance of the transport rail corridor.</p>
Visual Amenity – no changes to the existing viewscape are proposed as part of the project.	<p>Site observations during the audit (i.e. during day light hours) support the environmental assessment conclusion that there have been no significant changes have occurred to the existing viewscape as a result of the project.</p>
Waste – continued implementation of current waste management practices, as amended to reflect improve technology or practice, will minimise potential adverse impacts resulting from waste generation.	<p>The auditor notes that waste management practices are a continuation of practices associated with previous operations (i.e. those at the time of the environmental assessment). While no adverse impacts were identified associated from waste generation, it is the opinion of the auditor that a waste management plan is required. The waste management should be developed taking into account current waste management policies, practices and guidelines.</p> <p>Recommendation – Prepare a waste management plan for the project and the operations of the Colliery.</p>
Socio-Economic – the social and economic impacts from the Project occur within an existing operation and therefore are not expected to significantly change the existing socio-economic environment.	<p>Based on site observations and the review of documentation, no evidence was identified to contradict the conclusion of the environmental assessment with respect to socio economic impacts.</p>

3.10 Regulatory action

3.10.1 DP&I

On 11 July 2013, DP&I issued an Enforcement Action against Wongawilli Coal. Infringement notices were issued due to the failure to comply with Condition No. 7, Schedule 4 that being failure to prepare and submit a Noise Audit for the Director-General's approval by the end of June 2013. The second infringement notice was issued due to the failure to comply with Condition No. 8, Schedule that being failure to commission and pay the full costs of an Independent Environmental Audit by the end of June 2013.

In addition to the infringement notices, the enforcement action included the following compliance actions:

- Prepare and submit a Noise Audit for the Director-General's approval by 30 September 2013, as required by Condition 4 of Schedule 2.
- Commission and payment of the full costs of the Independent Environmental Audit, by 30 September 2013, as required by Condition 4 of Schedule 2.
- Within six weeks of the completion of the Independent Environmental Audit, or as otherwise agreed by the Director-General, submit a copy of the audit report to the Director-General, together with its response to any recommendations contained in the audit report, as required by Condition 9 of Schedule 6.
- Commission the equipment and commence real-time air quality monitoring by 31 December 2013.
- Finalise the Air Quality and Greenhouse Gas Management Plan, Surface Water Management Plan and Heritage Management Plan and submit for the Director-General's approval by 30 August 2013, as required by Conditions 14, 20 and 21 of Schedule 4 and Condition 4 of Schedule 2, bearing in mind that the Air Quality and Greenhouse Management Plan will also need to be revised within three months of the completion of real-time air quality monitoring.
- Finalise the Noise Management Plan and submit for the Director-General's approval within three months of the Director-General's approval of the Noise Audit, as required by Condition 8 of Schedule 4 and Condition 4 of Schedule 2.
- Make copies of annual reviews available on the company's website, as required by Condition 10 of Schedule 4.
- Prepare the Bushfire Management Plan and make a copy of the plan available on the company's website, as required by the Statement of Commitments.

3.10.1.1 Recommendation

Condition 9, Schedule 6 of the major project approval requires Wongawilli Coal to submit a copy of the audit report to the Director-General, together with its response to any recommendations contained in the audit report. The auditor recommends that Wongawilli Coal as part of its submission also include a status report regarding the actions taken to address the infringement notices and compliance actions issued by DP&I.

3.10.2 NSW EPA

On 18 July 2013, NSW EPA (ref: LIC06/434-13:DOC13/31100:PB) wrote to Wongawilli Coal advising it understood that Wongawilli Coal was experiencing difficulties meeting the conditions of EPL 1087 for the Wongawilli Colliery. Specifically the difficulties related to the obtaining and reporting of monthly environmental monitoring data as required by the EPL since March 2013.

The auditor notes that Wongawilli Coal reported this non-compliance matter as part of its Annual Return for the reporting period (1 October 2012 to 30 September 2013) as detailed in section 3.7.1.1. The auditor notes that the collection of samples is now undertaken by Wongawilli Coal as opposed to a service provider and that Wongawilli Coal dispatches the samples for laboratory testing by ALS Laboratory Group.

3.10.2.1 Recommendation

None.

4. Summary of audit findings

4.1 Non-compliances

Table 4.1 provides a summary of the non-compliances identified during the audit for the audit period of 2 November 2011 to 30 June 2013.

Table 4.1 Summary of non-compliances

Reference	Summary of finding (non-compliance)	Recommendation
Project Approval – Sch. 2, Condition 6	With respect to train movements at night, where night time is defined as 11.00 pm to 7.00 am by the project approval, the auditor noted instances where a train arrives at site prior to 7.00 am and combined with a train arrival and departure after 11.00 pm results in three (3) train movements at night and is a breach of the two (2) train movements a night restriction during normal operations.	<p>Wongawilli Coal to include a train movement summary (additional column) as part of its web site based report for monitoring coal transport so as to facilitate interpretation and compliance assessment.</p> <p>Wongawilli Coal to include a compliance statement as part of its web site based report for monitoring coal transport. The Compliance statement should address the train movement criteria as specified by Sch.2, Condition 6 and the quantity criteria for ROM coal.</p> <p>Wongawilli Coal to implement a logistical control to ensure train movements comply with the criteria specified by Sch. 2, Condition 6.</p>
Project Approval – Sch.2, Condition 7	Longwall change-out notification was not issued to Community Consultative Committee (CCC).	Ensure future longwall change-out notifications are also sent to the CCC where longwall change-outs involve extended hours of operations as detailed in Sch.2, Condition 7(b).
Project Approval – Sch.4, Condition 1	Wongawilli Coal advised that the current noise monitoring program is complaint driven and there is no established noise monitoring program. This arrangement prevents an assessment of compliance against the noise criteria and goals detailed in the project approval.	<p>Finalise and gain DP&I approval of the Noise Audit Report.</p> <p>Finalise and gain DP&I approval of the Noise Management Plan.</p> <p>Implement Noise Audit recommendations.</p> <p>Implement the noise monitoring plan as detailed in the updated and DP&I approved Noise Management Plan.</p>
Project Approval – Sch.4, Condition 3	As per above for Project Approval – Sch. 4, Condition 1.	As per above for Project Approval – Sch. 4, Condition 1.
Project Approval – Sch. 4, Condition 4(b)	Train wagon numbers are less than the specified 30 wagons.	<p>Wongawilli Coal to prepare a report confirming current site constraints regarding train wagon numbers including photographs for due diligence and compliance reporting evidence.</p> <p>Wongawilli Coal to seek an agreement with DP&I regarding a revised train wagon number.</p>
Project Approval – Sch. 4, Condition 6(b)	Lack of an established noise monitoring program prevents an assessment of compliance against the noise criteria and goals detailed in the project approval.	<p>Finalise and gain DP&I approval of the Noise Audit Report.</p> <p>Finalise and gain DP&I approval of the Noise Management Plan.</p> <p>Implement Noise Audit recommendations.</p>

Reference	Summary of finding (non-compliance)	Recommendation
		Implement the noise monitoring plan as detailed in the updated and DP&I approved Noise Management Plan.
Project Approval – Sch. 4, Condition 7(b)	Failure to prepare and submit a Noise Audit for the Director-General's approval by the end of June 2013.	Finalise the Noise Audit Report and gain DP&I approval of the Noise Audit Report.
Project Approval – Sch. 4, Condition 8	DP&I approval of the Noise Management Plan had not been achieved. The Noise Management Plan does not provide details of a noise monitoring program.	Finalise and gain DP&I approval of the Noise Audit Report. Finalise and gain DP&I approval of the Noise Management Plan.
Project Approval – Sch. 4, Condition 11	Lack of an established real-time dust monitoring program for PM10 and TSP which prevents an assessment of compliance against the air quality criteria detailed in the project approval.	Ensure real-time air quality monitoring equipment is established, operated and maintained.
Project Approval – Sch. 4, Condition 12	As per above for Project Approval – Sch. 4, Condition 11.	As per above for Project Approval – Sch. 4, Condition 1.
Project Approval – Sch. 4, Condition 13(c)	Lack of an established real-time dust monitoring program and meteorological station.	Ensure real-time air quality monitoring equipment is established, operated and maintained. Ensure meteorological station is established, operated and maintained.
Project Approval – Sch. 4, Condition 14	DP&I approval of the Air Quality and Greenhouse Gas Management Plan had not been achieved.	Finalise and gain DP&I approval of the Air Quality and Greenhouse Gas Management Plan.
Project Approval – Sch. 4, Condition 15	Lack of an established meteorological station.	Ensure meteorological station is established, operated and maintained.
Project Approval – Sch. 4, Condition 19	Environment Protection Licence (1087) non-compliance (discharge of dirty water) reported in Annual Return for October 2011 – September 2012.	Nil.
Project Approval – Sch. 4, Condition 20	DP&I approval of the Surface Water Management Plan had not been achieved.	Finalise and gain DP&I approval of the Surface Water Management Plan.
Project Approval – Sch. 4, Condition 21	DP&I approval of the Heritage Management Plan had not been achieved.	Finalise and gain DP&I approval of the Heritage Management Plan.
Project Approval – Sch. 4, Condition 23(b & c)	No inspection of external colliery lighting has been undertaken.	Wongawilli Coal to engage a suitably qualified lighting consultant to inspect all external lighting and assess compliance with the requirements of Schedule 4, Condition 23. Where non-compliance issues are identified, recommendations for rectification are to be provided by the lighting consultant.
Project Approval – Sch. 5, Condition 1	Lack of an established noise monitoring program and real-time dust monitoring program.	Finalise and gain DP&I approval of the Noise Audit Report. Finalise and gain DP&I approval of the Noise Management Plan. Implement Noise Audit recommendations. Implement the noise monitoring plan as detailed in the updated and DP&I approved Noise Management Plan.

Reference	Summary of finding (non-compliance)	Recommendation
		Finalise and gain DP&I approval of the Air Quality and Greenhouse Gas Management Plan. Ensure real-time air quality monitoring equipment is established, operated and maintained.
Project Approval – Sch. 6, Condition 1	DP&I approval of the Environmental Management Strategy was obtained after the required 6 months from the date of the project approval.	Nil.
Project Approval – Sch. 6, Condition 4	Wongawilli Coal advised that no specific reviews of strategies, plans or programs has been undertaken with respect to the requirements of this condition of approval.	Management plans (including the Environmental Management Strategy) to be updated to reflect the review/revision requirements of Schedule 6, Condition 4. A review of all strategies, plans and programs to be undertaken in response to this audit and the Noise Audit.
Project Approval – Sch. 6, Condition 6	Instances whereby DP&I was not notified of environmental incidents.	Wongawilli Coal to develop a notification protocol identifying relevant agencies for a) incidents that cause, or have the potential to cause significant risk of material harm to the environment and b) other incidents associated with the project and c) un-approved work events and non-compliance incidents. Wongawilli Coal to establish an environmental incident register. Amend MOP as required to address future earthwork requirements in North West Portal area.
Project Approval – Sch. 6, Condition 8	Failure to have completed an independent environmental audit by 30 June 2013.	Nil.
Project Approval – Sch. 6, Condition 10	Company website does not provide access to all of the information specified by this condition of approval.	Wongawilli Coal to update website with all information as required by Sch. 6, Condition 10.
SoC – Bushfire Management Plan	Bushfire Management Plan has not been finalised.	Finalise the Bushfire Management Plan and make it available on the company's website.
SoC – Surface Water Management Plan	DP&I approval of the Surface Water Management Plan had not been achieved.	Finalise and gain DP&I approval of the Surface Water Management Plan.
SoC – Rainfall Monitoring at Pit Top	Lack of an established meteorological station (including rain gauge) at Pit Top.	Ensure meteorological station is established, operated and maintained.
SoC – Air Quality	Lack of an established real-time dust (PM10 and TSP) monitoring program.	Ensure real-time air quality monitoring equipment is established, operated and maintained.
SoC – Prevention of Rail Wagon Overfilling	Lack of a protocol to prevent the overfilling of rail wagons.	Develop a protocol/procedure to prevent the overfilling of rail wagons or implement an automated system to prevent overfilling.
SoC –Depositional Dust Gauges	Depositional dust gauges along the rail line were not installed within the specified timeframe.	Nil.

Reference	Summary of finding (non-compliance)	Recommendation
SoC – Energy Audits	No energy audits have been undertaken to date.	Wongawilli Coal to establish an energy audit schedule and conduct energy audits as per the schedule.
SoC – Emissions Inventory	The emissions inventory prepared for the project's environmental assessment has not been updated.	Wongawilli Coal to review and update the emissions inventory. Ensure proposed Annual Greenhouse Gas Audits are undertaken.
SoC – Emissions and Abatement Strategies	Emissions and abatement strategies are not being reported be it via internal reports or reports prepared for external parties.	Annual Review reports to include details regarding greenhouse gas emissions and abatement strategies.
SoC - Acoustics	Lack of an established noise monitoring program.	Finalise and gain DP&I approval of the Noise Audit Report. Finalise and gain DP&I approval of the Noise Management Plan. Implement Noise Audit recommendations. Implement the noise monitoring plan as detailed in the updated and DP&I approved Noise Management Plan.
SoC - Acoustics	DP&I approval of the Noise Management Plan had not been achieved.	Finalise and gain DP&I approval of the Noise Audit Report. Finalise and gain DP&I approval of the Noise Management Plan.
SoC - Waste	Waste skip bins were not covered or located under a roofed area.	A Waste Management Plan should be prepared for the project and the Colliery's operations.
Mining Lease – Condition 3b	Un-authorized land clearing and earthworks took place in the North West Mains Portal area. This work was not covered by the approved Mining Operations Plans.	Amend MOP as required to address future earthwork requirements in North West Portal area. Wongawilli Coal to establish an environmental incident register. Wongawilli Coal to develop a notification protocol identifying relevant for a) incidents that cause, or have the potential to cause significant risk of material harm to the environment and b) other incidents associated with the project and c) un-approved work events and non-compliance incidents.
Mining Lease – Condition 15a	No vibration monitoring of underground blasting associated with underground construction activities is undertaken. No evidence of a documented risk assessment justifying why vibration monitoring is not required.	Wongawilli Coal to develop a blasting approval checklist that incorporates a risk assessment with respect to the blasting criteria presented in Condition 15a of the Mining Lease.
Mining Lease – Condition 15b	No blast overpressure monitoring of underground blasting is undertaken. No evidence of a documented risk assessment justifying why blast overpressure monitoring is not required.	Wongawilli Coal to develop a blasting approval checklist that incorporates a risk assessment with respect to the blasting criteria presented in Condition 15a of the Mining Lease.
Mining Lease – Condition 17(1)	NSW Office of Water (NOW) has not been notified in advance of drilling operations and the required information to accompany the notification has not been supplied.	Wongawilli Coal to develop and implement a notification protocol for exploratory drilling that includes the NOW.

Reference	Summary of finding (non-compliance)	Recommendation
Mining Lease – Condition 18	A number of environmental management housekeeping issues were observed at the time of the on-site audit (September 2013) including excessive build-up of dirt on paved sections of the Colliery work areas, instances of poor chemical storage practices and steep banking with limited ground cover.	<p>Increase frequency of road sweeper use on paved sections of Colliery work areas.</p> <p>Review and improve chemical storage practices.</p> <p>Revegetated steep banking adjacent to access track in Colliery Pit Top area.</p>

4.2 Improvement opportunities

As part of the audit process, the auditor and audit team identified the following recommendations that would assist with the environmental management of the project and Colliery:

- Develop a compliance tracking system (e.g. database, spreadsheet or similar) to facilitate the management of compliance requirements that arise from the Project Approval, EPL, Mining Lease, Groundwater Licence, enforcement/compliance actions, audits as well as the various management plans that have been developed.
- Annually review the likely duration of mining operations with respect to the target end date of 31 December 2015 as detailed in the Project Approval and advise DP&I.
- Notify Wollongong City Council as to the surrender of the development consent DA-2001/1516 (as relevant) for the Wongawilli Colliery.
- Table 3.1 of the Mining Operation Plan titled “*Table 13 Schedule 4 Project Approval Rehabilitation Objectives*” should match the information presented in Table 13 – Rehabilitation Objectives as presented in Schedule 4, Condition 26 of project approval.
- Undertake routine assessments of compliance with respect to the locomotives provided by Pacific National against the noise limits specified in the RailCorp EPL (12208).
- Undertake regular checks of train speeds on the Wongawilli rail spur to confirm speed limit compliance.
- Ensure the installation of greenhouse gas monitoring system at Pit Top ventilation shafts and commence continuous monitoring of CH₄ and CO₂.
- Recommendations as detailed in section 3.4.1 for improved surface water management.
- Recommendations as detailed in section 3.4.2 for improved noise management.
- Recommendations as detailed in section 3.4.3 for improved management of air quality and greenhouse gases.
- Recommendations as detailed in section 3.4.4 for improved environmental management.
- Recommendations as detailed in section 3.5.1 for improved management plans.
- Recommendations as detailed in section 3.8.2 regarding future Annual Review reports.
- Future independent environmental compliance audits should assess the following aspects:
 - ▶ Subsidence management and associated impacts.
 - ▶ Air quality management and associated impacts.
 - ▶ Noise management and associated impacts.
 - ▶ Groundwater licence compliance.

5. Conclusions

Wongawilli Coal Pty Ltd (Wongawilli Coal) commissioned Parsons Brinckerhoff Australia Pty Limited to conduct an independent environmental compliance audit. The audit covered the period of 2 November 2011 to 30 June 2013 and was undertaken as per the requirements of the Major Project Approval (09_0161) conditions 8 and 9 of schedule 6 (Environmental Management, Reporting and Auditing).

Based on the audit process followed, the audit identified a number of non-compliances which need to be addressed. Key non-compliances relate to the following matters:

- Approval of management plans by the Department of Planning and Infrastructure (DP&I).
- Lack of an established noise monitoring program.
- Lack of an established real-time air quality monitoring program.
- Lack of an established meteorological station at the Colliery.
- Conducting unapproved (i.e. not covered by Mining Operation Plan) earthworks and vegetation clearance.
- Ensuring environmental incidents are reported to all relevant regulatory authorities.

The site inspection component of the audit identified a number of environmental management issues that require attention. Key environmental management issues relate to the following matters:

- Chemical storage practices at the Colliery.
- Vegetation management within the easement of Wongawilli Coal's electricity transmission line.
- Build-up of dirt/coal dust on paved sections of the Colliery work areas.

The auditor notes that Wongawilli Coal received two infringement notices that were issued by DP&I in 2013. The infringement notices relate to the failure to prepare and submit a noise audit report by the end of June 2013 and failure to commission and pay the full costs of an independent environmental audit by the end of June 2013. In addition to the infringement notices, a number of compliance actions were issued by DP&I.

Condition 9, Schedule 6 of the major project approval requires Wongawilli Coal to submit a copy of the audit report to the Director-General, together with its response to any recommendations contained in the audit report. The auditor recommends that Wongawilli Coal as part of its submission also include a status report regarding the actions taken to address the infringement notices and compliance actions issued by DP&I.

Appendix A

Major project approval checklist



Schedule	Condition	Requirement	Finding	Recommendation	Rating
Schedule 2 Administrative Conditions					
Obligation to Minimise Harm to the Environment					
2	1	The Proponent shall implement all reasonable and feasible measures to prevent and/or minimise any harm to the environment that may result from the construction, operation, or rehabilitation of the project.	The audit process did not identify any instances of significant environmental harm attributable to the project. However, the audit process did identify a number of reasonable and feasible measures to prevent and/or minimise any harm to the environment that were not in place.	Proponent to address identified non-conformances and improvement opportunities in a timely manner.	NC
Terms of Approval					
2	2	The Proponent shall carry out the project generally in accordance with the: (a) EA; (b) statement of commitments; and (c) conditions of this approval	Based on the audit process followed, the audit identified a number of significant non-compliances associated the conditions of this approval and the associated Statement of Commitments from the project's environmental impact assessment.	Proponent to address the identified non-conformances in a timely manner.	NC
2	3	If there is any inconsistency between the above documents, the more recent document shall prevail to the extent of the inconsistency. However, the conditions of this approval shall prevail to the extent of any inconsistency.	No inconsistency issues identified to date by Proponent.	Nil.	NA

Schedule	Condition	Requirement	Finding	Recommendation	Rating
2	4	<p>The Proponent shall comply with any reasonable requirement/s of the Director-General arising from the Department's assessment of:</p> <p>a) any strategies, plans, programs, reviews, audits, reports or correspondence that are submitted in accordance with this approval; and</p> <p>(b) the implementation of any actions or measures contained in these documents.</p>	<p>The Department of Planning & Infrastructure (DoP&I) issued an Enforcement Action dated 11 July 2017 against the NRE Wongawilli Colliery – Nebo Project Area (MP 09_0161) including penalty infringement notices (sighted by auditor).</p> <p>The infringement notices relate to failure to comply with Condition 7, Schedule 4 (prepare and submit a noise audit for the Director-General's approval by the end June 2013) and Condition 8, Schedule 6 (commission and pay the full cost of an Independent Environment Audit by the end of June 2013).</p> <p>A series of compliance actions were also issued to be complied with. Refer to Audit Report for details of compliance actions. The auditor notes that the due dates for some of the compliance actions fall outside of the audit timeframe (2 Nov 2011 to 30 June 2013). Proponent advised that they are working to address the compliance actions in the timeframes required.</p>	<p>Proponent to comply with the requirements of the DoP&I issued enforcement action.</p> <p>Proponent to develop a compliance tracking system (e.g. database, spreadsheet or similar) to facilitate the management of compliance requirements that arise from the Project Approval, Environment Protection Licence (EPL), Mining Lease, Compliance Actions, Audits as well as the various management and monitoring plans that have been developed.</p>	C
Limit of Approval					
Mining Operations					
2	5	Mining operations for the project may take place until 31 December 2015	<p>The mine is currently in operation.</p> <p>Renewal of Mining Lease 1596 for the NRE Wongawilli Colliery took effect on 3 February 2012 (Sighted NSW Trade & Investment, Resource & Energy correspondence dated 22 March 2012, Reference 09/452). The period of renewal is until 07 October 2029.</p>	Proponent to annually review the likely duration of mining operations with respect to the target end date of 31 December 2015 as per the project approval and advise the DoP&I and Division of Resources and Energy (DRE).	C
Coal Production & Transport					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
2	6	<p>The Proponent shall:</p> <p>(a) not transport coal from the site by road (except in an emergency situation and with the prior approval of the Director-General in consultation with Council);</p> <p>(b) restrict coal processing and transport to/from the site to a maximum of 2 million tonnes of ROM coal per calendar year; and</p> <p>(c) restrict train movements to/from the site to a maximum of (except with the prior approval of the Director-General):</p> <ul style="list-style-type: none"> ■ 8 train movements (calendar year average) a day; ■ 10 train movements (maximum weekly rolling average) a day; ■ 2 train movements a night during normal operations; and ■ 4 train movements a night during advertised campaigns, with a maximum of 10 such campaigns a year. 	<p>Proponent transports coal by rail. No agreement in place with port to accept trucks and no transport contractor engaged. Site observations confirm that coal is transported by rail.</p> <p>ROM Coal production in 2012 calendar year was 757,400 tonnes.</p> <p>ROM Coal production:</p> <ul style="list-style-type: none"> • Nov 2011- Mar 2012 290,407 tonnes • Apr 2012- Mar 2013 620,188 tonnes • Apr 2013-Aug 2013 185,279 tonnes <p>Proponent advised that the facility can handle a maximum of 4 trains per day (typically 3 trains during the day and 1 per night) which equates to 8 train movements per day.</p> <p>With respect to train movements at night, night-time is defined as 11pm to 7am by the project approval. The auditor notes instances where a train arrives at site prior to 7am combined with a train arrival/departure after 11pm results in 3 train movements at night and is a breach of the 2 train movements a night restriction during normal operations.</p> <p>Proponent advised that no advertised campaigns have been undertaken to date.</p>	<p>Proponent to include a train movement summary (additional column) as part of its web site report for monitoring of coal transport so as to facilitate interpretation.</p> <p>Proponent to include a compliance statement as part of its web site report for monitoring of coal transport. Compliance statement should address the train movement criteria as specified by this condition of approval and the quantity criteria for ROM coal.</p> <p>Proponent to implement a logistical control to ensure train movements comply with criteria specified by this condition of approval.</p>	NC
Hours of Operation					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
2	7	<p>The Proponent shall restrict loading and unloading to/from the coal stockpile as follows:</p> <p>Normal operations:</p> <ul style="list-style-type: none"> ■ 7am to 6pm Monday to Friday. ■ 8am to 4pm Saturdays. ■ At no time on Sundays and public holidays. <p>During longwall change-outs:</p> <ul style="list-style-type: none"> ■ 7am to 10pm Monday to Saturdays. ■ At no time on Sundays and public holidays. <p>At least 7 days prior to undertaking longwall change-outs involving extended hours of operation as allowed in "Longwall Change-Outs" above, the Proponent shall provide written notification of the works to the Department, OEH, Council, the CCC and adjacent and affected residents, to the satisfaction of the Director-General.</p>	<p>Loading from the coal stockpile is performed using a sub-contractor and associated plant/equipment (e.g. dozers, front end loader).</p> <p>Subcontractor personnel (ROM Coal stockpile works) are required to sign on and sign off at the site office which provides the proponent a mechanism for ensuring compliance with work hour requirements.</p> <p>During the audit timeframe (2 Nov 2011 to 30 June 2013) there has only been one long wall change-out. Auditor sighted notification (Advice of Extended Stockpile Operations at NRE Wongawilli Colliery) dated 15 November 2011. The notification was issued to DP&I, OEH, Residents of Smith Lane, Residents of Vista Parkway, Residents of Wongawilli Road and Wollongong City Council. The auditor notes that a notification was not issued to the CCC.</p>	Ensure future longwall change-out notifications include CCC.	NC
Surrender of Consents and Approvals					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
2	8	Within 6 months of this approval, or as otherwise agreed by the Director-General, the Proponent shall surrender all existing development consents and project approvals for mining operations relied on by the Proponent for the site (other than this approval) in accordance with Sections 75YA and 104A of the EP&A Act.	<p>Prior to the granting of the Project Approval (09_0161, NRE Wongawilli Colliery, Nebo Area Project), Wollongong City Council had issued a consent (Notice of Determination to Modify Integrated Development Consent, Application DA-2001/1516/C, dated 18 August 2010) Modification C to extend the period of operation of the ROM coal stockpile until 31 December 2011 or until the approval of MP_09_0161 (sighted by auditor).</p> <p>The auditor notes that MP 09_0161 was approved 2 November 2011 which precedes the 31 December 2011 council issued development consent.</p>	Proponent should notify Wollongong City Council as to the surrender of the development consent (as relevant) for the Wongawilli Colliery.	C
2	9	Prior to the surrender of these consents and/or approvals, the conditions of this approval (including any notes) shall prevail to the extent of any inconsistency with the conditions of these consents and/or approvals.	Noted. Project Approval (09_0161) issued by DP&I is currently in force. Mining operations for the project may take place until 31 December 2015.	Nil.	C
Structural Adequacy					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
2	10	<p>The Proponent shall ensure that all new buildings and structures, and any alterations or additions to existing buildings and structure, that are part of the project are constructed in accordance with:</p> <p>(a) the relevant requirements of the BCA; and</p> <p>(b) any additional requirements of the MSB where the building or structure is located on land within declared Mine Subsidence Districts.</p>	<p>Since the granting of the project approval (2 November 2011) no new buildings or structures have been constructed.</p> <p>During the audit timeframe, the Proponent performed alterations to the existing Screen/Sizer at the colliery in response to noise complaints from nearby residents (raised in September/October 2011). These works were completed on 8 June 2012.</p> <p>The modifications to the Screen/Sizer building involved non-structural cladding and such there is no relevant BCA requirement.</p> <p>Wongawilli colliery buildings and structures are not located within a declared Mine Subsidence District.</p>	Nil.	NA
Demolition					
2	11	<p>The Proponent shall ensure that all demolition work is carried out in accordance with <i>Australian Standard AS 2601-2001: The Demolition of Structures</i>, or its latest version.</p>	<p>Since the granting of the project approval (2 November 2011) no demolition work has been carried out.</p>	Nil.	N/A
Operation of Plant and Equipment					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
2	12	<p>The Proponent shall ensure that all plant and equipment used at the site is:</p> <p>(a) maintained in a proper and efficient condition; and</p> <p>(b) operated in a proper and efficient manner.</p>	<p>Site observation during the audit indicated that plant/equipment was being maintained and operated in a proper and efficient manner.</p> <p>The proponent utilises a Computerised Maintenance System (Pronto) to manage the maintenance of plant and equipment. This system covers both preventative/scheduled maintenance and reactive maintenance. A defect management system is in place that addresses both safety defects and non-safety defects.</p> <p>Maintenance personnel and plant/equipment operators are assessed and permitted to conduct maintenance or operate plant/equipment. Plant/equipment operators undertake regular operator checks of assigned plant/equipment which is documented and fed back into Pronto.</p>	Nil.	C
Staged Submission of Strategies, Plans or Programs					
2	13	<p>With the approval of the Director-General, the Proponent may submit any strategies, plans or programs required by this approval on a progressive basis.</p>	<p>On 2 April 2012, the Proponent sought a revised submission date for two required management plans (Noise and Air Quality & Greenhouse Gas) from the Department (sighted by auditor).</p> <p>The Proponent advised that no response was received from the Department so it was assumed that the request was rejected and the original due date remained in place for the management plans.</p>	Nil.	NA

Schedule 3 Specific Environmental Conditions – Underground Mining

SUBSIDENCE

Schedule	Condition	Requirement	Finding	Recommendation	Rating
Performance Measures					
3	1	The Proponent shall ensure that the project does not cause any exceedance of performance measures in Table 1, to the satisfaction of the Director-General.	<p>This audit is the first Independent Environmental Audit as per the requirement of Condition 8 of Schedule 6 of the Project Approval (09_0161) dated 2 November 2011. At the time of the audit, limited longwall mining had been undertaken as part of the Nebo Area Project. The first longwall (i.e. Longwall N2) within the Nebo project area commenced in June 2013 and had advanced approximately 290m at the time of the audit (September 2013).</p> <p>No subsidence impacts were observed during the site inspection of the Nebo project area.</p> <p>The proponent has an approved Subsidence Monitoring Plan. Survey/Subsidence Lines were observed by the auditor during the site inspection of the Nebo project area.</p> <p>Given the limited extent of longwall mining associated with the Nebo Area Project within the audit timeframe (2 November 2011 to 30 June 2013), subsidence was considered a matter requiring specialist assessment as part of this audit. This position was confirmed as part of pre-audit agency consultation where subsidence concerns were not raised by any of the following (EPA/OEH, SCA, MSB, DSC, NOW or DP&I).</p>	The next independent environmental audit should assess subsidence matters and the audit team should include an independent subsidence specialist to support the auditor.	NA

Schedule	Condition	Requirement	Finding	Recommendation	Rating
Table 1 Subsidence Impact Performance Measures					
Table 1		Water Resources Catchment yield to Upper Cordeaux Reservoirs (No. 1 and No. 2) and Avon Reservoir. Performance Measures: <ul style="list-style-type: none"> Negligible reduction to the quality or quantity of water resources reaching the reservoirs. No connective cracking between the surface and the mine. 	This audit is the first Independent Environmental Audit as per the requirement of Condition 8 of Schedule 6 of the Project Approval (09_0161) dated 2 November 2011. At the time of the audit, limited longwall mining had been undertaken as part of the Nebo Area Project. The first longwall (i.e. Longwall N2) within the Nebo project area commenced in June 2013 and had advanced approximately 290m at the time of the audit (September 2013).	The next independent environmental audit should assess subsidence matters and the audit team should include an independent subsidence specialist to support the auditor.	NA
Table 1		Water Resources Upper Cordeaux Reservoirs (No. 1 and No. 2) and Avon Reservoir. Performance Measures: <ul style="list-style-type: none"> Negligible leakage from the reservoirs. Negligible reduction in the water quality of the reservoirs. 	This audit is the first Independent Environmental Audit as per the requirement of Condition 8 of Schedule 6 of the Project Approval (09_0161) dated 2 November 2011. At the time of the audit, limited longwall mining had been undertaken as part of the Nebo Area Project. The first longwall (i.e. Longwall N2) within the Nebo project area commenced in June 2013 and had advanced approximately 290m at the time of the audit (September 2013).	The next independent environmental audit should assess subsidence matters and the audit team should include an independent subsidence specialist to support the auditor.	NA

Schedule	Condition	Requirement	Finding	Recommendation	Rating
Table 1		<p>Watercourses</p> <p>Wattle Creek, Little Wattle Tree Creek, Cordeaux River, Gallaghers Creek.</p> <p>Performance Measures:</p> <p>Negligible environmental consequences, including:</p> <ul style="list-style-type: none"> Negligible diversion of flows or changes in the natural drainage behaviour of pools; Negligible gas releases and iron staining; and Negligible increase in water cloudiness. 	<p>This audit is the first Independent Environmental Audit as per the requirement of Condition 8 of Schedule 6 of the Project Approval (09_0161) dated 2 November 2011. At the time of the audit, limited longwall mining had been undertaken as part of the Nebo Area Project. The first longwall (i.e. Longwall N2) within the Nebo project area commenced in June 2013 and had advanced approximately 290m at the time of the audit (September 2013).</p>	<p>The next independent environmental audit should assess subsidence matters and the audit team should include an independent subsidence specialist to support the auditor.</p>	NA
Table 1		<p>Watercourses</p> <p>Other watercourses</p> <p>Performance Measures:</p> <p>No greater subsidence impact or environmental consequences than predicted in the EA.</p>	<p>This audit is the first Independent Environmental Audit as per the requirement of Condition 8 of Schedule 6 of the Project Approval (09_0161) dated 2 November 2011. At the time of the audit, limited longwall mining had been undertaken as part of the Nebo Area Project. The first longwall (i.e. Longwall N2) within the Nebo project area commenced in June 2013 and had advanced approximately 290m at the time of the audit (September 2013).</p>	<p>The next independent environmental audit should assess subsidence matters and the audit team should include an independent subsidence specialist to support the auditor.</p>	NA

Schedule	Condition	Requirement	Finding	Recommendation	Rating
Table 1		Watercourses Upland Swamps (No 22 and No 39) Performance Measures: Negligible environmental consequences including: <ul style="list-style-type: none"> Negligible change in the size of swamps. Negligible change in the functioning of swamps. Negligible change to the composition or distribution of species within swamp; and Negligible drainage of water from swamps, or redistribution of water within swamps. 	This audit is the first Independent Environmental Audit as per the requirement of Condition 8 of Schedule 6 of the Project Approval (09_0161) dated 2 November 2011. At the time of the audit, limited longwall mining had been undertaken as part of the Nebo Area Project. The first longwall (i.e. Longwall N2) within the Nebo project area commenced in June 2013 and had advanced approximately 290m at the time of the audit (September 2013).	The next independent environmental audit should assess subsidence matters and the audit team should include an independent subsidence specialist to support the auditor.	NA
Table 1		Land Illawarra Escarpment State Conservation Area, Metropolitan Special Area Performance Measures: <ul style="list-style-type: none"> Negligible environmental consequences. 	This audit is the first Independent Environmental Audit as per the requirement of Condition 8 of Schedule 6 of the Project Approval (09_0161) dated 2 November 2011. At the time of the audit, limited longwall mining had been undertaken as part of the Nebo Area Project. The first longwall (i.e. Longwall N2) within the Nebo project area commenced in June 2013 and had advanced approximately 290m at the time of the audit (September 2013).	The next independent environmental audit should assess subsidence matters and the audit team should include an independent subsidence specialist to support the auditor.	NA

Schedule	Condition	Requirement	Finding	Recommendation	Rating
Table 1	Land Cliffs Performance Measures: <ul style="list-style-type: none">Negligible environmental consequences (that is occasional rockfalls, displacement or dislodgement of boulders or slabs, or fracturing, that in total do not impact more than 0.5% of the total face area of such cliffs within the longwall mining area).	This audit is the first Independent Environmental Audit as per the requirement of Condition 8 of Schedule 6 of the Project Approval (09_0161) dated 2 November 2011. At the time of the audit, limited longwall mining had been undertaken as part of the Nebo Area Project. The first longwall (i.e. Longwall N2) within the Nebo project area commenced in June 2013 and had advanced approximately 290m at the time of the audit (September 2013).	The next independent environmental audit should assess subsidence matters and the audit team should include an independent subsidence specialist to support the auditor.	NA	
Table 1	Biodiversity Threatened species, threatened populations, or endangered ecological communities. Performance Measures: <ul style="list-style-type: none">Negligible environmental consequences.	This audit is the first Independent Environmental Audit as per the requirement of Condition 8 of Schedule 6 of the Project Approval (09_0161) dated 2 November 2011. At the time of the audit, limited longwall mining had been undertaken as part of the Nebo Area Project. The first longwall (i.e. Longwall N2) within the Nebo project area commenced in June 2013 and had advanced approximately 290m at the time of the audit (September 2013).	The next independent environmental audit should assess subsidence matters and the audit team should include an independent subsidence specialist to support the auditor.	NA	
Table 1	Heritage Features Aboriginal heritage sites. Performance Measures: <ul style="list-style-type: none">Negligible impact or environmental consequences.	This audit is the first Independent Environmental Audit as per the requirement of Condition 8 of Schedule 6 of the Project Approval (09_0161) dated 2 November 2011. At the time of the audit, limited longwall mining had been undertaken as part of the Nebo Area Project. The first longwall (i.e. Longwall N2) within the Nebo project area commenced in June 2013 and had advanced approximately 290m at the time of the audit (September 2013).	The next independent environmental audit should assess subsidence matters and the audit team should include an independent subsidence specialist to support the auditor.	NA	

Schedule	Condition	Requirement	Finding	Recommendation	Rating
Table 1		<p>Heritage Features: Non-Aboriginal heritage sites (including Historic 1, Historic 2 and Historic 3.</p> <p>Performance Measures:</p> <ul style="list-style-type: none"> Negligible loss of heritage value. 	<p>This audit is the first Independent Environmental Audit as per the requirement of Condition 8 of Schedule 6 of the Project Approval (09_0161) dated 2 November 2011. At the time of the audit, limited longwall mining had been undertaken as part of the Nebo Area Project. The first longwall (i.e. Longwall N2) within the Nebo project area commenced in June 2013 and had advanced approximately 290m at the time of the audit (September 2013).</p>	<p>The next independent environmental audit should assess subsidence matters and the audit team should include an independent subsidence specialist to support the auditor.</p>	NA

Schedule	Condition	Requirement	Finding	Recommendation	Rating
3	2	<p>The Proponent must assess and manage project-related risks to ensure that there are no exceedances of the performance measures in Table 1.</p> <p>Any exceedance of these performance measures constitutes a breach of this approval and may be subject to penalty or offence provisions under the EP&A Act or EP&A Regulation, notwithstanding actions taken pursuant to paragraphs (a)-(c) or condition 3 below.</p> <p>Where any exceedance of these performance measures has occurred, the Proponent must, at the earliest opportunity:</p> <p>(a) take all reasonable and feasible steps to ensure that the exceedance ceases and does not recur;</p> <p>(b) consider all reasonable and feasible options for remediation and submit a report to the Department describing those options and any preferred remediation measures or other course of action; and</p> <p>(c) implement remediation measures as directed by the Director-General, to the satisfaction of the Director-General</p>	<p>This audit is the first Independent Environmental Audit as per the requirement of Condition 8 of Schedule 6 of the Project Approval (09_0161) dated 2 November 2011. At the time of the audit, limited longwall mining had been undertaken as part of the Nebo Area Project. The first longwall (i.e. Longwall N2) within the Nebo project area commenced in June 2013 and had advanced approximately 290m at the time of the audit (September 2013).</p> <p>The Proponent has the following approved "plans" in place with respect to subsidence management:</p> <ul style="list-style-type: none"> • Extraction Plan (also referred to as the Subsidence Management Plan by DRE). • Subsidence Monitoring Plan. • Mining Operation Plan. <p>The Extraction Plan and Subsidence Monitoring Plan include TARPs and incident notification requirements for regulatory agencies.</p>	<p>The next independent environmental audit should assess subsidence matters and the audit team should include an independent subsidence specialist to support the auditor.</p>	C
Offsets					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
3	3	<p>If the Proponent exceeds the performance measures in Table 1 and the Director-General determines that:</p> <p>(a) it is not reasonable or feasible to remediate the impact or environmental consequence; or</p> <p>(b) remediation measures implemented by the Proponent have failed to satisfactorily remediate the impact or environmental consequence;</p> <p>then the Proponent shall provide a suitable offset to compensate for the impact or environmental consequence, to the satisfaction of the Director-General.</p>	<p>This audit is the first Independent Environmental Audit as per the requirement of Condition 8 of Schedule 6 of the Project Approval (09_0161) dated 2 November 2011. At the time of the audit, limited longwall mining had been undertaken as part of the Nebo Area Project. The first longwall (i.e. Longwall N2) within the Nebo project area commenced in June 2013 and had advanced approximately 290m at the time of the audit (September 2013).</p>	<p>The next independent environmental audit should assess subsidence matters and the audit team should include an independent subsidence specialist to support the auditor.</p>	NA
3	4	<p>The Proponent shall ensure that the project does not cause any exceedances of the performance measures in Table 2, to the satisfaction of the Director-General.</p>	<p>This audit is the first Independent Environmental Audit as per the requirement of Condition 8 of Schedule 6 of the Project Approval (09_0161) dated 2 November 2011. At the time of the audit, limited longwall mining had been undertaken as part of the Nebo Area Project. The first longwall (i.e. Longwall N2) within the Nebo project area commenced in June 2013 and had advanced approximately 290m at the time of the audit (September 2013).</p>	<p>The next independent environmental audit should assess subsidence matters and the audit team should include an independent subsidence specialist to support the auditor.</p>	NA
Table 2		<i>Subsidence Impact Performance Measures</i>			

Schedule	Condition	Requirement	Finding	Recommendation	Rating
Table 2		<p>Built Features</p> <p>Key public infrastructure: including SCA infrastructure (Avon Dam, Upper Cordeaux No.1 and No.2 dams, water supply pipelines), high pressure gas pipelines, electricity transmission lines, fibre optic networks.</p> <p>Performance Measures:</p> <ul style="list-style-type: none"> • Always safe and serviceable. • Damage that does not affect safety or serviceability must be fully repairable, and must be fully repaired. 	<p>This audit is the first Independent Environmental Audit as per the requirement of Condition 8 of Schedule 6 of the Project Approval (09_0161) dated 2 November 2011. At the time of the audit, limited longwall mining had been undertaken as part of the Nebo Area Project. The first longwall (i.e. Longwall N2) within the Nebo project area commenced in June 2013 and had advanced approximately 290m at the time of the audit (September 2013).</p>	<p>The next independent environmental audit should assess subsidence matters and the audit team should include an independent subsidence specialist to support the auditor.</p>	NA
Table 2		<p>Built Features</p> <p>Gas distribution pipelines, electricity distribution lines, roads, fire trails, other public infrastructure, other built features.</p> <p>Performance Measures:</p> <ul style="list-style-type: none"> • Always safe. • Serviceability should be maintained wherever practicable. Loss of serviceability must be fully compensated. • Damage must be fully repairable, and must be fully repaired or else replaced or fully compensated. 	<p>This audit is the first Independent Environmental Audit as per the requirement of Condition 8 of Schedule 6 of the Project Approval (09_0161) dated 2 November 2011. At the time of the audit, limited longwall mining had been undertaken as part of the Nebo Area Project. The first longwall (i.e. Longwall N2) within the Nebo project area commenced in June 2013 and had advanced approximately 290m at the time of the audit (September 2013).</p>	<p>The next independent environmental audit should assess subsidence matters and the audit team should include an independent subsidence specialist to support the auditor.</p>	NA

Schedule	Condition	Requirement	Finding	Recommendation	Rating
	Table 2	Public Safety Public Safety. Performance Measures: <ul style="list-style-type: none"> No additional risk. 	This audit is the first Independent Environmental Audit as per the requirement of Condition 8 of Schedule 6 of the Project Approval (09_0161) dated 2 November 2011. At the time of the audit, limited longwall mining had been undertaken as part of the Nebo Area Project. The first longwall (i.e. Longwall N2) within the Nebo project area commenced in June 2013 and had advanced approximately 290m at the time of the audit (September 2013).	The next independent environmental audit should assess subsidence matters and the audit team should include an independent subsidence specialist to support the auditor.	NA
3	5	Any dispute between the Proponent and the owner of any built feature over the interpretation, application or implementation of the performance measures in Table 2 is to be settled by the Director-General, following consultation with the MSB and the Executive Director Mineral Resources. Any decision by the Director- General shall be final and not subject to further dispute resolution under this approval.	The Proponent advised that there have been no disputes during the audit timeframe (2 November 2011 to 30 June 2013). The auditor notes that limited longwall mining has taken place in the Nebo Area Project. The first longwall (i.e. Longwall N2) within the Nebo project area commenced in June 2013 and had advanced approximately 290m at the time of the audit (September 2013).	The next independent environmental audit should assess subsidence matters and the audit team should include an independent subsidence specialist to support the auditor.	NA
First Workings					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
3	6	The Proponent may carry out first workings on site, other than in accordance with an approved Extraction Plan, provided that DRE is satisfied that the first workings are designed to remain long-term stable and non- subsiding, except insofar as they may be impacted by approved second workings.	<p>The Extraction Plan indicates that all the existing workings required for the Nebo Area Project longwall mining are accessible and the roadways and pillars are stable and in good condition.</p> <p>First workings undertaken by the proponent include those for the Nebo Area Project and the Western Driveage.</p> <p>The Proponent has the following approved "plans" in place with respect to subsidence management:</p> <ul style="list-style-type: none"> • Extraction Plan (also referred to as the Subsidence Management Plan by DRE). • Subsidence Monitoring Plan. • Mining Operation Plan. 	Nil.	C
Extraction Plan					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
3	7	<p>The Proponent shall prepare and implement an Extraction Plan for any second workings on site, to the satisfaction of the Director-General. The plan must:</p> <p>(a) be prepared by suitably qualified and experienced persons whose appointment has been endorsed by the Director-General;</p> <p>(b) be approved by the Director-General before the Proponent carries out any of the second workings covered by the plan;</p> <p>(c) include detailed plans of existing and proposed first and second workings and any associated surface development;</p> <p>(d) provide revised predictions of the conventional and non-conventional subsidence effects, subsidence impacts and environmental consequences of the proposed second workings, incorporating any relevant information obtained since this approval;</p> <p>(e) include detailed performance indicators for each of the performance measures in Tables 1 and 2;</p> <p>(f) describe the measures that would be implemented to:</p> <ul style="list-style-type: none"> ensure compliance with the performance measures in Tables 1 and 2; and manage or remediate subsidence impacts and/or environmental consequences 	<p>Auditor sighted NRE Wongawilli Colliery Nebo Longwalls N1-N6 Extraction Plan (dated 18 March 2013, Ref: NREW EMS MP019, Revision 2). This Extraction Plan was prepared as per the requirements of Condition 7, Schedule 3 of Project Approval (09_0161, dated 2 November 2011). This is the current version of the Extraction Plan, however it is not available on the company's website.</p> <p>The auditor also sighted Revision 1 of the Extraction Plan (dated November 2012), which is available on the company's website.</p> <p>DP&I approval of the Extraction Plan (Revision 1) was granted on 22 December 2012 (sighted DP&I correspondence ref: 10/04026-2, dated 21 December 2012). The DP&I approval required the inclusion of ongoing daily groundwater mine ingress monitoring and assessment in the Trigger Action Response Plan. The auditor notes that this DP&I requirement has been addressed.</p> <p>The Extraction Plan (dated November 2012) was also submitted to the DRE. DRE approved the Extraction Plan as the project's Subsidence Management Plan (sighted DRE correspondence ref: 09/5341, dated 25 January 2013).</p>	<p>Current version of the Extraction Plan to be provided to DP&I.</p> <p>Current version of the Extraction Plan to be made available on company's website.</p> <p>Given the limited extent of longwall mining undertaken during the audit period, future environmental compliance audits should assess compliance with subsidence requirements as required by DP&I and DRE approvals.</p> <p>Current version of the Subsidence Monitoring Plan to be made available on the company's website.</p>	C

Schedule	Condition	Requirement	Finding	Recommendation	Rating
		<p>(g) include a contingency plan that expressly provides for adaptive management where monitoring indicates that there has been an exceedance of any performance measure in Tables 1 and 2, or where any such exceedance appears likely;</p> <p>(h) include the following to the satisfaction of DRE: a subsidence monitoring program to:</p> <ul style="list-style-type: none"> • provide data to assist with the management of the risks associated with subsidence; • validate the subsidence predictions; • monitor the integrity of the overlying strata, particularly the Cordeaux Crinanite; and • analyse the relationship between the predicted and resulting subsidence effects and • predicted and resulting impacts under the plan and any ensuing environmental consequences; and • inform the contingency plan and adaptive management process; • a coal resource recovery plan that demonstrates effective recovery of the available resource 	<p>A requirement of the DRE's approval (of the Extraction/Subsidence Management Plan) was that a Subsidence Monitoring Programme be prepared and submitted for DRE approval.</p> <p>The auditor sighted NRE Wongawilli Colliery Nebo Longwalls N1-N6 Subsidence Monitoring Plan (ref: NREW EMS MP002, Revision 2, date 6 June 2013). Revision 1 of the Subsidence Monitoring Plan was submitted to DRE as required by DRE's approval of the Extraction Plan (i.e. Subsidence Management Plan).</p> <p>The auditor notes that first Nebo Longwall to be mined was N2 which was commenced in June 2013.</p> <p>DRE approved the Subsidence Monitoring Plan on an interim basis (sighted DRE correspondence ref:09/5341, dated 13 May 2013) which included number specific conditions/requirements.</p>		
		Continued over.			

Schedule	Condition	Requirement	Finding	Recommendation	Rating
		<ul style="list-style-type: none"> a Built Features Management Plan, which has been prepared in consultation with the owners of such features, to manage the potential impacts and consequences of subsidence on any built features; A Public Safety Management Plan to ensure public safety in the mining area; and Appropriate revisions to the Rehabilitation Management Plan required under condition 26 of schedule 4; 	<p>The Built Features Management Plan is addressed in the Extraction Plan (as approved by the DRE and DP&I), Section 5.</p> <p>The Public Safety Management Plan is addressed in the Extraction Plan (as approved by DRE and DP&I), Section 6.</p> <p>The Rehabilitation Management Plan requirement is addressed by the NRE Wongawilli Colliery Mining Operation Plan 2011-2013 (Rev 3, December 2011, sighted by auditor).</p> <p>DRE granted approvals to conduct the activities as named in the Mining Operation Plan on 1 March 2012 (sighted Trade & Investment, Resources & Energy correspondence ref: 11/5485, dated 1 March 2012). Trade & Investment, Resources & Energy required a MOP Addendum by 30 March 2012. The MOP Addendum was accepted by Trade & Investment, Resources & Energy on 20 April 2012 (sighted Trade & Investment, Resources & Energy correspondence ref: 11/5485, dated 20 April 2012).</p>	<p>With respect to the Mining Operation Plan, Table 3.1 titled “<i>Table 13 Schedule 4 Project Approval Rehabilitation Objectives</i>” should match the information presented in Table 13 Rehabilitation Objectives as presented in the Project Approval (09_0161, Schedule 4, Condition 26) for the Nebo Area Project.</p> <p>With respect to the approval of the Mining Operation Plan, ensure associated approval conditions and comments are tracked, actioned by relevant dates and evidence of compliance maintained for future independent environmental audits and due diligence purposes.</p>	C

Schedule	Condition	Requirement	Finding	Recommendation	Rating
		<p>(i) include a:</p> <ul style="list-style-type: none"> • Water Management Plan, which has been prepared in consultation with OEH, SCA and NOW, which provides for the management of the potential impacts and/or environmental consequences of the proposed second workings on watercourses and aquifers, including: • surface and groundwater impact assessment criteria based on at least 2 years of baseline data, including trigger levels for investigating any potentially adverse impacts on water resources or water quality • a program to monitor and report groundwater inflows to underground workings; and • a program to predict, manage and monitor impacts on any groundwater bores on privately-owned land; 	<p>The Water Management Plan is addressed in the Extraction Plan (as approved by DRE and DP&I), Section 7.</p>	<p>Nil.</p>	<p>C</p>

Schedule	Condition	Requirement	Finding	Recommendation	Rating
		<ul style="list-style-type: none"> Biodiversity Management Plan, which has been prepared in consultation with OEH and DRE, which provides for the management of the potential impacts and/or environmental consequences of the proposed second workings on aquatic and terrestrial flora and fauna, with a specific focus on threatened species, populations and their habitats; endangered ecological communities, and water dependent ecosystems. 	The Biodiversity Management Plan is addressed in the Extraction Plan (as approved by DRE and DP&I), Section 8.	Nil.	C
		<ul style="list-style-type: none"> Land Management Plan, which has been prepared in consultation with any affected public authorities, to manage the potential impacts and/or environmental consequences of the proposed second workings on land in general, with a specific focus on cliffs and steep slopes; and 	The Land Management Plan is addressed in the Extraction Plan (as approved by DRE and DP&I), Section 9.	Nil.	C
		<ul style="list-style-type: none"> Heritage Management Plan, to manage the potential environmental consequences of the proposed second workings on both Aboriginal and non-Aboriginal heritage sites or values; and 	The Heritage Management Plan is addressed in the Extraction Plan (as approved by DRE and DP&I), Section 10.	Nil.	C
		(j) include a program to collect sufficient baseline data for future Extraction Plans.	This requirement is addressed in the Extraction Plan (as approved by DRE and DP&I), Section 11.	Nil.	C

Schedule	Condition	Requirement	Finding	Recommendation	Rating
3	8	<p>The Proponent shall ensure that the management plans required under condition 7(i) above include:</p> <ul style="list-style-type: none"> An assessment of the potential environmental consequences of the Extraction Plan, incorporating any relevant information that has been obtained since this approval; and A detailed description of the measures that would be implemented to remediate predicted impacts. 	This requirement is addressed in the Extraction Plan (as approved by DRE and DP&I), Sections 5-11.	Nil.	C
Payment of Reasonable Costs					
3	9	The Proponent shall pay all reasonable costs incurred by the Department to engage suitably qualified, experienced and independent experts to review the adequacy of any aspect of an Extraction Plan.	Proponent advised that the Department has not engaged a suitably qualified, experienced and independent experts to review the adequacy of any aspect of the Extraction Plan and as such has not sought payment of costs from the Proponent.	Nil.	NA

Schedule	Condition	Requirement	Finding	Recommendation	Rating
Noise					
Noise Criteria					
4	1	The Proponent shall ensure that the noise generated by the project (including train loading and shunting within the yard but excluding train movements on the Wongawilli rail spur) does not exceed the criteria in Table 3 and Table 4 at any residence on privately-owned land or on more than 25 percent of any privately-owned land.	<p>The Proponent advised that the current noise monitoring program is complaint based/driven and that there is no established noise monitoring program. This situation is confirmed by Section 5.1 of the Noise Management Plan. The auditor sighted NRE Wongawilli Colliery Noise Management Plan (ref: NREW EMS MP010, Revision 2, dated 20 May 2013). The auditor notes that this management plan has been flagged to be updated after completion of the Noise Audit. Within the audit timeframe (2 November 2011 – 30 June 2013) the Noise Management Plan had not been approved by DP&I.</p> <p>No noise monitoring data was available for review by the auditor.</p> <p>The Proponent engaged Wilkinson Murray Pty Limited to undertake the Noise Audit. At the time of the audit (September 2013) a Noise Audit report had been issued to the Proponent as a Final Draft in August 2013. Auditor sighted NRE Wongawilli Colliery Noise Audit (Report No. 11309-B, Version B, August 2013, Final Draft). The auditor notes that the Noise Audit has utilised a noise model to undertake an assessment of scenarios and associated impacts. No noise monitoring of operations was undertaken.</p> <p>Predicted operational noise levels by Wilkinson Murray as part of the Noise Audit identified exceedences of the Noise Criteria. Specifics of these exceedences are provided in the Noise Audit (Section titled Predicted Operational Noise Levels). Predicted exceedences (i.e. non-compliances) were identified for Receiver Areas RA1, RA2 and RA4.</p> <p>The auditor notes that the Noise Audit Report details an Action Plan to Confirm the Effectiveness of the Noise Audit recommendations, with the next stage being to prepare a detailed Noise Monitoring and Management Plan.</p>	<p>Finalise and gain DP&I approval of the Noise Audit Report.</p> <p>Finalise and gain DP&I approval of the Noise Management Plan.</p> <p>Implement noise audit recommendations.</p> <p>Implement the noise monitoring plan as detailed in the finalised Noise Management Plan.</p>	NC

Schedule	Condition	Requirement	Finding	Recommendation	Rating
Table 3		Noise Criteria dB(A) – Intrusive Noise Limits – Existing Residences	Unable to assess as the Proponent advised that the current noise monitoring program is complaint based/driven and that there is no established noise monitoring program.	Refer to recommendations against Condition 1, Schedule 4 above. Track and document compliance with Project Noise Criteria.	NC
		Receiver Area RA1 Day 43 LAeq(15min) Evening 43 LAeq(15min) Night 43 LAeq(15min), 59 LA1(1min)	Unable to Assess. Refer to above comment.	Refer to recommendation against Condition 1, Schedule 4. Track and document compliance with Project Noise Criteria.	NC
		Receiver Area RA2 Day 44 LAeq(15min) Evening 43 LAeq(15min) Night 43 LAeq(15min), 60 LA1(1min)	Unable to Asses. Refer to above comment.	Refer to recommendation against Condition 1, Schedule 4. Track and document compliance with Project Noise Criteria.	NC
		Receiver Area RA3 Day 40 LAeq(15min) Evening 40 LAeq(15min) Night 38 LAeq(15min), 48 LA1(1min)	Unable to Assess. Refer to above comment.	Refer to recommendation against Condition 1, Schedule 4. Track and document compliance with Project Noise Criteria.	NC
		All other existing residential receivers Day 40 LAeq(15min) Evening 40 LAeq(15min) Night 38 LAeq(15min), 48 LA1(1min)	Unable to Assess. Refer to above comment.	Refer to recommendation against Condition 1, Schedule 4. Track and document compliance with Project Noise Criteria.	NC
Table 4		Noise Criteria dB(A) – Amenity Noise Limits – All Residences	Unable to assess as the Proponent advised that the current noise monitoring program is complaint based/driven and that there is no established noise monitoring program.	Refer to recommendations against Condition 1, Schedule 4 above. Track and document compliance with Project Noise Criteria.	NC
		All privately-owned land Day 60 LAeq(11 hour) Evening 50 LAeq (4 hour) Night 45 LAeq (9 hour)	Unable to Assess. Refer to above comment.	Refer to recommendation against Condition 1, Schedule 4 above. Track and document compliance with Project Noise Criteria.	NC
Noise Goals					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
4	2	The Proponent shall make continual endeavours to reduce the noise generated by the project, with the objective being that noise generated by the project (including train loading and shunting within the yard but excluding train movements on the Wongawilli rail spur) does not exceed the criteria in Table 5 at any existing residence on privately-owned land or on more than 25 percent of any privately-owned land.	<p>This is the first Independent Environmental Audit as per the requirement of Condition 8 of Schedule 6 of Project Approval (09_0161) dated 2 November 2011. With the audit timeframe being 2 November 2011 to 30 June 2013.</p> <p>The auditor notes that the Noise Management Plan has not yet been finalised.</p> <p>The auditor notes that the Noise Audit Report has not yet been finalised.</p> <p>The auditor notes that the Draft Noise Audit Report considers the noise goals detailed in the Project Approval to be reasonable for an established working mine near residential receivers.</p> <p>The auditor notes that the Proponent has addressed noise issues associated with the vibrating screen in the Screen/Sizer building at the colliery.</p>	<p>Finalise and gain DP&I approval of the Noise Audit Report.</p> <p>Finalise and gain DP&I approval of the Noise Management Plan.</p> <p>Implement noise audit recommendations.</p> <p>Implement the noise monitoring plan as detailed in the finalised Noise Management Plan.</p> <p>Track and document actions taken in making a continual endeavour to reduce noise generated by the project with respect to the specified noise goals.</p>	C
Table 5		Noise Criteria dB(A) – Intrusive Noise Goals – Existing Residences	Unable to assess as the Proponent advised that the Noise Management Plan has not been finalised and that the current noise monitoring program is complaint based/drive and there is no established noise monitoring program.	<p>Refer to recommendations against Condition 2, Schedule 4 above.</p> <p>Track and document compliance with Project Noise Goals.</p>	NC
		Receiver Area RA1 Day 40 LAeq(15min) Evening 40 LAeq(15min) Night 38 LAeq(15min), 51 LA1(1min)	Unable to Assess. Refer to above comment.	<p>Refer to recommendations against Condition 2, Schedule 4 above.</p> <p>Track and document compliance with Project Noise Goals.</p>	NC

Schedule	Condition	Requirement	Finding	Recommendation	Rating
		Receiver Area R2 Day 40 LAeq(15min) Evening 40 LAeq(15min) Night 38 LAeq(15min), 51 LA1(1min)	Unable to Assess. Refer to above comment.	Refer to recommendations against Condition 2, Schedule 4 above. Track and document compliance with Project Noise Goals.	NC
		Receiver Area R3 Day 40 LAeq(15min) Evening 40 LAeq(15min) Night 38 LAeq(15min), 48 LA1(1min)	Unable to Assess. Refer to above comment.	Refer to recommendations against Condition 2, Schedule 4 above. Track and document compliance with Project Noise Goals.	NC
		All other existing residential receivers Day 40 LAeq(15min) Evening 40 LAeq(15min) Night 38 LAeq(15min), 48 LA1(1min)	Unable to Assess. Refer to above comment.	Refer to recommendations against Condition 2, Schedule 4 above. Track and document compliance with Project Noise Goals.	NC
Rail Noise					
4	3	The Proponent shall ensure that the noise generated by railway activities on the Wongawilli rail spur outside of the yard limits (excluding any train shunting or when loading is taking place) does not exceed the criteria in Table 6 at any existing residence on privately-owned land.	Unable to assess as the Proponent advised that the current noise monitoring program is complaint based/driven and that there is no established noise monitoring program.	Finalise and gain DP&I approval of the Noise Audit Report. Finalise and gain DP&I approval of the Noise Management Plan. Implement noise audit recommendations. Implement the noise monitoring plan as detailed in the finalised Noise Management Plan. Track and document compliance with Project Noise Criteria.	NC
Table 6 Noise Criteria dB(A) – Rail Noise Limits – Existing Residences					
		All existing residential receivers Day 65 LAeq (period) Night 60 LAeq (period)	Unable to Assess. Refer to above comment.	Refer to recommendations against Condition 3, Schedule 4 above. Track and document compliance with Project Noise Criteria.	NC

Schedule	Condition	Requirement	Finding	Recommendation	Rating
4	4	<p>By the end of July 2013, or other timing as may be agreed by the Director-General, the Proponent shall use its best endeavours to ensure that its rail spur is only accessed by:</p> <p>(a) locomotives that are approved to operate on the NSW rail network in accordance with noise limits L6.1 to L6.4 in RailCorp's EPL (No. 12208); and</p> <p>(b) trains comprising no less than 30 wagons.</p>	<p>Proponent engages Pacific National to transport coal by rail from the colliery.</p> <p>Proponent sought confirmation that the Pacific National locomotives used complied with the noise limit requirements of RailCorp's EPL (12208) in March 2013. Auditor sighted proponent email dated 14 March 2013.</p> <p>Pacific National's indicates that they comply as "we must meet all the requirements as an accredited rail operator". Auditor sighted Pacific National email dated 14 March 2013.</p> <p>With respect to item (b) requiring trains to comprise no less than 30 wagons, the Proponent has increased train wagon numbers from 17 to 21 (sighted train movement record spreadsheet). The Proponent has advised that an increase beyond 21 wagons is not possible given the current site configuration. Considerable changes to site infrastructure would need to be undertaken with significant capital cost to accommodate more wagons.</p> <p>The auditor notes that RailCorp's EPL (12208) has been revised with noise limits addressed under a different section.</p>	<p>Proponent to implement Noise Audit Report recommendations with respect to rail operations.</p> <p>Track and document compliance with Noise Audit Report recommendations with respect to rail operations.</p> <p>Proponent to prepare a report confirming current site constraints regarding train wagon numbers including photographs for due diligence and compliance reporting evidence. Proponent to seek an agreement with DP&I regarding train wagon numbers.</p> <p>Proponent to keep a current version of the RailCorp EPL (12208) in the office.</p> <p>Proponent to undertake routine assessments of compliance with respect to the locomotives being provided by Pacific National against the noise limits specified in RailCorp EPL (12208).</p>	NC

Schedule	Condition	Requirement	Finding	Recommendation	Rating
4	5	The Proponent shall restrict train speeds on the Wongawilli rail spur to a maximum of 20 km/h.	Proponent engages Pacific National to transport coal by rail from the colliery. Auditor sighted Pacific National Load Point Capability Statement for NRE Wongawilli Colliery. This document identifies that a speed restriction applies to the Wongawilli rail spur of 20 km/hr.	Proponent to undertake regular checks of train speeds on the Wongawilli rail spur to confirm speed limit compliance. Train speed assessments could be done by using measured trip time and trip distance or speed gun. Track and document compliance with Wongawilli rail spur speed limit.	C
Operating Conditions					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
4	6	<p>The Proponent shall:</p> <p>(a) implement best practice noise management, including all reasonable and feasible noise mitigation measures to minimise the operational, road traffic and rail noise generated by the project; and</p> <p>(b) regularly assess the results of noise monitoring to ensure compliance with the relevant conditions of this approval, to the satisfaction of the Director-General.</p>	<p>With respect to (a) the auditor notes that the Proponent has addressed noise complaints arising from the operation of the vibrating coal screen. The original complaint occurred in October 2011. The Proponent confirmed the source of the noise complaint as coming from colliery operations and engaged Wilkinson (November 2011) Murray to confirm noise levels which were found to be exceeding the noise criteria. JBK Engineering was engaged to design, fabricate and install noise mitigation panels and cladding.</p> <p>The EPA modified EPL 1087 to include Pollution Reduction Program (PRP) 11 for noise reduction from the Screener/Sizer Building. The PRP11 due date for completed works was 31 May 2012.</p> <p>Design and fabrication of the noise mitigation panels and cladding was completed in March/April 2012. Installation works commenced 7 May 2012. Noise Mitigation works were completed 8 June 2012.</p> <p>Auditor sighted the following documents with respect to (a):</p> <ul style="list-style-type: none"> • Wilkinson Murray letter report re: Noise Assessment of Coal Screen (dated 21 November 2011, ref: 11309, GNRE 211111_GJ_coalscreen). • Gujarat NRE letter to DP&I dated 11 May 2012 re: Response to Planning & Infrastructure Noise Order. • Gujarat NRE letter to EPA re: Advisory Notification PRP11 (dated 31 May 2012). • Gujarat NRE email to EPA and cc DP&I re: Noise Mitigation Works Wongawilli Colliery (dated 12 June 2013). <p>Auditor sighted Complaints Summary for January 2011 to July 2013. No complaints since August 2012. Most complaints were associated with the colliery's vibrating screen. Auditor considers the response to other complaints as adequate.</p> <p>With respect to (b) unable to assess as the Proponent advised that the current noise monitoring program is complaint based/driven and that there is no established noise monitoring program (refer to Schedule 4, Condition 1).</p>	<p>Finalise and gain DP&I approval of the Noise Audit Report.</p> <p>Finalise and gain DP&I approval of the Noise Management Plan.</p> <p>Implement noise audit recommendations.</p> <p>Implement the noise monitoring plan as detailed in the finalised Noise Management Plan.</p> <p>Track and document compliance with Project Noise Criteria.</p>	NC

Schedule	Condition	Requirement	Finding	Recommendation	Rating
Noise Audit					
4	7	<p>The Proponent shall prepare and implement a Noise Audit for the project to the satisfaction of the Director- General. The audit must:</p> <p>(a) be prepared by a suitably qualified and experienced expert, whose appointment has been approved by the Director-General;</p> <p>(b) be prepared in consultation with OEH, and be submitted to the Director-General for approval by the end of June 2013;</p> <p>(c) undertake improved background noise monitoring;</p> <p>(d) investigate and evaluate:</p> <ul style="list-style-type: none"> all reasonable and feasible measures to mitigate operational noise levels to comply with the noise goals in Table 5; and all reasonable and feasible measures to mitigate rail noise associated with the project (eg locomotive use, use of longer trains and 3-pack wagons, track works); <p>(e) review the feasibility of reducing the maximum train movements, particularly at night (see condition 6 of schedule 2), based on the minimum train length required under condition 4 above; and</p> <p>(f) include an action plan to implement the audit recommendations and a protocol for monitoring the effectiveness of these measures.</p>	<p>The Proponent engaged Wilkinson Murray Pty Limited to undertake the Noise Audit. At the time of the audit (September 2013) the Noise Audit report had been issued to the Proponent as a Final Draft in August 2013. Auditor sighted NRE Wongawilli Colliery Noise Audit (Report No. 11309-B, Version B, August 2013, Final Draft).</p> <p>DP&I issued an enforcement action against NRE Wongawilli Colliery – Nebo Area Project (MP 09_0161) dated 11 July 2013 (sighted by auditor). In relation to noise management the enforcement action included an infringement notice for failure to prepare and submit a Noise Audit for the Director-General's approval by the end of June 2013 and a number of noise related compliance actions to be implemented. With respect to the Noise Audit, the compliance action was to submit the Noise Audit for the Director-General's approval by 30 September 2013. The auditor notes that the 30 September 2013 submission date was not met.</p> <p>The auditor notes that due date for the compliance action falls outside the audit timeframe of 2 November 2011 – 30 June 2013.</p>	Finalise the Noise Audit Report and gain DP&I approval of the Noise Audit Report.	NC

Schedule	Condition	Requirement	Finding	Recommendation	Rating
Noise Management Plan					
4	8	<p>The Proponent shall prepare and implement a Noise Management Plan for the project to the satisfaction of the Director-General. This plan must:</p> <p>(a) be prepared in consultation with OEH and Council, and submitted to the Director-General for approval within 6 months of this approval;</p> <p>(b) describe the noise mitigation measures that would be implemented to ensure compliance with the relevant conditions of this approval;</p> <p>(c) include a protocol for continual improvement of noise performance, and reporting progress in meeting the noise goals in Table 5;</p> <p>(d) include a protocol for notifying residents of advertised campaigns (see condition 6 of schedule 2); and</p> <p>(e) include a noise monitoring program that:</p> <ul style="list-style-type: none"> • uses a combination of attended and unattended monitoring to evaluate the performance of the project; and • includes a protocol for determining exceedances of the relevant conditions of this approval. 	<p>Within the audit timeframe (2 November 2011 – 30 June 2013) the Noise Management Plan had not been approved by DP&I.</p> <p>The auditor sighted NRE Wongawilli Colliery Noise Management Plan (ref: NREW EMS MP010, Revision 2, dated 20 May 2013). The auditor notes that this management plan has been flagged to be updated after completion of the Noise Audit.</p> <p>The Proponent engaged Wilkinson Murray Pty Limited to undertake the Noise Audit. At the time of the audit (September 2013) the Noise Audit report had been issued to the Proponent as a Final Draft in August 2013. Auditor sighted NRE Wongawilli Colliery Noise Audit (Report No. 11309-B, Version B, August 2013, Final Draft).</p> <p>Auditor sighted DP&I correspondence (ref: 10_10939, dated 19 April 2013) re: NRE Wongawilli Colliery (MP09_0161) Post Approval Requirements. With respect to the Noise Management Plan, DP&I noted a number of concerns which required addressing.</p> <p>DP&I issued an enforcement action against NRE Wongawilli Colliery – Nebo Area Project (MP 09_0161) dated 11 July 2013 (sighted by auditor). In relation to noise management the enforcement action included an infringement notice for failure to prepare and submit a Noise Audit for the Director-General's approval by the end of June 2013 and a number of noise related compliance actions to be implemented. The compliance actions included the following:</p> <ul style="list-style-type: none"> • Prepare and submit a Noise Audit for the Director-General's approval by 30 September 2013. • Finalise the Noise Management Plan and submit for the Director-General's approval within three months of the Director-General's approval of the Noise Audit. <p>The auditor notes that due dates for the compliance actions fall outside the audit timeframe of 2 November 2011 – 30 June 2013.</p>	<p>Finalise the Noise Audit Report and gain DP&I approval of the Noise Audit Report.</p> <p>Priorities the finalisation of the Noise Management Plan and gain DP&I approval of the Noise Management Plan.</p> <p>Proponent to develop a compliance tracking system (e.g. database, spreadsheet or similar) to facilitate the management of compliance requirements that arise from the Project Approval, Environment Protection Licence, Mining Lease, Compliance Actions as well as the various management and monitoring plans that have been developed.</p> <p>Ensure that the approved Noise Management Plan is made available on the company's website.</p>	NC

Schedule	Condition	Requirement	Finding	Recommendation	Rating
Air Quality and Greenhouse Gas					
Odour					
4	9	The Proponent shall ensure that no offensive odours are emitted from the site, as defined under the POEO Act, unless otherwise authorised by an EPL.	<p>Auditor sighted Complaints Summary for January 2011 to July 2013. No complaints received since August 2012. No complaints regarding odour were received.</p> <p>No odour issues were encountered during the on-site component of the audit by the auditor.</p> <p>Proponent advised that colliery activities do not involve odour generating activities.</p> <p>The auditor sighted NRE Wongawilli Colliery Air Quality & Greenhouse Gas Management Plan (ref: NREW EMS MP011, Revision 3, dated 29 August 2013). The auditor notes that this management plan includes an odour/fume Trigger Action Response Plan (TARP).</p>	Nil.	C
Greenhouse Gas Emissions					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
4	10	The Proponent shall implement all reasonable and feasible measures to minimise the release of greenhouse gas emissions from the site to the satisfaction of the Director-General.	<p>The auditor sighted NRE Wongawilli Colliery Air Quality & Greenhouse Gas Management Plan (ref: NREW EMS MP011, Revision 3, dated 29 August 2013).</p> <p>With respect to measures to minimise the release of greenhouse gas from the site the Air Quality & Greenhouse Gas Management Plan indicates that a gas ventilation system-greenhouse gas monitoring system will be installed at Pit Top Ventilation Shafts to provide continuous monitoring of temperature, pressure, flow, CH4 and CO2.</p> <p>At the time of the audit (September 2013), the Proponent advised that the monitoring equipment had been purchased but installation was pending.</p> <p>In addition to the above, the Air Quality and Greenhouse Gas Management Plan indicates that reasonable and feasible measure to reduce greenhouse gas emissions will be determined by:</p> <ol style="list-style-type: none"> No increase above current predicted maximum annual greenhouse emissions as report to NGRS. All reasonable recommendations for Annual Greenhouse Audits are budgeted for and implemented. Demonstrated compliance with dust and greenhouse conditions of all relevant project or activity approvals. The implementation, regular inspection and maintenance of air quality control systems or procedures for projects and operational activities where required. 	<p>Install greenhouse gas monitoring system at pit top ventilation shafts and commence continuous monitoring for greenhouse gases (CH4 and CO2).</p> <p>Ensure proposed Annual Greenhouse Audits are undertaken and recommendations actioned.</p>	C
Air Quality Criteria					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
4	11	The Proponent shall implement all reasonable and feasible mitigation measures to ensure that the particulate emissions generated by the project do not exceed the criteria listed in Tables 7, 8 and 9 at any residence on privately-owned land or on more than 25 percent of any privately-owned land.	<p>Proponent advised that real-time dust monitoring (i.e. PM10 and TSP) is not in place.</p> <p>Proponent advised that they operate a HVAS on property at Jersey Farm Road which records TSP but does not monitor PM10. HVAS was sighted by auditor.</p> <p>Proponent advised that they operate a network of depositional dust gauges.</p> <p>DP&I issued an enforcement action against NRE Wongawilli Colliery – Nebo Area Project (MP 09_0161) dated 11 July 2013 (sighted by auditor). In relation to air quality management the following compliance actions are to be complied with:</p> <ul style="list-style-type: none"> • Commission the equipment and commence real-time air quality monitoring by 31 December 2013. • Finalise the Air Quality and Greenhouse Gas Management Plan for the for the Director-General's approval by 30 August 2013. • Revise Air Quality and Greenhouse Gas Management Plan within three months of the completion of the real-time air quality monitoring. <p>The auditor notes that due dates for the compliance actions fall outside the audit timeframe of 2 November 2011 – 30 June 2013.</p> <p>The auditor notes that there were no air quality complaints recorded by the Proponent for the period (January 2011 to July 2013) having sighted Complaints Summary for January 2011 to July 2013.</p> <p>During the site inspection component of the audit (September 2013) a build-up of dirt was noted paved areas of the colliery work areas.</p>	<p>Ensure real-time air quality monitoring equipment is commissioned and operating by the required due date (i.e. 31 December 2013).</p> <p>Finalise Air Quality and Greenhouse Gas Management Plan for Director-General's approval by due date (30 August 2013).</p> <p>Update Air Quality and Greenhouse Gas Management Plan within three months of the completion of the real time air quality monitoring.</p> <p>Improve housekeeping efforts to address observed build-up of dirt on paved areas around colliery work areas.</p>	NC
Table 7 Long Term Criteria for Particular Matter					
		<p>Total Suspended Particulate (TSP) matter</p> <p>Averaging period – Annual</p> <p>Criterion 90 ug/m3 (a) and (d).</p>	<p>Limited data available (1 x HVAS monitoring station). Unable to assess adequately.</p>	<p>Ensure real-time air quality monitoring equipment is commissioned and operating by the required due date (i.e. 31 December 2013).</p>	NC

Schedule	Condition	Requirement	Finding	Recommendation	Rating
		<i>Particulate Matter <10 um (PM10)</i> Averaging period – Annual Criterion 30 ug/m3 (a) and (d).	Unable to assess as real-time air quality monitoring has not commenced.	Ensure real-time air quality monitoring equipment is commissioned and operating by the required due date (i.e. 31 December 2013).	NC
Table 8	Short Term Criterion for Particular Matter				
		<i>Particulate Matter <10um (PM10)</i> Averaging period – 24 hour. Criterion 50 ug/m3 (a) and (d).	Unable to assess as real-time air quality monitoring has not commenced.	Ensure real-time air quality monitoring equipment is commissioned and operating by the required due date (i.e. 31 December 2013).	NC
Table 9	Long Term Criteria for Deposited Dust				

Schedule	Condition	Requirement	Finding	Recommendation	Rating
		<p><i>Deposited Dust</i></p> <p>Averaging period – Annual</p> <p>Maximum increase in deposited dust level 2g/m2/month</p> <p>Maximum total deposited dust level 4g/m2/month</p>	<p>Proponent advised that recorded maximum total depositional dust levels are always below the criteria of 4g/m2/month. Auditor sighted Section 10.1 (Attachment A – Monitoring Data, Table A1 Historical Depositional Dust Yearly Averages for 2009 to Jan-Feb 2013) of the Air Quality and Greenhouse Gas Management Plan. The recorded yearly averages for deposition dust during for 2011 to Jan/Feb 2013 do not exceed the 4g/m2/month criteria.</p> <p>A review of the project's EPL Annual Return Reports (October 2011 to September 2012 and October 2012 to November 2013) did not identify any exceedences of the criteria associated with this condition of approval.</p> <p>A review of the project's Annual Review Reports (November 2011 to November 2013) identified instance of the 4g/m2/month criteria being exceeded (December 2011). This exceedence was investigated and attributed to a local disturbance in the vicinity of the dust gauge and not attributable to colliery operations.</p>	Nil.	C
Air Quality Acquisition Criteria					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
4	12	If the particulate matter emissions generated by the project exceed the criteria in Tables 10, 11, and 12 on a systematic basis at any residence on privately-owned land, or on more than 25 percent of any privately owned land, then upon receiving a written request for acquisition from the landowner the Proponent shall acquire the land in accordance with the procedures in conditions 4-5 of schedule 5.	<p>Proponent advised that no written requests for acquisition of land had been received.</p> <p>The auditor notes that the lack of real-time air quality monitoring equipment and only one HVAS (TPS monitoring only) does not able a thorough assessment of compliance by the Proponent or the auditor.</p> <p>The auditor notes that there were no air quality complaints recorded by the Proponent for the period (January 2011 to July 2013) having sighted Complaints Summary for January 2011 to July 2013.</p>	Ensure real-time air quality monitoring equipment is commissioned and operating by the required due date (i.e. 31 December 2013).	NC
Table 10 Long Term Acquisition Criteria for Particulate Matter					
		Total Suspended Particulate (TSP) Matter Averaging Period – Annual Criterion 90 ug/m3 (a) and (d)	Limited data available to assess (1 x HVAS monitoring station located on mined owned land). Unable to assess as real-time air quality monitoring has not commenced.	Ensure real-time air quality monitoring equipment is commissioned and operating by the required due date (i.e. 31 December 2013).	NC
		Particulate Matter <10 um (PM10) Averaging Period – Annual Criterion 30 ug/m3 (a) and (d)	Unable to assess as real-time air quality monitoring has not commenced.	Ensure real-time air quality monitoring equipment is commissioned and operating by the required due date (i.e. 31 December 2013).	NC
Table 11 Short Term Acquisition Criteria for Particulate Matter					
		Particulate Matter <10um (PM10) Averaging Period – 24 hour Criterion 150 ug/m3 (a) and (d)	Unable to assess as real-time air quality monitoring has not commenced.	Ensure real-time air quality monitoring equipment is commissioned and operating by the required due date (i.e. 31 December 2013).	

Schedule	Condition	Requirement	Finding	Recommendation	Rating
		Particulate Matter <10 um (PM10) Averaging Period – 24 hour Criterion 50 ug/m3 (b) and (d)	Unable to assess as real-time air quality monitoring has not commenced.	Ensure real-time air quality monitoring equipment is commissioned and operating by the required due date (i.e. 31 December 2013).	NC
Table 12		Long Term Acquisition Criteria for Deposited Dust			
		Deposited Dust (c) Averaging Period – Annual. Maximum increase in deposited dust level 2g/m2/month (b) Maximum total deposited dust level 4g/m2/month (a)	Proponent advised that recorded maximum total depositional dust levels are always below the criteria of 4g/m2/month. Auditor sighted Section 10.1 (Attachment A – Monitoring Data, Table A1 Historical Depositional Dust Yearly Averages for 2009 to Jan-Feb 2013) of the Air Quality and Greenhouse Gas Management Plan. The recorded yearly averages for deposition dust during for 2011 to Jan/Feb 2013 do not exceed the 4g/m2/month criteria. A review of the project's EPL Annual Return Reports (October 2011 to September 2012 and October 2012 to November 2013) did not identify any exceedences of the criteria associated with this condition of approval. A review of the project's Annual Review Reports (November 2011 to November 2013) identified instance of the 4g/m2/month criteria being exceeded (December 2011). This exceedence was investigated and attributed to a local disturbance in the vicinity of the dust gauge and not attributable to colliery operations.	Nil.	C
Operating Conditions					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
4	13	<p>The Proponent shall:</p> <p>(a) implement best practice air quality management, including all reasonable and feasible measures to minimise off-site odour, fume and dust emissions generated by the project, including from any spontaneous combustion on site,</p> <p>(b) minimise any visible air pollution generated by the project; and</p> <p>(c) regularly assess the real-time air quality monitoring and meteorological forecasting data, and relocate, modify and/or suspend operations to ensure compliance with the relevant conditions of this approval;</p> <p>to the satisfaction of the Director-General.</p>	<p>Auditor notes that the Proponent completed its Coal Mine Particulate Matter Control Best Practice (PRP9, EPL1087) Report in September 2012.</p> <p>Proponent advised that long term stockpiling of ROM coal is not normal practice.</p> <p>Proponent utilises the following dust suppression measures:</p> <ul style="list-style-type: none"> • Water cart • Covered conveyors, enclosed transfer points and screens. • Water sprays on conveyor system and transfer points, belt cleaning and spillage minimisation • Chemical wetting agent (Compliance 2000) applied at surface screener. Wetting agent is added at two stages prior to the coal entering the screener. • Water sprays and water cart at ROM coal stockpile. <p>With respect to item (b) the colliery has not received any complaints regarding air quality matters (i.e. odour, fumes or dust). Auditor sighted Complaints Summary for January 2011 to July 2013. Proponent advised that spontaneous combustion is not an issue at the site.</p> <p>With respect to item (c) the auditor notes that real time air quality monitoring has not commenced. Air quality monitoring is limited to a network of depositional dust gauges and 1 x HVAS (TSP) station located on mine owned property on Jersey Farm Road, Wongawilli. The auditor notes that the Proponent has not yet established meteorological station as per Condition 15, Schedule 4.</p> <p>During the site inspection component of the audit (September 2013) a build-up of dirt was noted paved areas of the colliery work areas.</p> <p>During the site inspection component of the audit, the auditor noted that coal loaded into train wagons had an undulating surface which extended above the wagon's top edge.</p>	<p>Ensure real-time air quality monitoring equipment is commissioned and operating by the required due date (i.e. 31 December 2013).</p> <p>Improve housekeeping efforts to address observed build-up of dirt on paved areas around colliery work areas.</p> <p>Investigate options to enable the levelling out of coal once it is loaded into a train wagon (e.g. levelling bar/screen) to reduce the potential for coal dust being generated during its transportation to port by rail. The levelling bar/screen should also comprise a watering system to assist with the mitigation of potential coal dust generation.</p> <p>Ensure the trial for the reduction of the coal stockpile height as per the Coal Mine Particulate Matter Control Best Practice Report (September 2012) is undertaken and documented in a sufficient manner to enable an assessment as to the effectiveness of the trial.</p>	NC

Schedule	Condition	Requirement	Finding	Recommendation	Rating
Air Quality and Greenhouse Gas Management Plan					
4	14	<p>The Proponent shall prepare and implement a detailed Air Quality & Greenhouse Gas Management Plan for the project to the satisfaction of the Director-General. This plan must:</p> <ul style="list-style-type: none"> (a) be prepared in consultation with OEH, and submitted to the Director-General for approval within 6months of this approval; (b) describe the measures that would be implemented to ensure compliance with the relevant conditions of this approval, including a real-time air quality management system that employs both reactive and proactive mitigation measures; (c) describe the measures that would be implemented to minimise the greenhouse gas emissions from the site; and (d) include an air quality monitoring program that: <ul style="list-style-type: none"> • uses a combination of real-time monitors and supplementary monitors to evaluate the performance of the project; and • includes a protocol for determining exceedances with the relevant conditions of this approval. 	<p>Within the audit timeframe (2 November 2011 – 30 June 2013) the Air Quality & Greenhouse Gas Management Plan had not been approved by DP&I.</p> <p>The auditor sighted NRE Wongawilli Colliery Air Quality & Greenhouse Gas Management Plan (ref: NREW EMS MP011, Revision 3, dated 29 August 2013).</p> <p>Auditor sighted DP&I correspondence (ref: 10_10939, dated 19 April 2013) re: NRE Wongawilli Colliery (MP09_0161) Post Approval Requirements. With respect to the Air Quality &Greenhouse Gas Management Plan, DP&I advised it could not be approved until its concerns were addressed.</p> <p>The auditor sighted DP&I correspondence (ref: 10_10939, dated 25 September 2013) re: NRE Wongawilli Colliery (MP09_0161) Post Approval Requirements. With respect to the Air Quality & Greenhouse Gas Management Plan, DP&I advise that the plan was adequate and the plan has been approved.</p>	<p>Ensure that the approved Air Quality and Greenhouse Gas Management Plan is made available on the company's website.</p> <p>Proponent to develop a compliance tracking system (e.g. database, spreadsheet or similar) to facilitate the management of compliance requirements that arise from the Project Approval, Environment Protection Licence, Mining Lease, Compliance Actions as well as the various management and monitoring plans that have been developed.</p>	NC
Meteorological Monitoring					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
4	15	<p>During the life of the project, the Proponent shall ensure that there is a suitable meteorological station operating in the vicinity of the site that:</p> <ul style="list-style-type: none"> (a) complies with the requirements in the Approved Methods for Sampling of Air Pollutants in New South Wales guideline; and (b) is capable of continuous real-time measurement of temperature lapse rate in accordance with the NSW Industrial Noise Policy, or as otherwise approved by OEH. 	<p>Proponent advised that the meteorological station has not yet been established.</p> <p>DP&I issued an enforcement action against NRE Wongawilli Colliery – Nebo Area Project (MP 09_0161) dated 11 July 2013 (sighted by auditor). In relation to meteorological station, the Proponent is required to <i>“Install a suitable meteorological monitoring station within three months of the Director-General’s approval of the Noise Audit...”</i></p>	<p>Finalise the Noise Audit Report and gain DP&I approval of the Noise Audit Report.</p> <p>Ensure meteorological station is installed and operational with three months of the Director-General’s approval of the Noise Audit.</p>	NC
Soil and Water					
Water Licences					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
4	16	The Proponent shall ensure that it has sufficient water for all stages of the project, and if necessary, adjust the scale of mining operations to match its available water supply, to the satisfaction of the Director-General.	<p>Water supply comprises bulk raw water sourced from the Sydney Catchment Authority and potable water from the Wollongong reticulated supply system. Potable water is used for the administration are and bathhouse.</p> <p>Raw water is used to recharge fire-fighting storage and when insufficient Mine Water can be recycled to meet underground water demands (e.g. due to pump failure).</p> <p>Bulk raw water is drawn from the Sydney Catchment Authority's Upper No. 1 Cordeaux Reservoir. The Colliery is billed by SCA's agent Sydney Water for the supply of bulk raw water. The water supplied is metered.</p> <p>Auditor sighted SCA correspondence (dated 18 October 2012) re: Raw Water Charge, Property No: 3673446, Supply of Water for Air Shaft, NRE Wongawilli Colliery Dam Via Wongawilli Road Mt Kembla.</p> <p>Auditor sighted Sydney Water invoice (Account Number 3673 446) for the period 1 July 2012 to 30 September 2012.</p> <p>On 16 January 2013, the colliery received a Groundwater Licence (10BL602990) from the NSW Department of Primary Industries (Office of Water). The licence is valid from 16 Jan 2013 to 15 Jan 2018. The type of works specified by the licence is "Excavation-Groundwater". The purposes for which water may be used as specified by the licence are "Mining" and "Dewatering (groundwater)".</p> <p>The Groundwater Licence was sighted by the auditor.</p> <p>At the time of the audit, the Proponent advised that they were in the process of assessing what the compliance requirements of the Groundwater Licence were and how it would influence the project and the operations of the Colliery.</p>	<p>Proponent to ensure compliance requirements of Groundwater Licence are included its compliance tracking system.</p> <p>Update relevant management plans (e.g. Surface Water Management, Mining Operation Plan, Extraction Plan) with the requirements of the Groundwater Licence.</p>	C
Baseflow Offsets					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
4	17	The Proponent shall offset the loss of any baseflow to watercourses caused by the project to the satisfaction of the Director-General. This condition does not apply if the Director-General subsequently determines that the loss of baseflow is negligible.	<p>Proponent advised that need to offset baseflow to watercourse caused by the project has not been triggered.</p> <p>The auditor notes that at the time of the audit, limited longwall mining had been undertaken within the Nebo project area. The first longwall (i.e. Longwall N2) with the Nebo project area commenced in June 2013 and had advanced approximately 290m at the time of the audit (September 2013).</p>	The next independent audit should assess the extent (if any) of baseflow losses from watercourses caused by the project (i.e. subsidence) via the project's Extraction Plan and Subsidence Monitoring Plan)	NA
Compensatory Water Supply					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
4	18	<p>The Proponent shall provide a compensatory water supply to any landowner of privately-owned land whose water entitlements are adversely impacted (other than an impact that is negligible) as a result of the project, in consultation with NOW, and to the satisfaction of the Director-General.</p> <p>The compensatory water supply measures must provide an alternative long-term supply of water that is equivalent to the loss attributed to the project. Equivalent water supply must be provided (at least on an interim basis) within 24 hours of the loss being identified.</p> <p>If the Proponent and the landowner cannot agree on the measures to be implemented, or there is a dispute about the implementation of these measures, then either party may refer the matter to the Director-General for resolution.</p> <p>If the Proponent is unable to provide an alternative long-term supply of water, then the Proponent shall provide alternative compensation to the satisfaction of the Director-General.</p>	<p>Proponent advised that the requirement of this condition has not been triggered.</p> <p>Auditor sighted Complaints Summary for January 2011 to July 2013. No complaints regarding water supply were recorded.</p>	Nil.	NA
Surface Water Discharges					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
4	19	The Proponent shall ensure that all surface water discharges from the site comply with the discharge limits(both volume and quality) set for the project in any EPL.	<p>The auditor reviewed the project's EPL Annual Returns for (October 2011 to September 2012 and October 2012 to September 2013).</p> <p>One non-compliance was reported for October 2011 to September 2012. The non-compliance was associated with the discharge of dirty water during an intense storm (rainfall) event. The storm mobilised vegetation which blocked a drain resulting in the discharge of dirty water, which ran down Jersey Farm Road and entered a tributary of Robins Creek.</p> <p>The proponent cleared the blockage and the inspection of this area has been included as part of its weekly environmental sump inspection/report.</p> <p>No non-compliance were reported for October 2012 to September 2013.</p>	Nil.	NC
Surface Water Management Plan					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
4	20	<p>The Proponent shall prepare and implement a Surface Water Management Plan for the project to the satisfaction of the Director-General. This plan must:</p> <p>(a) be prepared in consultation with NOW, OEH and Council, and be submitted to the Director-General for approval within 6 months of this approval, or as otherwise agreed with the Director-General;</p> <p>(b) include a comprehensive water balance for the project, that includes details of:</p> <ul style="list-style-type: none"> • sources of water supply and water make; • water use; and • water discharges; and <p>(c) management plans for the surface facilities sites, that include:</p> <ul style="list-style-type: none"> • a detailed description of water management systems for each site, including: <ul style="list-style-type: none"> ➤ clean water diversion systems; ➤ erosion and sediment controls; and ➤ any water storages; • measures to minimise potable water use and to reuse and recycle water; • measure to comply with surface water discharge limits; • measures to manage sewage wastewater in accordance with.... 	<p>Within the audit timeframe (2 November 2011 – 30 June 2013) the Surface Water Management Plan had not been approved by DP&I.</p> <p>The auditor sighted NRE Wongawilli Colliery Surface Water Management Plan (ref: NREW EMS MP006, Revision 3, dated 29 August 2013).</p> <p>Auditor sighted DP&I correspondence (ref: 10_10939, dated 19 April 2013) re: NRE Wongawilli Colliery (MP09_0161) Post Approval Requirements. With respect to the Surface Water Management Plan, DP&I advised it could not be approved until its concerns were addressed.</p> <p>The auditor sighted DP&I correspondence (ref: 10_10939, dated 25 September 2013) re: NRE Wongawilli Colliery (MP09_0161) Post Approval Requirements. With respect to the Surface Water Management Plan, DP&I advise that the plan was adequate and the plan has been approved.</p>	<p>Ensure that the approved Surface Water Management Plan is made available on the company's website.</p> <p>Proponent to develop a compliance tracking system (e.g. database, spreadsheet or similar) to facilitate the management of compliance requirements that arise from the Project Approval, Environment Protection Licence, Mining Lease, Compliance Actions as well as the various management and monitoring plans that have been developed.</p>	NC

Schedule	Condition	Requirement	Finding	Recommendation	Rating
		<ul style="list-style-type: none"> measures to manage sewage wastewater in accordance with Council requirements; and monitoring and reporting procedures. 			
Heritage					
Heritage Management Plan					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
4	21	<p>The Proponent shall prepare and implement a Heritage Management Plan for the project to the satisfaction of the Director-General. This plan must:</p> <p>(a) be prepared in consultation with OEH, the Aboriginal community, Council and any local historical organisations, and be submitted to the Director-General for approval within 6 months of this approval, or as otherwise agreed with the Director-General;</p> <p>(b) include the following program/procedures for managing Aboriginal heritage management within the project area:</p> <ul style="list-style-type: none"> conserving, managing and monitoring Aboriginal sites and potential archaeological deposits within the project disturbance area; conserving, managing, and monitoring Aboriginal sites outside the project disturbance area; managing the discovery of any new Aboriginal objects or skeletal remains during the project; maintaining and managing access to archaeological sites by the Aboriginal community; and ongoing consultation and involvement of the Aboriginal communities in the conservation and management of Aboriginal cultural heritage within the project area; 	<p>Within the audit timeframe (2 November 2011 – 30 June 2013) the Heritage Management Plan had not been approved by DP&I.</p> <p>The auditor sighted NRE Wongawilli Colliery Heritage Management Plan (ref: NREW EMS MP008, Revision 3, dated 29 August 2013).</p> <p>Auditor sighted DP&I correspondence (ref: 10_10939, dated 19 April 2013) re: NRE Wongawilli Colliery (MP09_0161) Post Approval Requirements. With respect to the Heritage Management Plan, DP&I advised it could not be approved until its concerns were addressed.</p> <p>The auditor sighted DP&I correspondence (ref: 10_10939, dated 25 September 2013) re: NRE Wongawilli Colliery (MP09_0161) Post Approval Requirements. With respect to the Heritage Management Plan, DP&I advise that the plan was adequate and the plan has been approved.</p>	<p>Ensure that the approved Heritage Management Plan is made available on the company's website.</p> <p>Proponent to develop a compliance tracking system (e.g. database, spreadsheet or similar) to facilitate the management of compliance requirements that arise from the Project Approval, Environment Protection Licence, Mining Lease, Compliance Actions as well as the various management and monitoring plans that have been developed.</p>	NC

Schedule	Condition	Requirement	Finding	Recommendation	Rating
		<p>(c) include the following for managing other historic heritage on site</p> <ul style="list-style-type: none"> • a conservation management plan for the Wongawilli Colliery, that balances heritage management with the operational safety, and rehabilitation requirements of the mine; and • a program/procedures for: <ul style="list-style-type: none"> ➤ photographic and archival recording of potentially affected heritage items; ➤ protection and monitoring of heritage items outside the project disturbance area; and ➤ additional archaeological excavation and/or recording of any significant heritage items requiring demolition. 			
Transport					
Monitoring of Coal Transport					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
4	22	<p>The Proponent shall:</p> <ul style="list-style-type: none"> (a) keep accurate records of the: <ul style="list-style-type: none"> • amount of coal transported from the site (on a monthly basis); • date and time of each train movement to and from the site; and (b) make these records publicly available on its website at the end of each calendar year. 	<p>With respect to item (a) the auditor was able to access via the Proponent's website the Monitoring of Coal Transport records for calendar year 2012. This record included the required information as specified by Condition 22, Schedule 4.</p> <p>With respect to item (b) the auditor was able to access via the Proponent's website the Monitoring of Coal Transport records for calendar year 2012, which presents the monthly tonnage of ROM coal transported from the site.</p> <p>The auditor notes that Project Approval 09_0161 was issued on 2 November 2011.</p> <p>Auditor sighted train movement spreadsheet provided by Proponent for the period November 2011 through mid-September 2013.</p>	<p>Make available on the Proponent's website coal transportation and train movement information for 2011 and 2013 calendar years.</p> <p>Recommendations as per Condition 6, Schedule 2, which were:</p> <ul style="list-style-type: none"> • Proponent to include a train movement summary as part of it website report for monitoring coal transport so as to facilitate interpretation of presented information against Condition 6, Schedule 2 criteria. • Proponent to include a compliance statement as part of its web site report for monitoring coal transport. Compliance statement should address the train movement criteria as specified in Condition 6, Schedule 2 and the quantity criteria for ROM coal. 	C
Visual					
Visual Amenity and Lighting					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
4	23	<p>The Proponent shall:</p> <p>(a) implement all reasonable and feasible measures to minimise the visual and off-site lighting impacts of the project;</p> <p>(b) ensure no unshielded outdoor lights shine above the horizontal; and</p> <p>(c) ensure that all external lighting associated with the project complies with Australian Standard AS4282 (INT) 1995 – Control of Obtrusive Effects of Outdoor Lighting,</p> <p>to the satisfaction of the Director-General.</p>	<p>Proponent advised that no complaints had been received by the colliery regarding visual and/or lighting issues.</p> <p>Auditor sighted Complaints Summary for January 2011 to July 2013. No complaints regarding water visual and/or lighting issues.</p> <p>With respect to item (b) no inspections of colliery lighting has been undertaken by the Proponent or a Proponent engaged lighting consultant to confirm compliance with requirements of Condition 23, Schedule 4.</p> <p>With respect to item (c) no inspections of colliery lighting has been undertaken by the Proponent or a Proponent engaged lighting consultant to confirm compliance with requirements of Condition 23, Schedule 4.</p>	<p>Proponent to engage a suitably qualified lighting consultant to inspect all external lighting and assess compliance with the requirements of Condition 23, Schedule 4. Where non-compliance issues are identified, recommendations for rectification are to be provided by the lighting consultant.</p>	NC
Waste					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
4	24	<p>The Proponent shall:</p> <p>(a) minimise and monitor the waste generated by the project;</p> <p>(b) ensure that the waste generated by the project is appropriately stored, handled and disposed of;</p> <p>(c) manage on-site sewage treatment and disposal in accordance with the requirements of Council; and</p> <p>(d) report on waste management and minimisation in the Annual Review, to the satisfaction of the Director-General.</p>	<p>The auditor notes that there is no requirement for a waste management plan.</p> <p>Proponent advised that waste management practices have not change significantly when compared to previous mine operators (e.g. BHPBIC and Delta).</p> <p>A number of waste and recycling contractors are engaged by the Proponent. A number of waste items are recycled including general building and scrap metal, paper and soluble oils. Oil filters are disposed of via SITA Environmental Solutions SAWT Advance Resource Recovery Facility (Kemps Creek).</p> <p>Blackwater from offices and workshops toilets is treated in a septic tank and absorption system on site.</p> <p>Blackwater from the new Bathhouse is captured in a 5,000L tank which is pumped out fortnightly by a waste contractor.</p> <p>Grey water from the old Bathhouse is sent to the Primary and Secondary Stabilisation Lagoons.</p> <p>The auditor did not observe any concerns regarding the storage of wastes whilst on site.</p> <p>The auditor observed that oil purchases came in numerous small drums as opposed to a bulk storage container, which would results in more waste material to dispose of.</p> <p>The auditor notes the colliery has an approved Integrated Wastewater Management Plan associated with a separate project approval (MP 09_0030).</p> <p>Waste management reporting is included in the Proponent's Annual Review reports as required by this condition. Auditor sighted Annual Review reports for 2 Nov 2011 to 2 Nov 2012 and 2 Nov 2012 to 2 Nov 2013.</p>	<p>A waste management plan should be developed for the project and the operations of the colliery. The auditor notes that the Proponent identified this recommendation in its first Annual Review (2 Nov 2011 to 2 Nov 2012) and second Annual Review (2 Nov 2012 to 2 Nov 2013).</p> <p>The waste management plan should identify opportunities to minimise waste generated by the operations of the colliery. Particular attention should be given to procurement / purchasing opportunities where waste materials can be reduced by bulk purchasing.</p> <p>While not specifically related to the Nebo Area Project Approval (09_0161), the Proponent should look at implementation where possible of the Integrated Wastewater Management Plan (as required by project approval MP_09_0030).</p>	C
Bushfire					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
4	25	<p>The Proponent shall:</p> <p>(a) ensure that the project is suitably equipped to respond to fires on site; and</p> <p>(b) assist the Rural Fire Service and emergency services as much as possible if there is a fire in the vicinity of the site.</p>	<p>Proponent advised that the colliery has both a surface and underground fire system and that there is a Fire Officer on site. The Fire Officer liaises with the Rural Fire Service.</p> <p>Proponent advised that colliery personnel have received fire training provided by the Rural Fire Service.</p> <p>Proponent advised that site access would be granted to the Rural Fire Service and emergency services if there was a fire in the vicinity of the site.</p> <p>DP&I issued an enforcement action against NRE Wongawilli Colliery – Nebo Area Project (MP 09_0161) dated 11 July 2013 (sighted by auditor). In relation to bushfire management, the Proponent is required to <i>“prepare the Bushfire Management Plan and make a copy of the plan available on the company’s website, as required by the Statement of Commitments”</i>.</p> <p>Proponent has advised that the Bushfire Management Plan as required by the Statement of Commitments is in its final draft stage.</p>	<p>Finalise and gain DP&I approval of the Bushfire Management Plan.</p> <p>Ensure that the approved Bushfire Management Plan is made available on the company’s website.</p>	C
Rehabilitation					
Rehabilitation Objectives					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
4	26	<p>The Proponent shall rehabilitate the site to the satisfaction of the Executive Director Mineral Resources.</p> <p>This rehabilitation must be generally consistent with the proposed rehabilitation strategy described in the EA, and comply with the objectives in Table 13.</p>	<p>The auditor notes that there is no stand-alone Rehabilitation Management Plan.</p> <p>The Proponent advised that rehabilitation management plan requirements are addressed by its Extraction Plan and Mining Operation Plan.</p> <p>The auditor notes that the rehabilitation objectives presented in the Mining Operation Plan (page 41, Table 3.1) do not completely match those presented in Table 13 of the Project Approval (09_0161) for the Nebo Area Project. The auditor notes that Table 3.1, page 41 of the MOP does not address the requirements for Mine Site (as a whole) and Surface Infrastructure. In addition, the wording associated with cliffs does not address public safety.</p> <p>The Auditor notes that there has been no rehabilitation of buildings, disturbed land or other infrastructure during the following Annual Review reporting periods:</p> <ul style="list-style-type: none"> • 2 Nov 2011 – 2 Nov 2012 • 2 Nov 2012 – 2 Nov 2013. <p>The auditor notes that the Mining Lease 1596 is in place until 7 October 2029.</p>	Rehabilitation objectives in Mining Operation Plan to be updated to reflect Nebo Area Project Approval (Table 13, Rehabilitation Objectives).	NA
Table 13 Rehabilitation Objectives					
		<p>Feature – Mine site (as a whole)</p> <p>Objectives</p> <ul style="list-style-type: none"> • Safe, stable & non-polluting. • Final land use compatible with surrounding land uses. 	<p>Not applicable at this stage given no rehabilitation activities have been undertaken (refer to above comment) and the extent of longwall mining in the Nebo Project Area at the time of the audit was limited (i.e. first longwall commences in June 2013 and advanced approximately 290m at the time of the audit).</p>	Nil.	NA

Schedule	Condition	Requirement	Finding	Recommendation	Rating
		Feature – Surface Infrastructure Objectives <ul style="list-style-type: none"> To be decommissioned and removed, unless the Executive Director Mineral Resources agrees otherwise. 	Not applicable at this stage given no rehabilitation activities have been undertaken (refer to above comment) and the extent of longwall mining in the Nebo Project Area at the time of the audit was limited (i.e. first longwall commences in June 2013 and advanced approximately 290m at the time of the audit).	Nil	NA
		Feature – Portals and vent shafts Objectives <ul style="list-style-type: none"> To be decommissioned and made safe and stable. Retain habitat for threatened species (eg bats), where practicable. 	Not applicable at this stage given no rehabilitation activities have been undertaken (refer to above comment) and the extent of longwall mining in the Nebo Project Area at the time of the audit was limited (i.e. first longwall commences in June 2013 and advanced approximately 290m at the time of the audit).	Nil	NA
		Feature – Watercourse of 2 nd order or above subject to subsidence impacts Objectives <ul style="list-style-type: none"> Hydraulically and geomorphologically stable. 	Not applicable at this stage given no rehabilitation activities have been undertaken (refer to above comment) and the extent of longwall mining in the Nebo Project Area at the time of the audit was limited (i.e. first longwall commences in June 2013 and advanced approximately 290m at the time of the audit).	Nil	NA
		Feature – Cliffs Objectives <ul style="list-style-type: none"> No additional risk to public safety compared prior to mining. 	Not applicable at this stage given no rehabilitation activities have been undertaken (refer to above comment) and the extent of longwall mining in the Nebo Project Area at the time of the audit was limited (i.e. first longwall commences in June 2013 and advanced approximately 290m at the time of the audit).	Nil	NA

Schedule	Condition	Requirement	Finding	Recommendation	Rating
		<p>Feature – Other land affected by the project</p> <p>Objectives</p> <p>Restore ecosystem function, including maintaining or establishing self-sustaining ecosystems comprised of:</p> <ul style="list-style-type: none"> Local native plant species (unless the Executive Director Mineral Resources agrees otherwise); and A landform consistent with the surrounding environment. 	Not applicable at this stage given no rehabilitation activities have been undertaken (refer to above comment) and the extent of longwall mining in the Nebo Project Area at the time of the audit was limited (i.e. first longwall commences in June 2013 and advanced approximately 290m at the time of the audit).	Nil	NA
		<p>Feature – Built features damaged by mining operations</p> <p>Objectives</p> <p>Repair to pre-mining condition or equivalent unless:</p> <ul style="list-style-type: none"> The owner agrees otherwise; and The damage is fully restored, repaired or compensated under the Mine Subsidence Compensation Act 1961. 	Not applicable at this stage given no rehabilitation activities have been undertaken (refer to above comment) and the extent of longwall mining in the Nebo Project Area at the time of the audit was limited (i.e. first longwall commences in June 2013 and advanced approximately 290m at the time of the audit).	Nil	NA
		<p>Feature – Community</p> <p>Objectives</p> <ul style="list-style-type: none"> Ensure public safety. Minimise the adverse socio-economic effects associated with mine closure. 	Not applicable at this stage given no rehabilitation activities have been undertaken (refer to above comment) and the extent of longwall mining in the Nebo Project Area at the time of the audit was limited (i.e. first longwall commences in June 2013 and advanced approximately 290m at the time of the audit).	Nil	NA
Progressive Rehabilitation					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
4	27	The Proponent shall carry out the rehabilitation of the site progressively, that is, as soon as reasonably practicable following disturbance.	<p>The Auditor notes that there has been no rehabilitation of buildings, disturbed land or other infrastructure during the following Annual Review reporting periods:</p> <ul style="list-style-type: none"> • 2 Nov 2011 – 2 Nov 2012 • 2 Nov 2012 – 2 Nov 2013. 	Nil.	NA
Rehabilitation Management Plan					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
4	28	<p>The Proponent shall prepare and implement a Rehabilitation Management Plan for the project, to the satisfaction of the Director-General of DRE. This plan must:</p> <p>(a) be prepared in consultation with the Department, OEH, NOW, Council and the CCC, and be submitted to the Executive Director Mineral Resources in DRE for approval within 6 months of this approval, or as otherwise agreed with the Director-General;</p> <p>(b) be prepared in accordance with any relevant DRE guideline, and be consistent with the rehabilitation objectives in the EA and in Table 13;</p> <p>(c) build, to the maximum extent practicable, on the other management plans required under this approval; and</p> <p>(d) address all aspects of rehabilitation and mine closure, including final land use assessment, rehabilitation objectives, domain objectives, completion criteria and rehabilitation monitoring.</p>	<p>The auditor notes that there is no stand-alone Rehabilitation Management Plan.</p> <p>The Proponent advised that rehabilitation management plan requirements are addressed by its Extraction Plan and Mining Operation Plan.</p> <p>Auditor sighted NRE Wongawilli Colliery Nebo Longwalls N1-N6 Extraction Plan (dated 18 March 2013, Ref: NREW EMS MP019, Revision 2). This Extraction Plan was prepared as per the requirements of Condition 7, Schedule 3 of the Project Approval (09_0161, dated 2 November 2011). This is the current version of the Extraction Plan, however it is not available on the company's website. The auditor sighted revision 1 of the Extraction Plan (dated November 2012), which is available on the company's website.</p> <p>DP&I approval of the Extraction Plan (Revision 1) was granted on 22 December 2012 (sighted DP&I correspondence ref: 10/04026-2, dated 21 December 2012). However, the audit found that the current version of the Extraction Plan had not been provided to DP&I.</p> <p>The Extraction Plan (Rev 1, November 2012) was also submitted to the DRE. DRE approved the Extraction Plan as the project's Subsidence Management Plan (sighted DRE correspondence ref: 09/5341, dated 25 January 2013).</p> <p>The auditor notes that rehabilitation management matters are also addressed in the Mining Operation Plan.</p> <p>The NRE Wongawilli Colliery Mining Operation Plan 2011-2013 (Rev 3, December 2011) was sighted by the auditor.</p> <p>DRE granted approvals to conduct the activities as named in the Mining Operation Plan on 1 March 2012 (sighted Trade & Investment, Resources & Energy correspondence ref: 11/5485, dated 1 March 2012). Trade & Investment, Resources & Energy required a MOP Addendum by 30 March 2012. The MOP Addendum was accepted by Trade & Investment, Resources & Energy on 20 April 2012 (sighted Trade & Investment, Resources & Energy correspondence ref: 11/5485 dated April 2012).</p>	<p>Current version of the Extraction Plan to be provided to DP&I.</p> <p>Current version of the Extraction Plan to be to be made available on company's website.</p>	C

Schedule	Condition	Requirement	Finding	Recommendation	Rating

Schedule	Condition	Requirement	Finding	Recommendation	Rating
Notification of Landowners					
5	1	<p>As soon as practicable following obtaining monitoring results showing:</p> <p>(a) an exceedance of the relevant criteria in schedule 4, the Proponent shall notify the affected landowner and/or tenants in writing of the exceedance, and provide regular monitoring results to each of these parties until the project is complying with the relevant criteria again; or</p> <p>(b) an exceedance of the relevant criteria in conditions 11 or 12 of schedule 4, the Proponent shall send a copy of the NSW Health fact sheet entitled "Mine Dust and You" (as may be updated from time to time) to the affected landowners and/or existing tenants of the land (including the tenants of any mine-owned land).</p>	<p>With respect to noise monitoring, the Proponent advised that the noise monitoring program is complaint based/driven and that there is no established noise monitoring program.</p> <p>The auditor notes that the Proponent has addressed the noise complaint associated with the operation of the vibrating coal screen (Screener/Sizer building) and kept both the complainants and regulators (EPA/DP&I) informed mitigation works and subsequent close out of issue.</p> <p>With respect to air quality monitoring, the Proponent advised that the required real-time dust monitoring (i.e. PM10 and TSP) is not in place. Proponent advised that they operated a HVAS which records TPS but does not monitor PM10.</p> <p>Proponent advised that the requirement associated with item (b) of this condition had not been triggered.</p> <p>The Proponent advised that there are no noise or air monitoring locations located on privately owned land (i.e. all monitoring locations are located on land owned by the Proponent).</p> <p>Unable to assess to do a lack of an established noise monitoring program and a real time air quality monitoring network.</p>	<p>Finalise and gain approval of Noise Management Plan and implement associated noise monitoring program.</p> <p>Finalise Air Quality and Greenhouse Gas Management Plan and implement associated real time air quality monitoring network.</p>	NC
Independent Review					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
5	2	<p>If an owner of privately-owned land considers the project to be exceeding the relevant criteria in schedule 4, then he/she may ask the Director-General in writing for an independent review of the impacts of the project on his/her land.</p> <p>If the Director-General is satisfied that an independent review is warranted, then within 2 months of the Director-General's decision the Proponent shall:</p> <p>(a) commission a suitably qualified, experienced and independent person, whose appointment has been approved by the Director-General, to:</p> <ul style="list-style-type: none"> consult with the landowner to determine his/her concerns; conduct monitoring to determine whether the project is complying with the relevant criteria in schedule 4; and if the project is not complying with these criteria then identify the measures that could be implemented to ensure compliance with the relevant criteria; and <p>(b) give the Director-General and landowner a copy of the independent review.</p>	Proponent advised that no requests have been made by owners of privately-owned land for an independent review of impacts of the project on their land.	Nil.	NA

Schedule	Condition	Requirement	Finding	Recommendation	Rating
5	3	<p>If the independent review determines that the project is complying with the relevant criteria in schedule 4, then the Proponent may discontinue the independent review with the approval of the Director-General.</p> <p>If the independent review determines that the project is not complying with the relevant impact assessment criteria in schedule 4, and that the project is primarily responsible for this non-compliance, then the Proponent shall:</p> <p>(a) implement all reasonable and feasible mitigation measures, in consultation with the landowner and appointed independent person, and conduct further monitoring until the project complies with the relevant criteria; or</p> <p>(b) secure a written agreement with the landowner to allow exceedances of the relevant criteria,</p> <p>To the satisfaction of the Director-General.</p> <p>If the independent review determines that any relevant acquisition criteria in schedule 4 are being exceeded and that the project is primarily responsible for this non-compliance, then upon receiving a written request from the landowner, the Proponent shall acquire all or part of the landowner's land in accordance with the procedures in conditions 4-5 below.</p>	Proponent advised that no requests have been made by owners of privately-owned land for an independent review of impacts of the project on their land.	Nil.	NA
Land Acquisition					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
5	4	<p>Within 3 months of receiving a written request from a landowner with acquisition rights, the Proponent shall make a binding written offer to the landowner based on:</p> <p>(a) the current market value of the landowner's interest in the land at the date of this written request, as if the land was unaffected by the project, having regard to the:</p> <ul style="list-style-type: none"> existing and permissible use of the land, in accordance with the applicable planning instruments at the date of the written request; and presence of improvements on the land and/or any approved building or structure which has been physically commenced on the land at the date of the landowner's written request, and is due to be completed subsequent to that date, but excluding and improvements that have resulted from the implementation of any additional mitigation measures undertaken by the Proponent on the land; <p>(b) the reasonable costs associated with:</p>	Proponent advised that the requirements of this condition have not been triggered.	Nil.	NA

Schedule	Condition	Requirement	Finding	Recommendation	Rating
		<ul style="list-style-type: none"> relocating within the Wollongong local government area, or to any other local government area determined by the Director-General; and obtaining legal advice and expert advice for determining the acquisition price of the land, and the terms upon which it is to be acquired; and <p>(c) reasonable compensation for any disturbance caused by the land acquisition process.</p>	Proponent advised that the requirements of this condition have not been triggered.	Nil.	NA

Schedule	Condition	Requirement	Finding	Recommendation	Rating
		<p>If the Proponent and landowner cannot agree on the acquisition price of the land and/or the terms upon which the land is to be acquired within 28 days after the Proponent makes its written offer, then either party may refer the matter to the Director-General for resolution.</p> <p>Upon receiving such a request, the Director-General will request the President of the NSW Division of the Australian Property Institute to appoint a qualified independent valuer to:</p> <ul style="list-style-type: none"> consider submissions from both parties determine a fair and reasonable acquisition price for the land and/or the terms upon which the land is to be acquired, having regard to the matters referred to in paragraphs (a)-(c) above prepare a detailed report setting out the reasons for any determination, and provide a copy of the report to both parties. 	<p>Proponent advised that the requirements of this condition have not been triggered.</p>	<p>Nil.</p>	<p>NA</p>

Schedule	Condition	Requirement	Finding	Recommendation	Rating
		<p>Within 14 days of receiving the independent valuer's report, the Proponent shall make a binding written offer to the landowner to purchase the land at a price not less than the independent valuer's determination.</p> <p>However, if either party disputes the independent valuer's determination, then within 14 days of receiving the independent valuer's report, they may refer the matter to the Director-General for review. Any request for a review must be accompanied by a detailed report setting out the reasons why the party disputes the independent valuer's determination. Following consultation with the independent valuer and both parties, the Director-General will determine a fair and reasonable acquisition price for the land, having regard to the matters referred to in paragraphs (a)-(c) above, the independent valuer's report, the detailed report disputing the independent valuer's determination, and any other relevant submissions.</p>	Proponent advised that the requirements of this condition have not been triggered.	Nil.	NA

Schedule	Condition	Requirement	Finding	Recommendation	Rating
		<p>Within 14 days of this determination, the Proponent shall make a binding written offer to the landowner to purchase the land at a price not less than the Director-General's determination.</p> <p>If the landowner refuses to accept the Proponent's binding written offer under this condition within 6 months of the offer being made, then the Proponent's obligations to acquire the land shall cease, unless the Director-General determines otherwise.</p>	Proponent advised that the requirements of this condition have not been triggered.	Nil.	NA
5	5	The Proponent shall pay all reasonable costs associated with the land acquisition process described in condition 4 above, including the costs associated with obtaining Council approval for any plan of subdivision (where permissible), and registration of this plan at the Office of the Registrar-General.	Proponent advised that the requirements of this condition have not been triggered.	Nil.	NA

Schedule	Condition	Requirement	Finding	Recommendation	Rating
Environmental Management					
Environmental Management Strategy					
6	1	<p>The Proponent shall prepare and implement an Environmental Management Strategy for the project to the satisfaction of the Director-General. This strategy must:</p> <p>(a) be submitted to the Director-General for approval within 6 months of this approval;</p> <p>(b) provide the strategic framework for environmental management of the project;</p> <p>(c) identify the statutory approvals that apply to the project;</p> <p>(d) describe the role, responsibility, authority and accountability of all key personnel involved in the environmental management of the project;</p> <p>(e) describe the procedures that would be implemented to:</p> <ul style="list-style-type: none"> keep the local community and relevant agencies informed about the operation and environmental performance of the project; receive, handle, respond to, and record complaints; resolve any disputes that may arise during the course of the project; respond to any non-compliance; respond to emergencies; and <p>(f) include:</p>	<p>Auditor sighted NRE Wongawilli Colliery Environmental Management System Strategic Framework (ref: NREW EMS STD 001, Rev 2, 20 May 2013).</p> <p>Auditor sighted DP&I correspondence (ref: 10_10939, dated 15 July 2013) re: NRE Wongawilli Colliery (MP 09_0161) Post Approval Requirements. This correspondence advised the Proponent that the Director-General is satisfied with, and has approved the Environmental Management Strategy, in accordance with Condition 1 of Schedule 6 of the mine's approval.</p> <p>The auditor notes that Environmental Management Strategy was approved outside of the six month timeframe from the date of the project approval, which was 2 November 2011.</p>	Proponent to develop a compliance tracking system (e.g. database, spreadsheet or similar) to facilitate the management of compliance requirements that arise from the Project Approval, Environment Protection Licence, Mining Lease, Compliance Actions and Audits as well as the various management and monitoring plans that have been developed.	NC

Schedule	Condition	Requirement	Finding	Recommendation	Rating
		<ul style="list-style-type: none"> copies of any strategies, plans and programs approved under the conditions of approval; and 	As per above comment.	Nil.	-
		<ul style="list-style-type: none"> a clear plan depicting all the monitoring required to be carried out under the conditions of this approval. 	As per above comment.	Nil	-
Management Plan Requirements					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
6	2	<p>The Proponent shall ensure that the management plans required under this approval are prepared in accordance with any relevant guidelines, and include:</p> <p>(a) detailed baseline data;</p> <p>(b) a description of:</p> <ul style="list-style-type: none"> the relevant statutory requirements (including any relevant approval, licence or lease conditions); any relevant limits or performance measures/criteria; the specific performance indicators that are proposed to be used to judge the performance of, or guide the implementation of, the project or any management measures; <p>(c) a description of the measures that would be implemented to comply with the relevant statutory requirements, limits, or performance measures/criteria;</p> <p>(d) a program to monitor and report on the:</p> <ul style="list-style-type: none"> impacts and environmental performance of the project; effectiveness of any management measures (see (c) above); <p>(e) a contingency plan to manage any unpredicted impacts and their consequences and to ensure that ongoing impacts reduce to levels below relevant impact assessment criteria as quickly as possible;</p>	<p>The auditor notes that the following management plans have been approved by the DP&I:</p> <ul style="list-style-type: none"> Environmental Management Strategy Heritage Management Plan Air Quality and Greenhouse Gas Management Plan Surface Water Management Plan <p>Auditor sighted the following DP&I correspondence relating to approved management plans:</p> <ul style="list-style-type: none"> DP&I correspondence (ref: 10_10939, dated 15 July 2013) re: NRE Wongawilli Colliery (MP 09_0161) Post Approval Requirements. This correspondence advised the Proponent that the Director-General is satisfied with, and has approved the Environmental Management Strategy, in accordance with Condition 1 of Schedule 6 of the mine's approval. DP&I correspondence (ref: 10_10939, dated 25 September 2013) re: NRE Wongawilli Colliery (MP 09_0161) Post Approval Requirements. This correspondence advised the Proponent that Director-General approved the Heritage Management Plan, Air Quality and Greenhouse Gas Management Plan and the Surface Water Management Plan. <p>The auditor notes that the Noise Management Plan is required to be updated following DP&I's approval of the Noise Audit. DP&I has advised that the updated Noise Management Plan is to be submitted to the DP&I for approval by 30 April 2014. Auditor sighted DP&I correspondence (ref: 10/04026-2, dated 22 Jan 2014) re: NRE Wongawilli Colliery-Nebo Area Project (MP 09_0161) Noise Audit.</p>	Proponent to finalise and gain DP&I approval of the Noise Management Plan by 30 April 2014.	C
Continued over.					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
		(f) a program to investigate and implement ways to improve the environmental performance of the project over time; (g) a protocol for managing and reporting any: <ul style="list-style-type: none"> incidents; complaints; non-compliances with conditions of this approval and statutory requirements; and exceedances of the impact assessment criteria and/or performance criteria; and (h) a protocol for periodic review of the plan.	As per above comment.	As per above comment.	-
Annual Review					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
6	3	<p>By the end of December each year (or other such timing as agreed by the Director-General), the Proponent shall review the environmental performance of the project to the satisfaction of the Director-General. This review must:</p> <p>(a) describe the works (including any rehabilitation) carried out in the past year, and the works proposed to be carried out over the next year;</p> <p>(b) include a comprehensive review of the monitoring results and complaints records of the project over the past year, which includes a comparison of these results against the:</p> <ul style="list-style-type: none"> • relevant statutory requirements, limits or performance measures / criteria; • monitoring results of previous years; • and relevant predictions in the EA; <p>(c) identify any non-compliance over the past year, and describe what actions were (or are being) taken to ensure compliance;</p> <p>(d) identify any trends in the monitoring data over the life of the project;</p> <p>(e) identify any discrepancies between the predicted and actual impacts of the project, and analyse the potential cause of any significant discrepancies; and</p> <p>(f) describe what measures will be implemented over the next year to improve the environmental performance of the project.</p>	<p>Auditor sighted Annual Review report for the reporting period of 2 November 2011 to 2 November 2012.</p> <p>Auditor sighted DP&I correspondence (ref: 10/04026, dated 4 March 2013) re: NRE Wongawilli Colliery (MP 09_0161) Annual Review. This DP&I correspondence advised the Proponent that the Director-General is satisfied with the Annual Review.</p> <p>The auditor notes that the Proponent has submitted their Annual Review report for the reporting period 2 November 2012 to 2 November 2013, however this reporting requirement falls outside the audit timeframe (2 November 2011 to 30 June 2013).</p>	<p>Future Annual Review reports should include a tabulated version of Condition 3, Schedule 6 and a corresponding section reference as to where in the Annual Review the reporting requirement has been addressed.</p> <p>This recommendation will ensure specific requirements of the Annual Review reporting are met, especially if/when consideration is given to combining the Annual Review reporting (DP&I requirement) with the Annual Environmental Management Review reporting (DRE requirement).</p>	C

Schedule	Condition	Requirement	Finding	Recommendation	Rating
Revisions of Strategies, Plans and Programs					
6	4	<p>Within 3 months of:</p> <p>(a) the submission of an annual review under condition 3 above;</p> <p>(b) the submission of an incident report under condition 6 below;</p> <p>(c) the submission of an audit report under condition 8 below; and</p> <p>(d) any modification to the conditions of this approval (unless the conditions require otherwise),</p> <p>the Proponent shall review, and if necessary revise, the strategies, plans, and programs required under this approval to the satisfaction of the Director-General.</p>	<p>Auditor notes that the Environmental Management Strategy includes an annual review requirement.</p> <p>Auditor notes that management plans (i.e. Surface Water Management, Heritage Management, Noise Management and Air Quality/Greenhouse Gas Management) include an annual review requirement.</p> <p>The auditor notes that the project approval has not been modified.</p> <p>Proponent advised that no specific reviews have been completed with respect to this condition.</p>	<p>Management Plans (including the Environmental Management Strategy) be updated to reflect the review/revision requirements of Condition 4, Schedule 6.</p> <p>The review triggers as specified by this condition of approval should be incorporated into the compliance tracking system recommended against Schedule 2 Condition 4 of the project approval.</p> <p>This audit and the recent noise audit should generate a review of the project's strategies, plans and programs.</p> <p>Where a review identifies the need for a change, this change should be documented. Where a review identifies no need for a change, this outcome should also be documented.</p> <p>Recommend a review is undertaken and documented of all project specific strategies, plans and programs following this audit as per item (c) of this condition of approval.</p>	NC
Community Consultative Committee					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
6	5	The Proponent shall establish and operate a Community Consultative Committee (CCC) for the project in general accordance with the Guidelines for Establishing and Operating Community Consultative Committees for Mining Projects (Department of Planning, 2007, or its latest version), or alternative consultative framework as may be agreed by the Director-General, to the satisfaction of the Director-General. This CCC or alternative framework must be operating within 6 months of this approval.	<p>The first meeting of the Community Consultative Committee (CCC) was held on 28 August 2012. The CCC was established prior to the project approval being issued (i.e. 2 November 2011). Subsequent meetings have been held on 30 October 2012, 5 February 2013, 26 March 2013 and 4 June 2013. The next scheduled CCC meeting is for 10 September 2013.</p> <p>Auditor sighted DP&I correspondence (ref: 11/03361, dated 4 July 2012) re: NRE No. 1 Colliery (MP 10_0046) and NRE Wongawilli Colliery (MP 09_0161) Community Consultative Committees. This DP&I correspondence advised the Proponent that the Director-General has endorsed the appointment of Mr Col Gellatly as the Independent Chairperson for both collieries.</p> <p>Auditor sighted DP&I correspondence (ref: 10/04026, dated 9 July 2012) re: NRE Wongawilli Colliery (MP 09_0161) Community Consultative Committee. This DP&I correspondence advised the Proponent of the Director-General's endorsement of appointees to the CCC, which consisted of community, council and Gujarat NRE representatives.</p>	Nil.	C
Reporting					
Incident Reporting					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
6	6	The Proponent shall notify the Director-General and any other relevant agencies of any incident that has caused, or has the potential to cause, significant risk of material harm to the environment, at the earliest opportunity. For any other incident associated with the project, the Proponent shall notify the Director- General and any other relevant agencies as soon as practicable after the Proponent becomes aware of the incident. Within 7 days of the date of the incident, the Proponent shall provide the Director-General and any relevant agencies with a detailed report on the incident, and such further reports as may be requested.	<p>Auditor sighted Annual Return for EPL 1087 (reporting period October 2011 to September 2012). Proponent identified one non-compliance event in November 2011. The non-compliance was associated with the discharge of dirty water during an intense storm (rainfall) event. The storm mobilised vegetation which blocked a drain resulting in the discharge of dirty water.</p> <p>The auditor notes that this incident was not reported in the Annual Review report submitted to the DP&I.</p> <p>Auditor sighted Gujarat NRE Wonga Pty Ltd correspondence (dated 21 May 2012) re: Report on Threatening Incident at NRE Wongawilli Colliery as Notified 7th May 2012. This letter was address to the EPA and advised them of a situation whereby there was an increase in the observed level of sediment and measured TSS concentrations being discharged from the colliery's clean water Mine Dam. The auditor notes that the EPL pollution limit for TSS were not exceeded and that the Proponent advised that the incident was not a pollution incident.</p> <p>The auditor notes that the Proponent did not provide a copy of this correspondence to DP&I.</p> <p>On 29 August 2013, the Proponent advised Trade & Investment / Resources & Energy of unauthorised land clearing and earthworks in the North West Mains Portal area had occurred (sighted email dated 29 August 2013). This work was not covered by the approved MOP. The proponent advised that this work had occurred "a few months ago" (i.e. prior to August 2013). The unauthorised work involved the clearing of several trees and creation of a small bench on a steep slope. The works took place in an effort to resolve land stability issues resulting from the initial development of the project area. Due to the stability issues, several trees were identified as safety hazards for operations in the area.</p> <p>The auditor notes that DP&I and the EPA were not notified of the unauthorised land clearing works.</p> <p>The auditor notes that the Proponent does not have an environmental incident register.</p>	<p>Proponent to develop a notification protocol identifying relevant agencies for a) incidents that cause, or have the potential to cause, significant risk of material harm to the environment and b) other incident associated with the project and c) un-approved work events and non-compliance incidents.</p> <p>Proponent to establish an environmental incident register.</p> <p>Amend MOP as required to address future earthwork requirements in North West Portal area.</p>	NC
Regular Reporting					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
6	7	The Proponent shall provide regular reporting on the environmental performance of the project on its website, in accordance with the reporting arrangements in any plans or programs approved under the conditions of this approval.	<p>The auditor notes the following environmental performance reporting is provided on the proponent's web site:</p> <ul style="list-style-type: none"> • 2013 (Jan to July) Monthly monitoring report for EPL 1087. • Surface and Groundwater Baseline Report for Nebo Project Area (Longwalls N1-N6). • Groundwater monitoring results (as of March 2013, with data since January 2010 also presented). • Surface water monitoring results (as of March 2013, with data since June 2009 also presented). • Complaints summary (2012-2013). • Coal Transport (monthly tonnages for 2012 and train movements for 2012). • Annual Review (Nov 2011 – Nov 2012). • Coal Mine Particulate Matter Control Best Practice (PRP9) Report (September 2012). <p>The auditor anticipates that when the first long wall is completed in the Nebo Project Area the proponent will prepare and make available via its web site an End of Panel Report.</p> <p>http://115.249.74.43/Wongawilli_env.html#3</p>	<p>Annual Return reports for Environment Protection Licence 1087 should be made available on the proponent's web site.</p> <p>As management plans and associated TARPs are implemented (e.g. air, noise etc) associated environmental monitoring results should be made available via the proponent's web site.</p>	C
Independent Environmental Audit					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
6	8	<p>By the end of June 2013 (or other such timing as agreed by the Director-General), and every 3 years thereafter, unless the Director-General directs otherwise, the Proponent shall commission and pay the full cost of an Independent Environmental Audit of the project. This audit must:</p> <p>(a) be conducted by a suitably qualified, experienced and independent team of experts whose appointment has been endorsed by the Director-General;</p> <p>(b) include consultation with the relevant agencies;</p> <p>(c) assess the environmental performance of the project and assess whether it is complying with the requirements in this approval and any relevant EPL or Mining Lease (including any assessment, plan or program required under these approvals);</p> <p>(d) review the adequacy of strategies, plans or programs required under the abovementioned approvals; and</p> <p>(e) recommend measures or actions to improve the environmental performance of the project, and/or any strategy, plan or program required under these approvals.</p>	<p>This audit is the first independent environmental audit of the project associated with Project Approval 09_0161 dated 2 November 2011, Project: NRE Wongawilli Colliery – Nebo Area Project.</p> <p>The auditor and technical specialists were endorsed by the DoP&I on 15 July 2013.</p> <p>The on-site audit component was completed in September 2013.</p> <p>The off-site audit component was completed in February 2014 following the resolution of payment issues and the provision of information/evidence as requested by the auditor.</p> <p>The Department of Planning & Infrastructure (DoP&I) issued an Enforcement Action dated 11 July 2017 against the NRE Wongawilli Colliery – Nebo Project Area (MP 09_0161) including penalty infringement notices (sighted by auditor).</p> <p>One of the infringement notices relate to failure to comply with Condition 8, Schedule 6 (commission and pay the full cost of an Independent Environment Audit by the end of June 2013).</p>	<p>Ensure future independent environmental audits are scheduled and completed by the required timeframe as specified by the Project Approval (Condition 8, Schedule 6).</p>	NC

Schedule	Condition	Requirement	Finding	Recommendation	Rating
6	9	Within 6 weeks of the completion of this audit, or as otherwise agreed by the Director-General, the Proponent shall submit a copy of the audit report to the Director-General, together with its response to any recommendations contained in the audit report.	<p>This audit is the first independent environmental audit of the project associated with Project Approval 09_0161 dated 2 November 2011, Project: NRE Wongawilli Colliery – Nebo Area Project.</p> <p>The audit was completed on 26 February 2014 with the draft audit report issued to the Proponent.</p> <p>The Proponent is required to submit a copy of the audit report to the DP&I along with its response to any recommendations contained in the audit report. Compliance with this requirement will be assessed as part of the next independent environmental audit.</p>	Nil.	NA
Access to Information					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
6	10	<p>From the end of December 2011, the Proponent shall:</p> <p>(a) make copies of the following publicly available on its website:</p> <ul style="list-style-type: none"> the EA; all current statutory approvals for the project; approved strategies, plans and programs required under the conditions of this approval; a comprehensive summary of the monitoring results of the project, which have been reported in accordance with the various plans and programs approved under the conditions of this approval; a complaints register, which is to be updated on a monthly basis; minutes of CCC meetings; the annual reviews of the project; any independent environmental audit, and the Proponent's response to the recommendations in any audit; any other matter required by the Director-General; and <p>(b) keep this information up-to-date, to the satisfaction of the Director-General.</p>	<p>The auditor accessed the proponent's web site (on 18 September 2013). http://115.249.74.43/Wongawilli_env.html#3</p> <p>The following information was found to be publicly available:</p> <ul style="list-style-type: none"> Volume 1 of the Environmental Assessment is not available via the proponent's web site. Link provided gives access to Volume 2 – Annexures. The Project Approval (09_0161, dated 2 November 2011) for the NRE Wongawilli Colliery – Nebo Area project is available on the proponent's web site. The proponent's web site also provides access to approvals related to matters such as subsidence management, major projects, exploration, Part 5 EP&A Act Approvals, Sydney Catchment Authority Approvals, Development Approvals, Roads Act Approvals and Radiation Approvals. The auditor notes that a number of documents categorised as "approved strategies, plans and programs required under the conditions of this approval" have not been made available on the proponent's web site. The auditor notes that the Proponent updates a monthly monitoring report for its EPL (1087) which is available on its website. Environmental monitoring results presented in this report are limited to the monitoring required by EPL (1087). Complaints register for the period January 2011 – July 2013 is accessible via the proponent's web site. Last entry is dated 21 August 2013. 	<p>Link on proponent's web site to Volume 1 of the EA for the NRE Wongawilli Colliery Nebo Area Environmental Assessment (October 2010) does not link to Volume, but instead links to Volume 2 – Annexures. This needs rectification.</p> <p>Proponent to prioritise the finalisation and approval of strategies, plans and programs required under the conditions of the project approval. Once finalised, these documents are to be made available via the proponent's web site. This includes the various management plans required by the project approval.</p> <p>As management plans and associated TARPs are implemented associated environmental monitoring results should be made available via the proponent's web site. This will ensure compliance with the requirement to provide a comprehensive summary of the monitoring results of the project.</p> <p>Once finalised, the NRE Wongawilli Colliery Noise Audit prepared by Wilkinson Murray should be made available via the proponent's web site.</p> <p>This audit report should be made available via the proponent's web site following its acceptance by the DP&I.</p> <p>Proponent should ensure that information provided on the web site is reviewed and updated (where required) on a monthly basis.</p>	NC

Schedule	Condition	Requirement	Finding	Recommendation	Rating
			<ul style="list-style-type: none"> Minutes of the CCC since its first meeting (28 August 2012) and most recent (4 June 2013) are accessible via the proponent's web site. Annual Review (Nov 2011 – Nov 2012) is accessible via the proponent's web site. 		

Appendix B

Statement of Commitments checklist



Statement of Commitments

Commitment & Timing	Desired Outcome	Finding / Recommendation	Rating
Statutory Requirements			
<p>The development will be carried out as outlined in:</p> <ul style="list-style-type: none"> • The EA • Project Approval • EPL • Subsidence Management Plans • Mining Lease(s) • Any other approvals, licenses or leases. <p>Timing – continuous and as required.</p>	<p>Compliance with all conditional requirements in all approvals, licenses and leases.</p>	<p>Based on the audit process followed, the audit identified a number of significant non-compliances associated with the condition of approval, statement of commitments and the MOP.</p>	NC
<p>Undertake all activities in accordance with the accepted Mining Operations Plan; environmental procedures; safety management plan and/or site specific documentation in force at that time.</p> <p>Timing – continuous and as required.</p>	<p>All operations conducted in accordance with all relevant documentation.</p>	<p>Based on the audit process followed, one instance was identified whereby unapproved (i.e. not covered by MOP) earthworks and vegetation clearance occurred in the Pit Top of the Colliery.</p>	NC
Stakeholder Consultation			

<p>NRE will conduct regular community liaison meetings and provide regular updates to the community during operations of the Project.</p> <p>Timing – At regular intervals of not less than three times a year.</p>	<p>Effective communication / consultation is undertaken throughout the life of the Project.</p>	<p>Proponent advised that a Community Information Day was conducted in December 2011.</p> <p>The CCC chairperson and members were endorsed by DP&I on 4 July 2012 and 9 July 2012 respectively.</p> <p>The first Community Consultative Committee (CCC) meeting was held on 28 August 2012. Subsequent CCC meetings have been held on 30 October 2012, 5 February 2013, 26 March 2013 and 4 June 2013.</p> <p>The auditor notes that 2 meetings were held in 2012, while three meetings have been held in 2013.</p> <p>Recommendation – ensure a minimum of three CCC meetings are held each calendar year.</p> <p>Recommendation – issue a quarterly or six-monthly newsletter to community and key stakeholders.</p>	<p>C</p>
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Land Use and Resource Management

<p>A Bushfire Management Plan will be developed with mitigation measures for bush fire impacts including the following:</p> <ul style="list-style-type: none"> • Slashing, landscaping and vegetation management to manage fuel; • Maintenance of fire breaks; • Ongoing communication with the NSW Rural Fire Service; and • Site fire fighting equipment and emergency response procedures. <p>Timing – Within 6 months of approval.</p>	<p>Maintaining the integrity of surrounding resources.</p>	<p>The auditor notes that DP&I issued a compliance action dated 11 July 2013 requiring the Proponent to prepare the Bushfire Management Plan and make a copy of the plan available on the company's website.</p> <p>Proponent advised (December 2013) that the Bushfire Management is in final draft stage and would be submitted to the DP&I once finalised.</p> <p>Recommendation – finalise the Bushfire Management Plan, gain DP&I acceptance of the plan and make the Bushfire Management Plan available on the company's website.</p>	<p>NC</p>
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Subsidence

Ground movements will be monitored as mining occurs, to measure the extent to which the actual movements may differ from those predicted. Any unacceptable impacts can be addressed and appropriate remedial measure implemented, as require.

Timing – During secondary extraction.

Potential adverse impacts from subsidence are managed, monitored and remediated where necessary.

The auditor notes that at the time of the audit, limited longwall mining had been undertaken as part of the Nebo Area Project. The first longwall (i.e. Longwall N2) within the Nebo project area commenced in June 2013 and had advanced approximately 290m at the time of the audit. As such, subsidence issues were not identified as a priority issue for this audit.

The Proponent has the following approved “plans” in place with respect to subsidence:

- Extraction Plan (also referred to as the Subsidence Management Plan).
- Subsidence Monitoring Plan.
- Mining Operation Plan.

Survey/Subsidence Lines were observed by the auditor during the site inspection of the Nebo project area. No subsidence impacts were observed during the site inspection of the Nebo project area.

Recommendation – The next independent environmental audit should assess subsidence matters and the audit team should include an independent subsidence specialist to support the auditor.

C

NRE will liaise with SCA, other regulatory authorities, and owners of infrastructure to ensure that the impacts of subsidence are managed to an acceptable standard.

Timing – During secondary extraction.

Potential adverse impacts from subsidence are managed, monitored and remediated where necessary.

Proponent advised that they liaise with SCA, Sydney Water, Dam Safety Committee and DRE regarding subsidence impacts to infrastructure.

The auditor notes that at the time of the audit, limited longwall mining had been undertaken as part of the Nebo Area Project. The first longwall (i.e. Longwall N2) within the Nebo project area commenced in June 2013 and had advanced approximately 290m at the time of the audit. As such, subsidence issues were not identified as a priority issue for this audit.

The Proponent has the following approved “plans” in place with respect to subsidence:

- Extraction Plan (also referred to as the Subsidence Management Plan).
- Subsidence Monitoring Plan.
- Mining Operation Plan.

Auditor notes that end of panel reports will be prepared and made available on the company's website.

Recommendation – The next independent environmental audit should assess subsidence matters and the audit team should include an independent subsidence specialist to support the auditor.

C

<p>An Extraction Plan will be developed prior to secondary extraction which will detail the monitoring measures to be implemented to manage subsidence impacts and their consequences on both natural and made made features in the Nebo area. The plan will include details of:</p> <ul style="list-style-type: none"> • Appropriate triggers and monitoring systems to demonstrate how management strategies have been achieved and where improvements can be made. • Adaptive management processes for continually detecting impacts and validating predictions. • Contingency planning for any unpredicted impacts. • Remediation of unpredicted impacts. <p>Timing – Prior to secondary extraction.</p>	<p>Potential adverse impacts from subsidence are managed, monitored and remediated where necessary.</p>	<p>The Proponent has the following approved “plans” in place with respect to subsidence: C</p> <ul style="list-style-type: none"> • Extraction Plan (also referred to as the Subsidence Management Plan). • Subsidence Monitoring Plan. • Mining Operation Plan. <p>The Extraction Plan was approved by the DP&I on 22 December 2012 and by the DRE on 25 January 2013.</p> <p>The Subsidence Monitoring Plan was approved by the DRE on 13 May 2013.</p> <p>The Mining Operation Plan was approved by DRE on 1 March 2012, with a MOP addendum approved on 20 April 2013.</p> <p>The auditor notes that the above plans were approved by the relevant regulatory prior to the commencement of Longwall mining in the Nebo Project Area, which commenced in June 2013.</p> <p>Recommendation – The next independent environmental audit should assess subsidence matters and the audit team should include an independent subsidence specialist to support the auditor.</p>
<p>Powerlines and other man made surface features will be subject to specific management plans developed in consultation with infrastructure owners.</p> <p>Timing – Prior to, during and after secondary extraction.</p>	<p>Potential adverse impacts from subsidence are managed, monitored and remediated where necessary.</p>	<p>The auditor sighted the following management plans: C</p> <ul style="list-style-type: none"> • NRE Wongawilli Colliery Nebo Longwalls N1-N6 Electricity Transmission Lines Management Plan. This plan is for the management of a Sydney Water electricity transmission line and Gujarat’s own electricity transmission line. • Extraction Plan. Section 5 of the Extraction Plan addresses the requirements of the Built Features Management Plan. <p>Limited extraction occurred during the audit period and no impacts to powerlines or other man made features were identified.</p> <p>Recommendation – The next independent environmental audit should assess subsidence matters and the audit team should include an independent subsidence specialist to support the auditor.</p>

Surface Water

Provided initial assessments indicate that the flow regimes allow for the collection of meaningful data, additional monitoring sites will be established in the upper reaches of Little Wattle Tree Creek and Wattle Creek.

Timing – Prior to secondary extraction.

Mining operations are managed such that adverse impacts to surface water are prevented or minimised.

Auditor sighted Gujarat NRE Wonga Pty Ltd report titled "Wongawilli Colliery Nebo Longwalls N1-N6 Surface and Groundwater Baseline Report (dated 28 March 2013).

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A total of 5 surface water monitoring sites are utilised, these include:

- WC1 – 2nd order tributary off Jacksons / Wanyabilli Hill.
 - WC2 – 2nd order tributary draining over Longwall N5.
 - WC3 – 3rd order channel downstream of WC1/WC2 junction.
 - WC4 – Upstream site on first order tributary just north of Fire Road 6J at downstream end of swamp.
 - LWTC1 – Downstream of Longwall N4 and N5 on the Fire Road 6 crossing.
-

A baseline data report, documenting the existing environment will be submitted one month prior to secondary extraction in the Nebo area. The baseline monitoring report will include two years worth of data.

Secondary extraction will not commence prior to all data being collected.

Timing – Prior to secondary extraction.

Mining operations are managed such that adverse impacts to surface water are prevented or minimised.

Auditor sighted Gujarat NRE Wonga Pty Ltd report titled "Wongawilli Colliery Nebo Longwalls N1-N6 Surface and Groundwater Baseline Report (dated 28 March 2013). This report was prepared for the Department of Planning & Infrastructure.

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Proponent advised that longwall mining in the Nebo Project Area commenced in June 2013 and at the time of the audit had progressed approximately 290m. As such a longwall extraction has not yet been completed to enable an end of panel report to be prepared.

<p>A Surface Water Management Plan will be prepared as detailed in Section 10.6.1 of the EA and updated by the following. The plan will include:</p> <ul style="list-style-type: none"> • A monitoring program including monthly monitoring conducted prior to, during and for a period of two years post mining. • A Trigger Action Response Plan (TARP). Triggers will be determined using baseline data prior to mining, based on ANZECC guidelines. • Notification and reporting requirements including reporting exceedances of trigger levels within one week to NOW. <p>Timing – Prior to secondary extraction, within three months of approval.</p>	<p>Mining operations are managed such that adverse impacts to surface water are prevented or minimised.</p>	<p>With the audit timeframe (2 November 2011 to 30 June 2013) the Surface Water Management Plan had not been approved by DP&I.</p> <p>The auditor sighted NRE Wongawilli Colliery Surface Water Management Plan (ref: NREW EMS MP006, Revision 3, dated 29 August 2013).</p> <p>Auditor sighted DP&I correspondence (ref: 10_10939, dated 19 April 2013) re: NRE Wongawilli Colliery (MP 09_0161) Post Approval Requirements. With respect to the Surface Water Management Plan, DP&I advised it could not be approved until its concerns were addressed.</p> <p>The auditor sighted DP&I correspondence (ref: 10_10939, dated 25 September 2013) re: NRE Wongawilli Colliery (MP 09_0161) Post Approval Requirements. With respect to the Surface Water Management Plan, DP&I advised that the plan was adequate and the plan has been approved.</p> <p>Recommendation – Ensure compliance documents are submitted within required timeframes.</p>	<p>NC</p>
<p>The following SCA performance measures will be adhered to:</p> <ul style="list-style-type: none"> • Cordeaux Dam Wall – zero impacts. • Upper Cordeaux No.1 and No. 2 Dam Walls – safe, serviceable and repairable. • Fire Trails – safe, serviceable and repairable. • Catchment yield – negligible reduction in water quality and quantity. • Avon, Cordeaux, Upper Cordeaux No.1 and No. 2 Reservoirs – negligible leaking and reduction in water quality. • Wattle Creek and Little Wattle Tree Creek – negligible environmental consequences. <p>Timing – Ongoing.</p>	<p>Mining operations are managed such that adverse impacts to surface water are prevented or minimised.</p>	<p>Performance measures relating to surface water performance measures are addressed in the project's approved Surface Water Management Plan.</p> <p>Performance measures related to subsidence impacts to surface water related infrastructure are address in the project's approved Extraction Plan.</p> <p>It was noted that limited underground mining occurred during the audit period. The Proponent advised that no impacts to SCA managed assets were identified.</p>	<p>C</p>

<p>Photographic records of site conditions, including bed and banks will be undertaken for Wattle Creek and Little Wattle Tree Creek.</p> <p>Timing – Prior to and after secondary extraction.</p>	<p>Mining operations are managed such that adverse impacts to surface water are prevented or minimised.</p>	<p>Photographic records of site conditions including bed and banks for these creeks are taken and reported as part of the aquatic ecology monitoring program of the Nebo Mine Area.</p> <p>Auditor sighted the following Aquatic Ecology Monitoring Program Reports associated with the Nebo Mine Area, which have been prepared by Biosis Reasearch Pty Ltd:</p> <ul style="list-style-type: none"> Survey 1: Autumn 2011 (reference 11893, Rev 3, 28 August 2012) – This report documents findings of the first survey (autumn 2011) that is part of a baseline monitoring program (i.e. pre-mining) consisting of twice-annual surveys (autumn and spring) at twelve study sites. Eight of these sites are located within the Application Area and four sites are on nearby creeks with similar habitat values. Survey 2: Spring 2011 (reference 11893, Rev 3, 28 August 2012) – This report documents findings of the second completed survey (spring 2011) that is part of a baseline, aquatic monitoring program (i.e. pre-mining) consisting of twice-annual surveys (autumn and spring) at twelve sites. Eight of these sites are located with the Application Area and four sites are on nearby creeks with comparable habitat values that are outside the area of any subsidence impacts. Survey 3: Autumn 2012 (reference 13646, Rev 3, 28 August 2012). Report focus as per above listed reports. 	<p>C</p>
<p>Visual monitoring of bank stability, bedload movement and riparian vegetation in Wattle Creek and Little Wattle Tree Creek.</p> <p>Timing – Prior to and after secondary extraction.</p>	<p>Mining operations are managed such that adverse impacts to surface water are prevented or minimised.</p>	<p>Photographic records of site conditions including bank stability, bedload movement and riparian vegetation for these creeks are taken and reported as part of the aquatic ecology monitoring program of the Nebo Mine Area.</p>	<p>C</p>

<p>Mine inflows will be monitored as part of the Extraction Plan.</p> <p>Timing – During secondary extraction.</p>	<p>Mining operations are managed such that adverse impacts to surface water are prevented or minimised.</p>	<p>Proponent advised that longwall mining in the Nebo Project Area commenced in June 2013 and at the time of the audit had progressed approximately 290m at the time of the audit.</p> <p>Proponent advised that no inflows have occurred in works to date.</p> <p>The auditor notes that mine inflows are addressed as part of the groundwater TARP which forms part of the Water Management Plan within the Extraction Plan (Section 7).</p>	C
<p>Rainfall will be monitored daily for the duration of mining using a rainfall gauge at the NRE Wongawilli Pit Top.</p> <p>Timing – During secondary extraction.</p>	<p>Mining operations are managed such that adverse impacts to surface water are prevented or minimised.</p>	<p>Proponent advised that there is no Pit Top rain gauge and will be installed as part of the required meteorological station.</p> <p>Proponent currently utilises a rain gauge at a mined owned property on Jersey Farm Road and seeks rainfall data from the SCA (Cordeaux Dam).</p> <p>Recommendation – Ensure rainfall monitoring is undertaken in accordance with approval requirements, or as otherwise agreed with DP&I.</p>	NC
<p>An end of extraction report will be prepared for each panel, which summarises the results of all monitoring over the period.</p> <p>Timing – After the mining of each panel.</p>	<p>Mining operations are managed such that adverse impacts to surface water are prevented or minimised.</p>	<p>Proponent advised that longwall mining in the Nebo Project Area commenced in June 2013 and at the time of the audit had progressed approximately 290m. As such a longwall extraction has not yet been completed to enable an end of panel report to be prepared.</p>	NA
<p>All results will be reviewed on year after each panel has been completed and the monitoring and remediation program will be updated and amended if required.</p> <p>Timing – One year after secondary extraction.</p>	<p>Mining operations are managed such that adverse impacts to surface water are prevented or minimised.</p>	<p>Proponent advised that longwall mining in the Nebo Project Area commenced in June 2013 and at the time of the audit had progressed approximately 290m. As such a longwall extraction has not yet been completed to enable an end of panel report to be prepared.</p>	NA
<p>Contingency plans will be developed where the actual impact exceeds the predicted impact on significant natural features. Possible mitigation measures to reduce the potential impacts of subsidence on significant features will be undertaken if required.</p> <p>Timing – Prior to and during secondary extraction.</p>	<p>Mining operations are managed such that adverse impacts to surface water are prevented or minimised.</p>	<p>Contingency plans associated with surface water and subsidence impacts are included with the project's Surface Water Management Plan and the project's Extraction Plan.</p>	C

Remediation measures will be undertaken if required. Timing – If required.	Mining operations are managed such that adverse impacts to surface water are prevented or minimised.	Proponent advised that longwall mining in the Nebo Project Area commenced in June 2013 and at the time of the audit had progressed approximately 290m. Proponent advised that they have not been required to undertake any remedial measures at the time of the audit.	NA
A Pit Top Water Management Plan will be developed for the pit top including: <ul style="list-style-type: none"> • Identification of significant water management features. • Volumes. • Catchment extents, including extent of clean, dirty and contaminated water on site. • Where water management can be improved. • Consideration of water discharge impacts. Timing – Within 6 months.	Coal handling operations are managed such that adverse impacts to surface water are prevented or minimised.	The auditor sighted NRE Wongawilli Colliery Surface Water Management Plan (ref: NREW EMS MP006, Revision 3, dated 29 August 2013). This management plan addresses Pit Top water management requirements.	C
Groundwater			
A baseline data report, documenting the existing environment will be submitted one month prior to secondary extraction in the Nebo area. The baseline monitoring report will include two years worth of data. Timing – Prior to secondary extraction.	Operations are managed such that adverse impacts to local and regional groundwater resources are prevented or minimised.	Auditor sighted Gujarat NRE Wonga Pty Ltd report titled "Wongawilli Colliery Nebo Longwalls N1-N6 Surface and Groundwater Baseline Report (dated 28 March 2013).	C

<p>A Groundwater Management Plan including a TARP will be prepared to provide guidance on the procedures and actions required to manage potential impacts on the groundwater systems in the Nebo area. Trigger levels will be determined using baseline data prior to mining, based on ANZECC guidelines. The plan will include a monitoring program of monthly sampling conducted prior to, during and for a period of two years post mining.</p> <p>Groundwater modelling will be reviewed annually (unless triggered by an exceedance).</p> <p>Timing – Prior to and during secondary extraction.</p>	<p>Operations are managed such that adverse impacts to local and regional groundwater resources are prevented or minimised.</p>	<p>The auditor notes that there is no stand-alone Groundwater Management Plan for the project.</p> <p>Groundwater management is addressed by the Water Management Plan within the approved Extraction Plan (section 7).</p> <p>Auditor sighted Gujarat NRE Wonga Pty Ltd report titled "Wongawilli Colliery Nebo Longwalls N1-N6 Surface and Groundwater Baseline Report (dated 28 March 2013).</p> <p>Proponent advised that review of groundwater model was pending.</p> <p>Recommendation – ensure annual review of groundwater modelling is completed.</p>	<p>C</p>
<p>Contingency procedures will be developed as required, to manage any impacts identified by monitoring. Activation of contingency procedures will be linked to the assessment of monitoring results, including water quality, aquifer hydrostatic pressure levels and the rate of water level changes. Performance indicators will be identified prior to extraction of the proposed workings.</p> <p>Timing – If required.</p>	<p>Operations are managed such that adverse impacts to local and regional groundwater resources are prevented or minimised.</p>	<p>The auditor notes that there is no stand-alone Groundwater Management Plan for the project.</p> <p>Groundwater management is addressed by the Water Management Plan within the approved Extraction Plan (section 7).</p> <p>The Extraction Plan includes details of a contingency plan and potential remediation measures (section 12).</p> <p>Auditor sighted Gujarat NRE Wonga Pty Ltd report titled "Wongawilli Colliery Nebo Longwalls N1-N6 Surface and Groundwater Baseline Report (dated 28 March 2013).</p>	<p>C</p>

<p>Following the completion of extraction of each panel, a report will be prepared for all prior panels that summarises all relevant monitoring to date. The report will outline any changes in the groundwater system over the relevant mining area. And include an interpretation of that data along with:</p> <ul style="list-style-type: none"> • A basic statistical analysis of the results for the parameters measured. • An interpretation of water quality and standing water level changes. • An interpretation and review of the results in relation to the impact assessment criteria. <p>Timing – At the end of each panel.</p>	<p>Operations are managed such that adverse impacts to local and regional groundwater resources are prevented or minimised.</p>	<p>Proponent advised that longwall mining in the Nebo Project Area commenced in June 2013 and at the time of the audit had progressed approximately 290m. As such a longwall extraction has not yet been completed to enable an end of panel report to be prepared.</p>	<p>NA</p>
<p>Air Quality</p>			
<p>Water sprays will continue to be used on exposed areas to minimise dust as needs.</p> <p>Timing – Continuous.</p>	<p>Operations are managed to minimise potential adverse impacts to the environment, residences and the community.</p>	<p>Auditor sighted water sprays and water cart operating at the ROM coal stockpile.</p> <p>During the site inspection component of the audit, a build-up of dirt was noted on paved areas of the colliery work areas.</p> <p>Recommendation – improve housekeeping efforts to address observed build-up of dirt on paved areas around the colliery work areas.</p>	<p>C</p>

<p>A high volume dust sampler will be installed in the vicinity of Receptor 1.</p> <p>Timing – Prior to secondary extraction.</p>	<p>Operations are managed to minimise potential adverse impacts to the environment, residences and the community.</p>	<p>Auditor notes that a single HVAS (TSP) station has been established by the proponent on a mine owned property in the vicinity of Receptor 1 (as defined in the EIS). The HVAS only samples TSP and not PM10.</p> <p>The auditor notes that the real time air quality monitoring equipment has not yet been commissioned and that this prevents an assessment of compliance against the TSP and PM10 criteria specified in the Project Approval.</p> <p>The auditor notes that DP&I issued an enforcement action against the colliery on 11 July 2013 which included the following compliance actions:</p> <ul style="list-style-type: none"> • Commission the equipment and commence real-time air quality monitoring by 31 December 2013. • Finalise the Air Quality and Greenhouse Gas Management Plan for the Director-General's approval by 30 August 2013. • Revise Air Quality and Greenhouse Gas Management Plan within three months of the completion of the real-time air quality monitoring. <p>The auditor notes that the due dates for the above compliance actions fall outside the audit timeframe of 2 November 2011 – 30 June 2013.</p> <p>Recommendation – ensure the above mentioned compliance actions are implemented by the specified dates/timeframes.</p>	<p>NC</p>
<p>Protocol to prevent overfilling of rail wagons is to be adhered to at all times.</p> <p>Timing – Continuous.</p>	<p>Operations are managed to minimise potential adverse impacts to the environment, residences and the community.</p>	<p>Proponent advised that no procedure or protocol exists to prevent the overfilling of rail wagons, rather they rely on experienced operators.</p> <p>Recommendation – develop protocol to prevent the overfilling of rail wagons or implement an automated system to prevent overfilling.</p> <p>Recommendation – investigate options to enable the levelling out of coal once it is loaded into a train wagon (e.g. levelling bar/screen) to reduce the potential for coal dust being generated during its transportation to port by rail. The levelling bar/screen should also comprise a watering system to assist with the mitigation of potential coal dust generation.</p>	<p>NC</p>

Subject to monitoring results, additional mitigation measures will be investigated if required. Timing – Within 12 months.	Operations are managed to minimise potential adverse impacts to the environment, residences and the community.	Unable to assess as real-time air quality monitoring has not commenced at the time of the audit. Recommendation – ensure compliance actions issued by DP&I are implemented by the specified dates/timeframes.	NC
Dust deposition gauges will be installed along the rail line. Timing – Within 6 months of approval.	Operations are managed to minimise potential adverse impacts to the environment, residences and the community.	At the time of the audit the proponent advised that a total of four dust depositional gauges had been installed along the Wongawilli Rail Spur. It is noted that the gauges were not installed within the timeframe specified by the Statement of Commitment. Recommendation – ensure approval conditions are actioned within required timeframes.	NC
Greenhouse Gasses			
Energy audits will be held when practicable to ensure that the mine is using current practice techniques to minimise energy use and is operating at optimum energy levels. Timing – Continuous and as required.	Manage operations such that greenhouse gas emissions on the environment are minimised.	Proponent advised that no energy audits have been done to date. Recommendation – establish an energy audit schedule and implement energy audits.	NC
Site management will ensure that equipment is maintained to retain high levels of energy efficiency and replace with energy efficient equipment as required. Timing – Continuous and as required.	Manage operations such that greenhouse gas emissions on the environment are minimised.	Site observations during the audit indicated that plant/equipment was being maintained and operated in a proper and efficient manner. The proponent utilises a Computerised Maintenance System (Pronto) to manage the maintenance of plant/equipment. This system covers both preventative/scheduled maintenance and reactive maintenance. A defect management system is also in place that addresses both safety defects and non-safety defects.	C
The inventory of emissions developed for this assessment will be maintained. Timing – Continuous and as required.	Manage operations such that greenhouse gas emissions on the environment are minimised.	Proponent advised that the emissions inventory prepared to for the project's environmental assessment has not been updated. Recommendation – proponent to review and update the emissions inventory. Recommendation – proponent to establish an implement a review/update schedule for the emissions inventory.	NC

<p>Emissions and abatement strategies will be reported annually as part of internal environmental reporting and the National Greenhouse and Energy Reporting System obligations.</p> <p>Timing – Continuous and as required.</p>	<p>Manage operations such that greenhouse gas emissions on the environment are minimised.</p>	<p>Proponent advised that NGERS reporting requirements are complied with. Auditor sighted NGERS reports for 1 July 2012 to 30 June 2013, which addresses emission reporting requirements only as per regulatory requirements.</p> <p>The proponent's Annual Review reports submitted to DP&I provide commentary on Methane Drainage/Ventilation.</p> <p>Proponent advised that no internal reports are prepared as they rely on the NGER and Annual Review reports.</p> <p>The auditor notes that the Annual Review reports do not provide any commentary regarding abatement strategies.</p> <p>Recommendation – ensure real time gas monitoring equipment is installed and operated at the No.4 upcast ventilation shaft.</p> <p>Recommendation – Annual Review reports to include details regarding abatement strategies for greenhouse gas emission.</p>	<p>NC</p>
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Acoustics

<p>If required as an outcome of the noise monitoring program, acoustic treatment of front end loaders and other stockpile machinery will be undertaken to achieve a sound power level of 103 dBA or less.</p> <p>Timing – Within six months of approval.</p>	<p>Operations are managed to minimise potential adverse impacts on the environment, residences and the community.</p>	<p>At the time of the audit, the proponent advised that the current noise monitoring program is complaint based/driven and that there is no established noise monitoring program.</p> <p>The auditor notes that the Noise Audit Report (final draft version, dated August 2013) provided the following recommendation <i>“Use of quieter mobile plant or reduce the noise from the existing plant by at least 5dBA. This is particular the case for both the front end loaders and dozer...”</i></p> <p>Auditor notes that there have been no noise complaints since June 2012.</p> <p>Recommendation – implement all recommendations as detailed in the Noise Audit Report.</p> <p>Recommendation – finalise the Noise Management Plan and gain DP&I approval.</p>	<p>NC</p>
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<p>If required as an outcome of the noise monitoring program, noise mitigation options for the coal conveyor system and coal bins will be investigated.</p> <p>Timing – Within six months of approval.</p>	<p>Operations are managed to minimise potential adverse impacts on the environment, residences and the community.</p>	<p>At the time of the audit, the proponent advised that the current noise monitoring program is complaint based/driven and that there is no established noise monitoring program.</p> <p>The auditor notes that the Noise Audit Report (final draft version, dated August 2013) provided the following recommendations:</p> <ul style="list-style-type: none"> <i>Reduction in noise emanating from the screen/sizer building and main conveyor by at least 5dB. It is noted that considerable work has already been undertaken by Gujarat on the screen/sizer building.</i> <i>Reduction in noise emanating from the loading bin operation by at least 5dB.</i> <p>Recommendation – implement all recommendations as detailed in the Noise Audit Report.</p> <p>Recommendation – finalise the Noise Management Plan and gain DP&I approval</p>	<p>NC</p>
<p>Implementation of low noise equipment that is correctly maintained to the manufacturer's specification, including the conveyor systems, transfer stations and coal bins.</p> <p>Timing – Continuous and as required.</p>	<p>Operations are managed to minimise potential adverse impacts on the environment, residences and the community.</p>	<p>The auditor notes that considerable noise attenuation work has been undertaken on the screen/sizer building which was identified as the source of noise complaints.</p> <p>Recommendation – implement all recommendations as detailed in the Noise Audit Report.</p>	<p>C</p>
<p>All onsite, fixed and mobile diesel powered plant, excluding road vehicles, will be correctly fitted and maintained to the manufacturer's specification. Particular attention will be given to engine exhaust systems and the care and maintenance of mufflers.</p> <p>Timing – Continuous and as required.</p>	<p>Operations are managed to minimise potential adverse impacts on the environment, residences and the community.</p>	<p>Site observations during the audit indicated that plant/equipment was being maintained and operated in a proper and efficient manner. The proponent utilises a Computerised Maintenance System (Pronto) to manage the maintenance of plant/equipment. This system covers both preventative/scheduled maintenance and reactive maintenance. A defect management system is also in place that addresses both safety defects and non-safety defects.</p>	<p>C</p>

<p>Adoption of best practice methods and training of staff as required in regards to minimising noise impacts will be implemented.</p> <p>Timing – Continuous and as required.</p>	<p>Operations are managed to minimise potential adverse impacts on the environment, residences and the community.</p>	<p>The auditor notes that the Noise Audit Report provides a number of recommendations that should be implemented and are considered to be standard/best practice methods.</p> <p>The proponent advised that the general site induction is predominantly safety focused as opposed to environmental.</p> <p>Auditor notes that there have been no noise complaints since June 2012.</p> <p>Recommendation – implement all recommendations as detailed in the Noise Audit Report.</p> <p>Recommendation – review and update general site induction to include appropriate and relevant environmental management information.</p>	<p>C</p>
<p>An Operational Noise Management Plan will be developed to specifically address potential noise impacts associated with the proposed operations during the evening and night time periods. This plan will be used to manage the noise impacts at affected receivers in Wongawilli Village and Horsley in RA1 and RA2. The plan will outline methods and procedures to manage the following:</p> <ul style="list-style-type: none"> • Results of the regular noise monitoring program on-site and within the surrounding area. • Response to any complaints or issues raised by the owner of the affected residence. • Noise mitigation measures and operating procedures to achieve compliance with noise goals. <p>Timing – Within 12 months of approval and continuous and as required.</p>	<p>Managing residential noise impacts on nearby residences.</p>	<p>Within the audit timeframe (2 Nov 2011 to 30 June 2013) the Noise Management Plan had not been approved by DP&I.</p> <p>The proponent advised that the current noise monitoring program is complaint based/driven and that there is no established noise monitoring program. The proponent indicated that the noise monitoring program would be developed based on the recommendations of the Noise Audit Report and that the Noise Management Plan would be updated.</p> <p>The auditor notes that DP&I issued an enforcement action against the colliery on 11 July 2013 which included the following compliance actions:</p> <ul style="list-style-type: none"> • Prepare and submit a Noise Audit (i.e. report) for the Director-General's approval by 30 September 2013. • Finalise the Noise Management Plan and submit for the Director-General's approval within three months of the Director-General's approval of the Noise Audit. <p>The auditor notes that the due dates for the above compliance actions fall outside the audit timeframe of 2 November 2011 – 30 June 2013.</p> <p>Recommendation – implement all recommendations as detailed in the Noise Audit Report.</p> <p>Recommendation – finalise the Noise Management Plan and gain DP&I approval.</p>	<p>NC</p>

An operational noise monitoring program will be developed to monitor noise emissions from the proposed operations to determine ongoing compliance with PSNLs and to identify any further feasible noise mitigation measures that can be implemented.

The monitoring program will be implemented during evening and night time periods with the objective of confirming the acoustic performance of the proposed operations.

Timing – Within 12 months of approval and continuous and as required.

Managing residential noise impacts on nearby residences.

The proponent advised that the current noise monitoring program is complaint based/driven and that there is no established noise monitoring program. The proponent indicated that the noise monitoring program would be developed based on the recommendations of the Noise Audit Report and that the Noise Management Plan would be updated.

The auditor notes that DP&I issued an enforcement action against the colliery on 11 July 2013 which included the following compliance actions:

- Prepare and submit a Noise Audit (i.e. report) for the Director-General's approval by 30 September 2013.
- Finalise the Noise Management Plan and submit for the Director-General's approval within three months of the Director-General's approval of the Noise Audit.

Auditor notes that there have been no noise complaints since June 2012.

Recommendation – implement all recommendations as detailed in the Noise Audit Report.

Recommendation – finalise the Noise Management Plan and gain DP&I approval.

NC

If following monitoring, further mitigation is required, noise mitigation will be implemented along the appropriate portions of railway track.

Timing – If required.

Managing residential noise impacts on nearby residences.

The proponent advised that the current noise monitoring program is complaint based/driven and that there is no established noise monitoring program. The proponent indicated that the noise monitoring program would be developed based on the recommendations of the Noise Audit Report and that the Noise Management Plan would be updated.

The auditor notes that DP&I issued an enforcement action against the colliery on 11 July 2013 which included the following compliance actions:

- Prepare and submit a Noise Audit (i.e. report) for the Director-General's approval by 30 September 2013.
- Finalise the Noise Management Plan and submit for the Director-General's approval within three months of the Director-General's approval of the Noise Audit.

Auditor notes that there have been no noise complaints since June 2012.

Recommendation – implement all recommendations as detailed in the Noise Audit Report with respect to rail operations.

Recommendation – Ensure that noise monitoring of train movements is also undertaken at residences located on West Dapto Road which are adjacent the Wongawilli Rail Spur.

C

Aquatic Ecology

Provided initial assessments indicate that the flow regimes allow for the collection of meaningful data, eight new aquatic ecology impact monitoring sites will be established in the Nebo area, three on Little Wattle Tree Creek and five on Wattle Creek with three control sites. The site establishment and first monitoring run will be undertaken in Autumn 2011 with monitoring continuing twice a year during Autumn and Spring. Timing – Prior to secondary extraction.

Operations are managed such that adverse impacts to native flora and fauna are prevented or minimised.

Auditor sighted the following Aquatic Ecology Monitoring Program Reports associated with the Nebo Mine Area, which have been prepared by Biosis Reasearch Pty Ltd:

C

- Survey 1: Autumn 2011 (reference 11893, Rev 3, 28 August 2012) – This report documents findings of the first survey (autumn 2011) that is part of a baseline monitoring program (i.e. pre-mining) consisting of twice-annual surveys (autumn and spring) at twelve study sites. Eight of these sites are located within the Application Area and four sites are on nearby creeks with similar habitat values.
- Survey 2: Spring 2011 (reference 11893, Rev 3, 28 August 2012) – This report documents findings of the second completed survey (spring 2011) that is part of a baseline, aquatic monitoring program (i.e. pre-mining) consisting of twice-annual surveys (autumn and spring) at twelve sites. Eight of these sites are located with the Application Area and four sites are on nearby creeks with comparable habitat values that are outside the area of any subsidence impacts.
- Survey 3: Autumn 2012 (reference 13646, Rev 3, 28 August 2012). Report focus as per above listed reports.

The auditor notes that the aquatic ecology survey work has taken place prior to secondary extraction.

Terrestrial Ecology

Monitoring will be undertaken post mining, including surveys of the upland swamps and riparian zones to ascertain any impacts resulting from mining.

Timing – Post secondary extraction.

Operations are managed such that adverse impacts to native flora and fauna are prevented or minimised.

Not applicable for the audit timeframe (2 November 2011 to 30 June 2013).

NA

The auditor notes that at the time of the audit, limited longwall mining had been undertaken as part of the Nebo Area Project. The first longwall (i.e. Longwall N2) within the Nebo project area commenced in June 2013 and had advanced approximately 290m at the time of the audit. As such, subsidence issues were not identified as a priority issue for this audit.

Non-Aboriginal Heritage

To preserve and enhance the heritage values of the site, NRE will create greater awareness amongst staff of the significance of the heritage items at the Wongawilli pit top and how day to day activities may impact on these items. An education program will be created and implemented via the MOP. NRE will develop a Conservation Management Plan.

Timing – Within 6 months of approval, Continuous and as required.

Operations are managed such that adverse impacts to significant heritage items are avoided or minimised.

The proponent has a DP&I approved Heritage Management Plan in place.

Heritage management is also addressed in the DRE approved MOP.

The Heritage Management Plan references the Wongawilli Colliery Conservation Management Plan (Biosis Research Pty Ltd, 2011).

Proponent advised the education program had not been created and implemented.

Recommendation – Prepare and implement the education program as required by this Statement of Commitment.

C

Traffic and Transport

Current traffic and transport management measures will continue to ensure impacts on local road users from NRE Wongawilli Colliery are minimised. These measures include strict adherence to Council restrictions such as speed limits as well as other safety or warning requirements.

Timing – Continuous and as required.

Operations are managed to ensure minimal impacts on the local road network.

A review the complaints register summary for the period January 2011 to July 2013 indicates only one complaint regarding traffic.

The complaint was registered on 21 August 2012 and related to speeding traffic and other careless driving in the village by people coming and going from the Colliery.

The Proponent responded by conducting a tool box talk on traffic rules and requirements through the village. Environmental Rep of Colliery to periodically monitor traffic in the village to assess compliance with tool box talk.

Site observations by the auditor during the audit did not identify any traffic issues within the Wongawilli village area.

C

Waste

<p>All waste material will be disposed of in accordance with the provisions of the POEO Act 1997 and the Waste Classification Guidelines (DECC, 2008).</p> <p>Timing – Continuous.</p>	<p>Avoidance on unnecessary resource consumption; reuse, reprocessing, recycling and energy recovery wherever possible and, where this is not possible, disposal of waste in an environmentally responsible manner.</p>	<p>The auditor notes that there is no requirement for a waste management plan. Proponent advised that waste management practices have not changed significantly when compared to previous mine operators (eg BHPBIC and Delta). A number of waste and recycling contractors are engaged by the Proponent to collect and dispose of waste from the site.</p> <p>Waste management reporting is included in the Proponent's Annual Review reports submitted to the DP&I.</p> <p>Recommendation – A waste management plan be prepared for the project and the operations of the colliery. The auditor notes that the Proponent identified this recommendation in its 1st and 2nd Annual Review reports submitted to DP&I.</p>	C
<p>Waste will be reused and recycled where possible or disposed of at an appropriately licensed waste disposal facility.</p> <p>Timing – Continuous.</p>	<p>Avoidance on unnecessary resource consumption; reuse, reprocessing, recycling and energy recovery wherever possible and, where this is not possible, disposal of waste in an environmentally responsible manner.</p>	<p>A number of waste and recycling contractors are engaged by the Proponent. A number of waste items are recycled including general building waste, scrap metal, paper and soluble oils. Oil filters are disposed of via SITA Environmental Solutions SAWT Advance Resource Recovery Facility (Kemps Creek).</p> <p>Waste management reporting is included in the Proponent's Annual Review reports submitted to the DP&I.</p> <p>Recommendation – a waste management plan be prepared for the project and the operations of the colliery.</p>	C
<p>Onsite storage and disposal of different categories of waste will be defined. A sufficient number of covered storage bins will be provided for waste disposal on site, with separate bins for recyclable and non-recyclable waste.</p> <p>Timing – Continuous.</p>	<p>Avoidance on unnecessary resource consumption; reuse, reprocessing, recycling and energy recovery wherever possible and, where this is not possible, disposal of waste in an environmentally responsible manner.</p>	<p>The auditor observed that waste skip bins were not covered or located under a roofed area.</p> <p>Proponent has a separate storage bin for paper.</p> <p>Recommendation - a waste management plan be prepared for the project and the operations of the colliery.</p>	NC

<p>All records will be retained as proof of correct disposal for environmental audit purposes.</p> <p>Timing – Continuous.</p>	<p>Avoidance on unnecessary resource consumption; reuse, reprocessing, recycling and energy recovery wherever possible and, where this is not possible, disposal of waste in an environmentally responsible manner.</p>	<p>Proponent utilises waste and recycling contractors. Invoicing records are kept and used to complete waste management reporting. Waste management reporting is included in the Proponent's Annual Review reports submitted to the DP&I.</p> <p>Recommendation – proponent to undertake a due diligence assessment to ensure that the waste facilities utilised by their waste contractors hold an appropriate environment protection licence (i.e. the waste facilities are lawfully permitted to accept the waste stream in question).</p>	<p>C</p>
Rehabilitation			
<p>The Rehabilitation Plan will be developed, presented and undertaken in accordance with the REMP to the satisfaction of IIN.</p> <p>Timing – Continuous and as required.</p>	<p>Progressive rehabilitation of mine access and disused portals.</p> <p>Restoration of disturbed areas with a vegetation cover similar in nature to that of the surrounding bushland.</p>	<p>The auditor notes that there is no stand-alone Rehabilitation Management Plan. Rehabilitation management requirements are addressed in the approved Extraction Plan and Mining Operation Plan.</p>	<p>C</p>
<p>All mine entries surplus to operational requirements will be progressively sealed and rehabilitated.</p> <p>Timing – Within seven years.</p>	<p>Progressive rehabilitation of mine access and disused portals.</p> <p>Restoration of disturbed areas with a vegetation cover similar in nature to that of the surrounding bushland.</p>	<p>The auditor notes that there has been no rehabilitation of buildings, disturbed land or other infrastructure during the following Annual Review reporting periods:</p> <ul style="list-style-type: none"> • 2 November 2011 – 2 November 2012 • 2 November 2012 – 2 November 2013 	<p>NA</p>
<p>Progressive rehabilitation of all other disused areas and infrastructure will be undertaken where possible.</p> <p>Timing – Continuous and as required.</p>	<p>Progressive rehabilitation of mine access and disused portals.</p> <p>Restoration of disturbed areas with a vegetation cover similar in nature to that of the surrounding bushland.</p>	<p>The auditor notes that there has been no rehabilitation of buildings, disturbed land or other infrastructure during the following Annual Review reporting periods:</p> <ul style="list-style-type: none"> • 2 November 2011 – 2 November 2012 • 2 November 2012 – 2 November 2013 	<p>NA</p>

Appendix C

Mining Lease checklist



Schedule	Condition	Requirement	Finding	Recommendation	Rating
Mining Lease Conditions (2007)					
Notice to Landholders					
-	1	<p>Within a period of three months from the date of grant of this lease or within such further time as the Minister may allow, the lease holder must serve on each landholder of the land a notice in writing indicating that this lease has been granted and whether the lease includes the surface. An adequate plan and description of the lease area must accompany the notice.</p> <p>If there are ten or more landholders affected, the lease holder may serve the notice by publication in a newspaper circulating in the region where the lease area is situated. The notice must indicate that this lease has been granted; state whether the lease includes the surface and must contain an adequate plan and description of the lease area.</p>	<p>Proponent advised that no notices have been required or issued.</p> <p>The auditor notes that Mining Lease 1596 was renewed by the Minister (with respect to the Mining Act 1992). The renewal took effect on 3 February 2012. The renewal period is effective until 7 October 2029.</p> <p>Auditor sighted Trade & Investment (Resources & Energy) correspondence (ref: 09/452, dated 22 March 2012) re: Mining Lease No 1596 (Act 1992) NRE Wongawilli Colliery and attached Instrument of Renewal (dated 3 February 2012).</p>	Given the mining lease has been renewed, Proponent to provide landholders an updated notification in accordance with the Condition 1 of the Mining Lease.	C
Environmental Harm					
-	2	The proponent shall implement all practicable measures to prevent and/or minimise any harm to the environment that may result from the construction, operation or rehabilitation of the development.	The audit process did not identify any instances of significant environmental harm attributable to the project. However, the audit process did identify a number of reasonable and feasible measures to prevent and/or minimise any harm to the environment that were not in place.	Proponent to address identified non-compliances and improvement opportunities in a timely manner.	NC
Mining Operations Plan					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
-	3a	The lease holder must, within a period of three (3) months from the date of this lease lodge with the Director-General of Department of Primary Industries, a Mining Operation Plan.	<p>Auditor sighted NRE Wongawilli Colliery Mining Operation Plan 2011-2013 (prepared by Cardno, ref: Project Number: 111067-04/Report 001 Rev 3, dated December 2011).</p> <p>DRE granted approval to conduct the activities named in the Mining Operation Plan on 1 March 2012 (sighted Trade & Investment / Resources & Energy correspondence ref: 11/5485, dated 1 March 2012). Trade & Investment/Resources & Energy required a MOP Addendum by 30 March 2012. The MOP Addendum was accepted by Trade & Investment/Resources & Energy on 20 April 2012 (sighted Trade & Investment/Resources & Energy correspondence ref: 11/5485, dated 20 April 2012).</p> <p>The auditor notes that the Proponent lodge a request with Trade & Investment/Resources & Energy to extend the current MOP for a future 2 years, with a new completion date of 31 September 2015 (sighted Gujarat NRE Wonga Pty Ltd correspondence dated 9 August 2013 re: Application to Extend NRE Wongawilli Colliery MOP 2011-2013; Project 111067-04).</p> <p>The auditor notes that Trade & Investment/Resources & Energy approved the MOP extension request, with an expiry date of 30 September 2015 (Auditor sighted Trade & Investment/Resources & Energy correspondence ref: 11/5485, OUT 13/26263, dated 4 September 2013).</p>	Nil.	C

Schedule	Condition	Requirement	Finding	Recommendation	Rating
-	3b	Mining operations must not be carried out otherwise than in accordance with the Mining Operations Plan (MOP) which has been approved by the Director-General of the Department of Primary Industries.	<p>On 29 August 2013, the Proponent advised Trade & Investment / Resources & Energy of unauthorised land clearing and earthworks in the North West Mains Portal area had occurred (sighted email dated 29 August 2013). This work was not covered by the approved MOP. The proponent advised that this work had occurred "a few months ago" (i.e. prior to August 2013. The unauthorised work involved the clearing of several trees and creation of a small bench on a steep slope. The works took place in an effort to resolve land stability issues resulting from the initial development of the project area. Due to the stability issues, several trees were identified as safety hazards for operations in the area.</p> <p>The auditor notes that DP&I and the EPA were not notified of the unauthorised land clearing works.</p> <p>The auditor notes that the Proponent does not have an environmental incident register.</p>	<p>Amend MOP as required to address future earthwork requirements in North West Portal area.</p> <p>Proponent to establish an environmental incident register.</p> <p>Proponent to develop a notification protocol identifying relevant agencies for a) incidents that cause, or have the potential to cause, significant risk of material harm to the environment and b) other incident associated with the project and c) un-approved work events and non-compliance incidents.</p>	NC

Schedule	Condition	Requirement	Finding	Recommendation	Rating
-	3c	<p>The MOP must:</p> <ul style="list-style-type: none"> • identify areas that will be disturbed by mining operations; • detail the staging of specific mining operations; • identify how the mine will be managed to allow mine closure; • identify how mining operations will be carried out on site in order to prevent and or minimise harm to the environment; • reflect the conditions of approval under: <ul style="list-style-type: none"> - the Environmental Planning and Assessment Act 1979 - the Protection of the Environment Operations Act 1997 - and any other approvals relevant to the development including the conditions of this lease; and • have regard to any relevant guidelines adopted by the Director- General. 	<p>Auditor sighted NRE Wongawilli Colliery Mining Operation Plan 2011-2013 (prepared by Cardno, ref: Project Number: 111067-04/Report 001 Rev 3, dated December 2011).</p> <p>DRE granted approval to conduct the activities named in the Mining Operation Plan on 1 March 2012 (sighted Trade & Investment / Resources & Energy correspondence ref: 11/5485, dated 1 March 2012). Trade & Investment/Resources & Energy required a MOP Addendum by 30 March 2012. The MOP Addendum was accepted by Trade & Investment/Resources & Energy on 20 April 2012 (sighted Trade & Investment/Resources & Energy correspondence ref: 11/5485, dated 20 April 2012).</p> <p>The auditor notes that the Proponent lodge a request with Trade & Investment/Resources & Energy to extend the current MOP for a future 2 years, with a new completion date of 31 September 2015 (sighted Gujarat NRE Wonga Pty Ltd correspondence dated 9 August 2013 re: Application to Extend NRE Wongawilli Colliery MOP 2011-2013; Project 111067-04).</p> <p>The auditor notes that Trade & Investment/ Resources & Energy approved the MOP extension request, with an expiry date of 30 September 2015 (Auditor sighted Trade & Investment/Resources & Energy correspondence ref: 11/5485, OUT 13/26263, dated 4 September 2013).</p>	Nil.	C
-	3c	The lease holder may apply to the Director-General to amend an approved MOP at any time.	Noted (administrative mechanism). Auditor notes that there is an approved MOP in place.	Nil.	NA

Schedule	Condition	Requirement	Finding	Recommendation	Rating
-	3d	<p>It is not a breach of this condition if:</p> <p>(i) the operations constituting the breach were necessary to comply with a lawful order or direction given under the Mining Act 1992, the Environmental Planning and Assessment Act 1979, Protection of the Environment Operations Act 1997 or the Occupational Health and Safety Act 2000; and</p> <p>(ii) the Director-General had been notified in writing of the terms of the order or direction prior to the operations constituting the breach being carried out.</p>	Noted (administrative mechanism). Condition has not been triggered.	Nil.	NA
-	3e	A MOP ceases to have affect 7 years after date of approval or other such period as identified by the Director-General. An approved amendment to the MOP under condition 5 does not constitute an approval for the purpose of this paragraph unless otherwise identified by the Director-General.	The auditor notes that the current MOP has an approved expiry date of 30 September 2015.	Nil.	C
Environment Management Reporting					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
-	4	The lease holder must lodge Environmental Management Reports (EMR) with The Director-General annually or at dates otherwise directed by the Director- General.	<p>Auditor sighted NRE Wongawilli Colliery Annual Environmental Management Report for reporting period 1st July 2011 to 30th June 2012.</p> <p>Auditor sighted Trade & Investment / Resources correspondence (ref: MCV12/193, OUT 12/32883, dated 4 January 2013) re: The 2011/2012 NRE Wongawilli Colliery Annual Environmental Management Report. The AEMR was accepted by Trade & Investment / Resources & Energy accepted the AEMR with a number of items identified to be addressed in future AEMRs. Trade & Investment / Resources & Energy also noted that some actions requested in the response to the previous AEMR have not been addressed.</p> <p>Auditor sighted NRE Wongawilli Colliery Annual Environmental Management Report for reporting period 1st July 2012 to 30th June 2013. At the time of the audit, the Proponent had not received any correspondence from Trade & Investment / Resources & Energy regarding the submitted AEMR.</p>	Proponent to develop a compliance tracking system (e.g. database, spreadsheet or similar) to facilitate the management of compliance requirements that arise from the Project Approval, Environment Protection Licence, Mining Lease, Compliance Actions as well as the various management plans and environmental reporting requirements (e.g. Annual Returns, Annual Reviews, Annual Environmental Reviews).	C

Schedule	Condition	Requirement	Finding	Recommendation	Rating
-	5	The EMR must: report against compliance with the MOP; report on progress in respect of rehabilitation completion criteria; report on the extent of compliance with regulatory requirements; and have regard to any relevant guidelines adopted by the Director-General	<p>Auditor sighted NRE Wongawilli Colliery Annual Environmental Management Report for reporting period 1st July 2011 to 30th June 2012.</p> <p>Auditor sighted Trade & Investment / Resources correspondence (ref: MCV12/193, OUT 12/32883, dated 4 January 2013) re: The 2011/2012 NRE Wongawilli Colliery Annual Environmental Management Report. The AEMR was accepted by Trade & Investment / Resources & Energy accepted the AEMR with a number of items identified to be addressed in future AEMRs. Trade & Investment / Resources & Energy also noted that some actions requested in the response to the previous AEMR have not been addressed.</p> <p>Auditor sighted NRE Wongawilli Colliery Annual Environmental Management Report for reporting period 1st July 2012 to 30th June 2013. At the time of the audit, the Proponent had not received any correspondence from Trade & Investment / Resources & Energy regarding the submitted AEMR.</p>	Proponent to develop a compliance tracking system (e.g. database, spreadsheet or similar) to facilitate the management of compliance requirements that arise from the Project Approval, Environment Protection Licence, Mining Lease, Compliance Actions as well as the various management plans and environmental reporting requirements (e.g. Annual Returns, Annual Reviews, Annual Environmental Reviews).	C
-	6	Additional environmental reports may be required on specific surface disturbing operations or environmental incidents from time to time as directed in writing by the Director-General and must be lodged as instructed.	Auditor notes that Trade & Investment / Resources & Energy has requested additional documentation via correspondence associated with the acceptance of the MOP and AEMRs.	Proponent to develop a compliance tracking system (e.g. database, spreadsheet or similar) to facilitate the management of compliance requirements that arise from the Project Approval, Environment Protection Licence, Mining Lease, Compliance Actions, Audits as well as the various management plans and environmental reporting requirements (e.g. Annual Returns, Annual Reviews, Annual Environmental Reviews).	C
Rehabilitation					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
-	7	Disturbed land must be rehabilitated to a sustainable/agreed end land use to the satisfaction of the Director-General.	<p>Proponent advised that rehabilitation works have not commenced at this stage of the project.</p> <p>The auditor notes that the AEMRs for reporting period 1st July 2011 to 30th June 2012 and 1st July 2012 to 30th June 2013 stated the following with respect to rehabilitation:</p> <ul style="list-style-type: none"> • No rehabilitation of buildings. • No rehabilitation of disturbed land. • No rehabilitation of other infrastructure. 	Nil.	NA
Subsidence Management					
-	8a	The lease holder shall prepare a Subsidence Management Plan prior to commencing any underground mining operations which will potentially lead to subsidence of the land surface.	<p>Auditor sighted NRE Wongawilli Colliery Nebo Longwalls N1-N6 Extraction Plan (dated 18 March 2013, Ref: NREW EMS MP019, Revision 2). This is the current version of the extraction plan, however it is not available on the company's website.</p> <p>The auditor also sighted Revision 1 of the Extraction Plan (dated November 2012), which is available on the company's web site.</p> <p>Revision 1 of the Extraction Plan was submitted to the DRE as the project's Subsidence Management Plan.</p> <p>Auditor sighted DRE correspondence (ref: 09/5341, dated 25 January 2013) approving the Extraction Plan as the project's Subsidence Management Plan.</p>	Ensure current version of Extraction Plan is made available on the company's website.	C

Schedule	Condition	Requirement	Finding	Recommendation	Rating
-	8b	Underground mining operations which will potentially lead to subsidence include secondary extraction panels such as longwalls or miniwalls, associated first workings (gateroads, installation roads and associated main headings, etc), and pillar extractions, and are otherwise defined by the Applications for Subsidence Management Approvals guidelines (EDG17).	Noted (administration, definition).	Nil.	NA
-	8c	The lease holder must not commence or undertake underground mining operations that will potentially lead to subsidence other than in accordance with a Subsidence Management Plan approved by the Director-General, an approval under the Coal Mine Health and Safety Act 2002, or the document New Subsidence Management Plan Approval Process- Transitional Provisions (EDP09).	<p>The Subsidence Management Plan (also known as the Extraction Plan) was approved by the DRE on 25 January 2013 (ref: 09/5341).</p> <p>The Proponent advised that the first longwall (ie Longwall N2) within the Nebo project area commenced in June 2013.</p>	Nil	C
-	8d	Subsidence Management Plans are to be prepared in accordance with the Guideline for Applications for Subsidence Management Approvals.	<p>Auditor sighted NRE Wongawilli Colliery Nebo Longwalls N1-N6 Extraction Plan (dated 18 March 2013, Ref: NREW EMS MP019, Revision 2). This is the current version of the extraction plan.</p> <p>The auditor also sighted Revision 1 of the Extraction Plan (dated November 2012).</p> <p>Revision 1 of the Extraction Plan was submitted to the DRE as the project's Subsidence Management Plan.</p> <p>Auditor sighted DRE correspondence (ref: 09/5341, dated 25 January 2013) approving the Extraction Plan as the project's Subsidence Management Plan.</p>	<p>Ensure current version of Extraction Plan is made available on the company's website.</p> <p>Ensure current version of Extraction Plan is provided to DRE and DP&I.</p>	C

Schedule	Condition	Requirement	Finding	Recommendation	Rating
-	8e	Subsidence Management Plans as approved shall form part of the Mining Operations Plan required under Condition 2 and will be subject to the Annual Environmental Management Report process as set out under Condition 3. The SMP is also subject to the requirements for subsidence monitoring and reporting set out in the document New Approval Process for Management of Coal Mining Subsidence - Policy.	<p>The auditor notes that the Mining Operations Plan (Section 2.15 Mine Subsidence) identifies the Extraction Plan as the project's Subsidence Management Plan.</p> <p>The auditor notes that Mine Subsidence is addressed in the AEMRs for reporting period 1st July 2011 to 30th June 2012 and 1st July 2012 to 30th June 2013.</p>	Nil.	C
Working Requirement					
-	9	<p>The lease holder must:</p> <p>(a) ensure that at least 443 competent people are efficiently employed on the lease area on each week day except Sunday or any week day that is a public holiday,</p> <p>OR</p> <p>(b) expend on operations carried out in the course of prospecting or mining the lease area, an amount of not less than \$7,752,500.00 per annum whilst the lease is in force.</p>	<p>Proponent advised that approximately 200 personnel are employed.</p> <p>Proponent advised that they comply with option (b).</p>	Nil.	C
-	9	The Minister may at any time or times, by instrument in writing served on the lease holder, increase or decrease the expenditure required or the number of people to be employed.	<p>Noted (administrative mechanism).</p> <p>Proponent advised that they have not received any such written notification.</p>	Nil.	NA
Control of Operations					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
-	10a	<p>If an Environmental Officer of the Department believes that the lease holder is not complying with any provision of the Act or any condition of this lease relating to the working of the lease, he may direct the lease holder to:-</p> <p>(i) cease working the lease; or</p> <p>(ii) cease that part of the operation not complying with the Act or conditions; until in the opinion of the Environmental Officer the situation is rectified</p>	Proponent advised that they have not received any such directives.	Nil.	NA
-	10b	The lease holder must comply with any direction given. The Director-General may confirm, vary or revoke any such direction.	Proponent advised that they have not received any such directives.	Nil.	NA
-	10c	A direction referred to in this condition may be served on the Mine Manager.	Proponent advised that they have not received any such directives.	Nil.	NA
Reports					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
-	11	The lease holder must provide an exploration report, within a period of twenty-eight days after each anniversary of the date this lease has effect or at such other date as the Director-General may stipulate, of each year. The report must be to the satisfaction of the Director-General and contain the following:	<p>Auditor sighted NRE Wongawilli Colliery Annual Exploration Report for Mining Lease 1565 (Dated October 2013, prepared by R. Cartwright) for the reporting period 19 December 2007 to 9 October 2013. This report covers exploration activities in the Mining Lease 1565 area undertaken in 2009.</p> <p>Auditor sighted NRE Wongawilli Colliery Annual Exploration Report for Mining Lease 1565 (Dated February 2014, prepared by R. Cartwright) for the reporting period 19 December to 9 October 2013. This report covers exploration activities in the Mining Lease 1565a area undertaken during 2009 – 2013.</p> <p>The Annual Exploration Reports are submitted to the NSW Trade & Investment / Resources & Energy website and DIGS database (submission and approval).</p>	Nil.	C
-	11a	Full particulars, including results, interpretation and conclusions, of all exploration conducted during the twelve months period;	The auditor notes that Exploration reports address this requirement.	Nil.	C
-	11b	Details of expenditure incurred in conducting that exploration;	The auditor notes that the Exploration reports address this requirement.	Nil.	C
-	11c	A summary of all geological findings acquired through mining or development evaluation activities;	The auditor notes that the Exploration reports address this requirement.	Nil.	C
-	11d	Particulars of exploration proposed to be conducted in the next twelve months period;	The auditor notes that the Exploration reports address this requirement.	Nil.	C
-	11e	All plans, maps, sections and other data necessary to satisfactorily interpret the report.	The auditor notes that the Exploration reports address this requirement.	Nil.	C

Schedule	Condition	Requirement	Finding	Recommendation	Rating
Licence to Use Reports					
-	12a	The lease holder grants to the Minister, by way of a non-exclusive licence, the right in copyright to publish, print, adapt and reproduce all exploration reports lodged in any form and for the full duration of copyright.	Noted (administrative mechanism).	Nil.	NA
-	12b	The non-exclusive licence will operate as a consent for the purposes of section 365 of the Mining Act 1992.	Noted (administrative mechanism).	Nil.	NA
Confidentiality					
-	13a	All exploration reports submitted in accordance with the conditions of this lease will be kept confidential while the lease is in force, except in cases where: <ul style="list-style-type: none"> (i) the lease holder has agreed that specified reports may be made non-confidential. (ii) reports deal with exploration conducted exclusively on areas that have ceased to be part of the lease. 	Noted (administrative mechanism).	Nil.	NA
-	13b	Confidentiality will be continued beyond the termination of a lease where an application for a flow-on title was lodged during the currency of the lease. The confidentiality will last until that flow-on title or any subsequent flow-on title, has terminated.	Noted (administrative mechanism).	Nil.	NA
-	13c	The Director-General may extend the period of confidentiality.	Noted (administrative mechanism).	Nil.	NA
Terms of the Non-Exclusive Licence					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
-	14	<p>The terms of the non-exclusive copyright licence granted under condition 12 are:</p> <p>(a) the Minister may sub-licence others to publish, print, adapt and reproduce but not on-licence reports.</p> <p>(b) the Minister and any sub-licensee will acknowledge the lease holder's and any identifiable consultant's ownership of copyright in any reproduction of the reports, including storage of reports onto an electronic database.</p> <p>(c) the lease holder does not warrant ownership of all copyright works in any report and, the lease holder will use best endeavours to identify those parts of the report for which the lease holder owns the copyright.</p> <p>(d) there is no royalty payable by the Minister for the licence.</p> <p>(e) if the lease holder has reasonable grounds to believe that the Minister has exercised his rights under the non-exclusive copyright licence in a manner which adversely affects the operations of the lease holder, that licence is revocable on the giving of a period of not less than three months notice.</p>	Noted (administrative mechanism).	Nil.	NA

Schedule	Condition	Requirement	Finding	Recommendation	Rating
Blasting					
-	15	<p>a - Ground Vibration</p> <p>The lease holder must ensure that the ground vibration peak particle velocity generated by any blasting within the lease area does not exceed 10 mm/second and does not exceed 5 mm/second in more than 5% of the total number of blasts over a period of 12 months at any dwelling or occupied premises as the case may be, unless determined otherwise by the Department of Environment and Climate Change.</p>	<p>Proponent advised that they do not undertake blasting (at surface or underground) for coal extraction.</p> <p>Proponent advised that there are no dwellings or occupied premises in the vicinity of the Nebo Project Area.</p> <p>Proponent advised that underground blasting is sometimes performed to facilitate construction of underground pits/sumps etc.</p> <p>The auditor notes that vibration monitoring is not undertaken for underground blasting associated with underground construction activities or a documented risk assessment to justify why vibration monitoring is not required.</p>	Proponent to develop a blasting approval checklist that incorporates a risk assessment with respect to the blasting criteria presented in the Mining Lease (Condition 15).	NC
-	15	<p>b – Blast Overpressure</p> <p>The lease holder must ensure that the blast overpressure noise level generated by any blasting within the lease area does not exceed 120 dB (linear) and does not exceed 115 dB(linear) in more than 5% of the total number of blasts over a period of 12 months, at any dwelling or occupied premises, as the case may be, unless determined otherwise by the Department of Environment and Climate Change.</p>	<p>Proponent advised that they do not undertake blasting (at surface or underground) for coal extraction.</p> <p>Proponent advised that there are no dwellings or occupied premises in the vicinity of the Nebo Project Area.</p> <p>Proponent advised that underground blasting is sometimes performed to facilitate construction of underground pits/sumps etc.</p> <p>The auditor notes that vibration monitoring is not undertaken for underground blasting associated with underground construction activities or a documented risk assessment to justify why vibration monitoring is not required</p>	Proponent to develop a blasting approval checklist that incorporates a risk assessment with respect to the blasting criteria presented in the Mining Lease (Condition 15).	NC
Safety					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
-	16	Operations must be carried out in a manner that ensures the safety of persons or stock in the vicinity of the operations. All drill holes shafts and excavations must be appropriately protected, to the satisfaction of the Director-General, to ensure that access to them by persons and stock is restricted. Abandoned shafts and excavations opened up or used by the lease holder must be filled in or otherwise rendered safe to a standard acceptable to the Director-General.	<p>The focus of this audit is that of environmental compliance. Whilst on site the auditor did not observe any apparent safety issues.</p> <p>The auditor inspected ventilation shafts (Nebo 3 and 4) located in the Sydney Catchment Authority Special Area. The ventilation shaft sites were observed to be appropriately secured to prevent access by persons or stock.</p> <p>The auditor inspected a number of groundwater monitoring wells installed in the Sydney Catchment Authority Special Area. The auditor notes that the wells were installed in a manner that did not present a safety risk to persons or stock.</p> <p>The auditor notes that there has been no rehabilitation of buildings, disturbed land or other infrastructure during the following AEMR reporting periods:</p> <ul style="list-style-type: none"> 1st July 2011 to 30th June 2012 1st July 2012 to 30th June 2013 <p>Proponent advised for exploration drilling they would undertake an environmental impact assessment and gain approval from the relevant consent authority. The Proponent would then lodge a Surface Disturbance Notice for the Exploration Activities for the approval of Industry & Investment / Resources & Energy. Following the completion of exploration activities Borehole Completion Report(s) are prepared which include a section titled "Site Preparation and Rehabilitation".</p> <p>Auditor sighted the following documents as examples of the above listed documents:</p> <ul style="list-style-type: none"> Review of Environmental Factors (Proposed Surface Exploration in NRE Wongawilli Colliery Mining Lease for the Sydney Catchment Authority (dated October 2010, prepared by Niche Environment and Heritage). Sydney Catchment Authority approval of proposed works and access to SCA's special area (dated 23 December 2010). Surface Disturbance Notice for Exploration Activities form dated 4th January 2011. 	<p><i>Findings continued:</i></p> <ul style="list-style-type: none"> Bore Hole Completion Reports for NWW SH1/SH2 and NWW GW01 dated 20 March 2012 and 20 May 2012 (prepared by R. Cartwright) for Gujarat NRE Wonga Pty Ltd. <p>Recommendation – Nil.</p>	C

Schedule	Condition	Requirement	Finding	Recommendation	Rating
Exploratory Drilling					
-	17(1)	At least twenty eight days prior to commencement of drilling operations the lease holder must notify the relevant Department of Water and Energy regional hydrologist of the intention to drill exploratory drill holes together with information on the location of the proposed holes.	The Department of Water and Energy is now known as the NSW Office of Water (NOW). Proponent advised that they had not notified the NSW Office of Water prior to the commencement of drilling operations.	Proponent to develop and implement a notification protocol for exploratory drilling that includes the NSW Office of Water.	NC

Schedule	Condition	Requirement	Finding	Recommendation	Rating
-	17(2)	<p>If the lease holder drills exploratory drill holes he must satisfy the Director-General that:-</p> <p>(a) all cored holes are accurately surveyed and permanently marked in accordance with Departmental guidelines so that their location can be easily established;</p> <p>b) all holes cored or otherwise are sealed to prevent the collapse of the surrounding surface;</p> <p>(c) all drill holes are permanently sealed with cement plugs to prevent surface discharge of groundwaters;</p> <p>(d) if any drill hole meets natural or noxious gases it is plugged or sealed to prevent their escape;</p> <p>(e) if any drill hole meets an artesian or sub-artesian flow it is effectively sealed to prevent contamination of aquifers.</p> <p>(f) once any drill hole ceases to be used the hole must be sealed in accordance with Departmental guidelines. Alternatively, the hole must be sealed as instructed by the Director-General.</p> <p>(g) once any drill hole ceases to be used the land and its immediate vicinity is left in a clean, tidy and stable condition.</p>	<p>Auditor sighted Borehole Completion Reports for NWW SH1/SH2 and NWW GW01 dated 20 March 2012 and 20 May 2012 respectively (prepared by R. Cartwright) for Gujarat NRE Wonga Pty Ltd.</p> <p>These reports provide information that addresses the requirements of this Mining Lease condition.</p>	Nil.	C
Prevention of Soil and Erosion and Pollution					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
-	18	Operations must be carried out in a manner that does not cause or aggravate air pollution, water pollution (including sedimentation) or soil contamination or erosion, unless otherwise authorised by a relevant approval, and in accordance with an accepted Mining Operations Plan. For the purpose of this condition, water shall be taken to include any watercourse, waterbody or groundwaters. The lease holder must observe and perform any instructions given by the Director-General in this regard.	<p>A number of housekeeping issues were observed during the on-site component of this audit (September 2013). The following issues were identified and the Proponent advised of them:</p> <ul style="list-style-type: none"> Excess build-up of dirt was noted on paved areas of the colliery work areas. A number of instances of poor chemical storage were observed (e.g. bitumen containers in the vicinity of licenced discharged point 2, oil drums not placed in bunded storage, bunded areas requiring clean out). Steep banking with limited ground cover to stabilise soil was observed adjacent to an access road observed in Colliery Pit Top area. 	<p>Increase frequency of road sweeper use on paved areas within the Colliery.</p> <p>Proponent to review and improve their chemical storage practices. Specifically the Proponent should:</p> <ul style="list-style-type: none"> Reduce the number of locations where chemicals are stored and ensure the chemical stores are designed in accordance with current EPA recommended practices and have designated spill response kits. Use or dispose of redundant chemical products (e.g. Petrotek – underground dust suppressant). Clean out bunded areas to ensure that the full capacity of bunded areas is available. Look to purchase chemicals (e.g. oil) in bulk as opposed to numerous small/medium drums, which present a storage challenge. <p>Timberyard subsidence area – continue observation of this area. Consider improving the drainage to the west of the yard to assist with draining the area and to prevent further subsidence.</p> <p>Steep bank adjacent to access road in Colliery Pit Top area – consider re-profiling of bank to 1:2 slope and bench if necessary. Revegetate with native seed to provide protection to soil structure. Install silt fencing at bank toe to prevent sediment-laden runoff entering the clean water system.</p> <p>Drains in Colliery area - ensure weekly inspections of drains are continued. Consider increasing inspection if excess coal fines are observed or following rain events.</p>	NC
Transmission Lines, Communication Lines and Pipelines					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
-	19	Operations must not interfere with or impair the stability or efficiency of any transmission line, communication line, pipeline or any other utility on the lease area without the prior written approval of the Director-General and subject to any conditions he may stipulate.	<p>Proponent advised that there have been no impacts to infrastructure or utilities on the lease area.</p> <p>Proponent advised that they are working with Sydney Water regarding to ensure the protection of their 33kV Transmission Line and associated infrastructure.</p> <p>Auditor sighted the NRE Wongawilli Colliery Nebo Longwalls N1-N6 Electricity Transmission Lines Management Plan (ref: NREW EMS MP019, Revision No. 1, dated 23 October 2013). This management plan addresses the need to protect the Sydney Water electricity transmission line and the Proponent's own 33kV electricity transmission line.</p>	Nil.	C
Fences, Gates					
-	20a	Activities on the lease must not interfere with or damage fences without the prior written approval of the owner thereof or the Minister and subject to any conditions the Minister may stipulate.	<p>Proponent advised that there have been no fence or gate issues to date.</p> <p>Site observations made by the auditor did not identify any fence or gate issues.</p>	Nil.	C
-	20b	Gates within the lease area must be closed or left open in accordance with the requirements of the landholder.	<p>Proponent advised that there have been no gate opening/closing issues within the lease area.</p> <p>Site observations made by the auditor did not identify any gate opening/closing issues within the lease area.</p>	Nil	C
Roads and Tracks					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
-	21a	Operations must not affect any road unless in accordance with an accepted Mining Operations Plan or with the prior written approval of the Director-General and subject to any conditions he may stipulate.	<p>Proponent advised that operations have not affected any roads to date.</p> <p>Where operations take place within the Sydney Catchment Authority's Special Areas, the proponent liaises with the Sydney Catchment Authority regarding access tracks. Notification prior to accessing SCA's special areas is also required.</p> <p>For works (eg exploration drilling) the proponent would prepare an environmental impact assessment for the SCA's determination and subsequent issuing of conditions of approval.</p>	Nil.	C
-	21b	The lease holder must pay to the designated authority in control of the road (generally the local council or the Roads and Traffic Authority) the cost incurred in fixing any damage to roads caused by operations carried out under the lease, less any amount paid or payable from the Mine Subsidence Compensation Fund.	<p>Proponent advised that they have not been requested to pay any costs to date from designated road authority.</p> <p>Within the SCA's Special Areas, the Proponent advised that the SCA allows the Proponent make good any repairs required to fire trails it utilises.</p>	Nil	C

Schedule	Condition	Requirement	Finding	Recommendation	Rating
-	22	Access tracks must be kept to a minimum and be positioned so that they do not cause any unnecessary damage to the land. Temporary access tracks must be ripped, topsoiled and revegetated as soon as possible after they are no longer required for mining operations. The design and construction of access tracks must be in accordance with specifications fixed by the Department of Environment and Climate Change.	<p>Proponent advised that access track needs are limited to works such as exploration drilling or vent shaft construction and operation within the Sydney Catchment Authority's Special Areas.</p> <p>Auditor notes that for such works, the Proponent would prepare an environmental impact assessment for the SCA's determination and subsequent issuing of conditions of approval. SCA issued conditions of approval typically address rehabilitation requirements of access tracks.</p> <p>Auditor site observations of completed drilling locations confirmed that access tracks were kept to a minimum and appropriately rehabilitated.</p>	Nil	C
Trees and Timber					
-	23a	The lease holder must not fell trees, strip bark or cut timber on lease without the consent of the landholder who is entitled to the use of the timber, or if such a landholder refuses consent or attaches unreasonable conditions to the consent, without the approval of a warden.	<p>Proponent advised that within the Sydney Catchment Authority's Special Areas, SCA allows limited vegetation clearance associated with approved works for the purpose of asset protection (ie bushfire protection) of vent shafts and to facilitate safe access of equipment (eg drill rigs).</p> <p>Auditor site observations of completed drilling locations confirmed that vegetation clearance was kept to a minimum.</p>	Nil	C

Schedule	Condition	Requirement	Finding	Recommendation	Rating
-	23b	The lease holder must not cut, destroy, ringbark or remove any timber or other vegetative cover on the lease area except such as directly obstructs or prevents the carrying on of operations. Any clearing not authorised under the Mining Act 1992 must comply with the provisions of the Native Vegetation Act 2003.	<p>Proponent advised that vegetation clearance is limited to works associated with exploration drilling (access tracks and drill locations) and asset protection (ie bushfire protection) of ventilation shafts within the SCA's Special Areas.</p> <p>Auditor notes that for such works, the Proponent would prepare an environmental impact assessment for the SCA's determination and subsequent issuing of conditions of approval. SCA issued conditions of approval typically address rehabilitation requirements of access tracks.</p> <p>The auditor sighted the Review of Environmental Factors (Proposed Surface Exploration in NRE Wongawilli Colliery Mining Lease for the Sydney Catchment Authority (dated October 2010, prepared by Niche Environment and Heritage). The REF states the following in relation the Native Vegetation Act 2003 <i>"The proposed exploration program is subject to approval under Part 5 of the EP&A Act. Any vegetation activity that leads to vegetation disturbance associated with such an approval does not require consent under the NV Act"</i>.</p>	Nil.	C
-	23c	The lease holder must obtain all necessary approvals or licences before using timber from any Crown land within the lease area.	<p>Not Applicable. Timber is not being extracted from the Mining Lease area by the Proponent.</p> <p>Refer to previous comments associated with conditions 23a and 23b.</p>	Nil	NA
Resource Recovery					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
-	25a	Notwithstanding any description of mining methods and their sequence or of proposed resource recovery contained within the Mining Operations Plan, if at any time the Director-General is of the opinion that minerals which the lease entitles the lease holder to mine and which are economically recoverable at the time are not being recovered from the lease area, or that any such minerals which are being recovered are not being recovered to the extent which should be economically possible or which for environmental reasons are necessary to be recovered, he may give notice in writing to the lease holder requiring the holder to recover such minerals.	Proponent advised that they have not received any notifications in relation to this condition (25a) of the Mining Lease.	Nil.	NA
-	25b	The notice shall specify the minerals to be recovered and the extent to which they are to be recovered, or the objectives in regard to resource recovery, but shall not specify the processes the lease holder shall use to achieve the specified recovery.	Not Applicable. Refer to comment against condition 25a.	Nil.	NA
-	25c	The lease holder must, when requested by the Director-General, provide such information as the Director-General may specify about the recovery of the mineral resources of the lease area.	Not Applicable. Refer to comment against condition 25a.	Nil.	NA
-	25d	The Director-General shall issue no such notice unless the matter has firstly been thoroughly discussed with and a report to the Director-General has incorporated the views of the lease holder.	Not Applicable. Refer to comment against condition 25a.	Nil.	NA

Schedule	Condition	Requirement	Finding	Recommendation	Rating
-	25e	The lease holder may object to the requirements of any notice issued under this condition and on receipt of such an objection the Minister shall refer it to a Warden for inquiry and report under Section 334 of the Mining Act, 1992.	Not Applicable. Refer to comment against condition 25a.	Nil.	NA
-	25f	After considering the Warden's report the Minister shall decide whether to withdraw, modify or maintain the requirements specified in the original notice and shall give the lease holder written notice of the decision. The lease holder must comply with the requirements of this notice.	Not Applicable. Refer to comment against condition 25a.	Nil.	NA
Indemnity					
-	26	The lease holder must indemnify and keep indemnified the Crown from and against all actions, suits, claims and demands of whatsoever nature and all costs, charges and expenses which may be brought against the lease holder or which the lease holder may incur in respect of any accident or injury to any person or property which may arise out of the construction, maintenance or working of any workings now existing or to be made by the lease holder within the lease area or in connection with any of the operations notwithstanding that all other conditions of this lease shall in all respects have been observed by the lease holder or that any such accident or injury shall arise from any act or thing which the lease holder may be licensed or compelled to do.	Noted.	Nil.	NA

Schedule	Condition	Requirement	Finding	Recommendation	Rating
Security					
-	27a	A security in the sum of \$40 million must be given and maintained with the Minister by the lease holder for the purpose of ensuring the fulfilment by the lease holder of obligations under this lease. If the lease holder fails to fulfil any one or more of such obligations the said sum may be applied at the discretion of the Minister towards the cost of fulfilling such obligations. For the purpose of this clause the lease holder shall be deemed to have failed to fulfil the obligations of this lease if the lease holder fails to comply with any condition or provision hereof, any provision of the Act or regulations made thereunder or any condition or direction imposed or given pursuant to a condition or provision hereof or of any provision of the Act or regulations made thereunder.	Proponent advised that it is in compliance with the required security amount and it takes the form as a bank guarantee (State Bank of India).	Nil.	C
-	27b	The lease holder must provide the security required by sub-clause (a) in one of the following forms: (i) cash, (ii) a security certificate in a form approved by the Minister and issued by an authorised deposit-taking institution	Proponent advised that it is in compliance with the required security amount and it takes the form as a bank guarantee (State Bank of India).	Nil.	C
Rehabilitation Cost Estimate					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
-	28	The lease holder must, within a period of three (3) months from the date of this lease undertake, complete and lodge with the Director-General Department of Primary Industries, a "Rehabilitation Cost Estimates" in accordance with the Department of Primary Industries, Mineral Resources requirements.	Auditor notes that the Proponent's approved Mining Operation Plan includes a Rehabilitation Cost Estimate.	Nil.	C
Prescribed Dam					

Schedule	Condition	Requirement	Finding	Recommendation	Rating
-	29a	Notwithstanding any Mining Operations Plan, the lease holder must not mine within any part of the lease area which is within the notification area of the Avon and Cordeaux Dams without the prior written approval of the Minister and subject to any conditions he may stipulate.	<p>Auditor sighted the following NSW Dam Safety Committee correspondences.</p> <ul style="list-style-type: none"> 4 Sept 2012 (ref: 10.123.116) to Chief Inspector of Coal Mines Department of Primary Industries re: NRE Wongawilli application to conduct extraction of LW3 which lies partially within the Cordeaux Notification Area: DSC designation NRE_WONGAWILLI_1. This correspondence advised the Chief Inspector of Coal Mines that the DSC endorses the Proponent's application and recommends that the Minister approval the application with associated conditions of approval. 19 Feb 2013 (ref: 10.123.116) to Chief Inspector of Coal Mines Department of Primary Industries re: NRE Wongawilli application for a minor variation to development drivages within the Cordeaux Notification Area: DSC designation NRE_WONGAWILLI_1. This correspondence recommends that the Minister grant consent to the minor variation. 20 Feb 2013 (ref: 10.123.116) to Chief Inspector of Coal Mines Department of Primary Industries re: NRE Wongawilli application for a minor variation to development drivages within the Cordeaux Notification Area by extending the drivage by one (1) pillar: DSC designation NRE_WONGAWILLI_1. This correspondence recommends that the Minister grant consent to the minor variation. <p>Auditor sighted Proponent email dated 1 February 2013 (titled: NRE Nebo Longwalls DSC Notifications) regarding the impingement of the NE corner of Longwall N3 into the DSC Notification Area.</p>	Nil.	C

Schedule	Condition	Requirement	Finding	Recommendation	Rating
-	29b	<p>(b) Where the lease holder desires to mine within the notification area he must:</p> <p>(i) at least twelve (12) months before mining is to commence or such lesser time as the Minister may permit, notify the Minister of the desire to do so. A plan of the mining system to be implemented must accompany the notice; and</p> <p>(ii) provide such information as the Minister may direct.</p>	As per previous audit item finding.	Nil.	C

Schedule	Condition	Requirement	Finding	Recommendation	Rating
-	29c	<p>The Minister must not, except in the circumstances set out in sub- paragraph (ii), grant approval unless sub-paragraph (i) of this paragraph has been complied with.</p> <p>(i) This sub-paragraph is complied with if:</p> <ul style="list-style-type: none"> a) the Dams Safety Committee as constituted by Section 7 of the Dams Safety Act 1978 and the owner of the dam have been notified in writing of the desire to mine referred to in paragraph (B). b) The notifications referred to in clause (a) are accompanied by a description or plan of the area to be mined. c) the Director-General has complied with any reasonable request made by the Dams Safety Committee or the owner of the dam for further information in connection with the mining proposal. d) The Dams Safety Committee has made its recommendations concerning the mining proposal or has informed the Minister in writing that it does not propose to make any such recommendations; and 	Noted (administrative measure relating the Minister).	Nil.	NA

Schedule	Condition	Requirement	Finding	Recommendation	Rating
		<p>e) Where the Dams Safety Committee has made recommendations the approval is in terms that are:</p> <p>i) In accordance with those recommendations; or</p> <p>ii) Where the Minister does not accept those recommendations or any of them in accordance with a determination under sub-paragraph (ii) of this paragraph.</p> <p>iii) Where the Minister does not accept the recommendations of the Dams Safety Committee or where the Dams Safety Committee has failed to make any recommendations and has not informed the Minister in writing that it does not propose to make any recommendations, the approval shall be in terms that are, in relation to matters dealing with the safety of the dam:</p> <p>a) As determined by agreement between the Minister and the Minister administering the Dams Safety Act 1978; or</p>	Noted (administrative measure relating the Minister).	Nil.	NA

Schedule	Condition	Requirement	Finding	Recommendation	Rating
		b) In the event of failure to reach such agreement - as determined by the Premier.			
-	29d	<p>The Minister, on notice from the Dams Safety Committee, may at any time or times:</p> <p>(i) cancel any approval given where a notice pursuant to Section 18 of the Dams Safety Act 1978 is given.</p> <p>(iii) suspend for a period of time, alter, omit from or add to any approval given or conditions imposed.</p>	Proponent advised that no such notices have been received from the Minister.	Nil.	NA
Sydney Catchment Authority					
-	30a	The lease holder shall carry out operations in such a way as to conform strictly to all provisions of the Sydney Water Catchment Management Act 1998 and the regulations thereunder applying to the prevention of pollution of the Metropolitan Special Area or the preservation of the purity of the water supply provided thereby or derived therefrom or for the protection of the property of Sydney Catchment Authority [hereinafter referred to as the 'the Authority'] on the Special Area and also to all requirements of the Authority from time to time under the said Act or any of the regulations for the time being in force.	<p>Within the timeframe of this environmental compliance audit (2 Nov 2011 to 30 June 2013) the Proponent advised that Sydney Catchment Authority has not raised any concerns regarding the proponent's activities with the SCA's Special Areas.</p> <p>For works proposed to be undertaken within the SCA's Special Areas, the auditor notes that the Proponent would prepare an environmental impact assessment for the SCA's determination and subsequent issuing of conditions of approval.</p>	Nil.	C

Schedule	Condition	Requirement	Finding	Recommendation	Rating
-	30b	<p>If the lease holder shall at any time be using or about to use any process which in the opinion of the Authority is likely to pollute the Special Area or the water supply or to endanger any property of the Authority on the Special Area the lease holder upon service of a notice in writing under the hand of the Minister to do so shall:</p> <p>(i) discontinue the use of such process immediately, or</p> <p>(ii) thereafter refrain from adopting such process at any time, as the case may require.</p>	Proponent advised that they have not received any notices associated with this condition of the Mining Lease.	Nil.	NA
-	30c	The lease holder shall provide and maintain to the satisfaction of the Minister efficient means to prevent the contamination, pollution, erosion or siltation of any stream or watercourse or Special Area and shall observe any instruction given or which may be given by the Minister with a view to preventing or minimising the contamination, pollution or siltation of any stream watercourse or Special Area.	<p>For works proposed to be undertaken within the SCA's Special Areas, the auditor notes that the Proponent would prepare an environmental impact assessment for the SCA's determination and subsequent issuing of conditions of approval.</p> <p>These works would be supervised by the Proponent and inspected by the SCA.</p> <p>Within the timeframe of this environmental compliance audit (2 Nov 2011 to 30 June 2013) the Proponent advised that Sydney Catchment Authority has not raised any concerns regarding the proponent's activities with the SCA's Special Areas.</p>	Nil.	C

Schedule	Condition	Requirement	Finding	Recommendation	Rating
-	30d	<p>The lease holder hereby covenants with Us Ours Heirs and Successors and as a separate covenant the lease holder hereby covenants with the Authority and its Successors that the lease holder shall at all times hereafter save harmless and keep Us and the said Authority and Our Heirs and Successors and the Successors of the said Authority indemnified from payment of compensation and from and against all actions proceedings claims and demands in respect of any injury loss of damage arising out of or in any way connected with any interference with or deprivation or loss of access to the land and premises of this authority which may occur by reason of any works or operations undertaken or carried out by the said Authority or arising out of or in any way connected with any discontinuance or alteration of any process consequent upon the service of a notice in pursuance of the provisions of Condition 31(b) or arising out of or in any way connected with the operation of any regulations relating to Special Areas in force at the date hereof or made by the said Authority at any time hereafter and the lease holder hereby agrees that for the purpose of this condition the said Authority shall be deemed to be a party to this authority.</p>	Noted.	Nil.	NA

Schedule	Condition	Requirement	Finding	Recommendation	Rating
-	31	<p>The lease holder shall:</p> <p>(a) Make such provisions for sanitation as may be directed by the Authority and shall at all times observe and perform any requirements of the said Authority respecting sanitation.</p> <p>(b) not establish any camps or habitations within any area under the control of the Authority unless with the consent of the Authority.</p> <p>(c) Not sink any drillhole within the stored waters on the subject area nor within 40 metres of the top water level thereof unless with the consent of the Authority.</p>	<p>For works proposed to be undertaken within the SCA's Special Areas, the auditor notes that the Proponent would prepare an environmental impact assessment for the SCA's determination and subsequent issuing of conditions of approval.</p> <p>Example documentation sighted by the auditor includes:</p> <ul style="list-style-type: none"> • Review of Environmental Factors Proposed Surface Exploration in NRE Wongawilli Colliery Mining Lease (for the Sydney Catchment Authority), dated October 2010 (prepared by Niche Environment and Heritage for the Proponent). • SCA correspondence (dated 23 Dec 2010, ref: D2010/04572) approved the works detailed in the above mentioned REF and provided additional conditions of approval to be complied with. • Proponent correspondence (dated 4 January 2011) to the SCA accepting the additional conditions of approval issued by the SCA. 	Nil.	C

Schedule	Condition	Requirement	Finding	Recommendation	Rating
-	31	<p>(d) Not sink any drillhole within any watercourse on the Metropolitan Special Area nor within 100 metres thereof unless with the consent of the Authority.</p> <p>(e) Not interfere with or impede the use of the Authority tracks of endanger their stability in any way by reason of the operations.</p> <p>(f) Not construct any road to the sites of any drillholes unless with the consent of the Authority to the proposed route and type of road construction.</p> <p>(g) Not interfere in any way with any fences on or adjacent to the Metropolitan Special Area unless with the consent in writing of the owner thereof or the Authority</p> <p>(h) Give twenty eight days notice to the General Manager, Catchment Operations and Major Projects, Sydney Catchment Authority, Penrith, of its intention to commence drilling operations.</p>	Refer to previous comment.	Nil.	C

Schedule	Condition	Requirement	Finding	Recommendation	Rating
-	31	<p>i) Not cut or remove any timber except such as directly obstructs or prevents the carrying on of operations and the lease holder shall obtain the consent in writing of the Authority before making use of the timber so cut for other than in connection with operations.</p> <p>j) Complete work in relation to rehabilitation within the Metropolitan Special Area before termination of the authority to the satisfaction of the Authority.</p>	Refer to previous comment.	Nil.	C
Suspension of Mining Operations					
-	32	The holder of this lease may not suspend mining operations in the mining area other than in accordance with the consent of the Minister.	Proponent advised that operations are not in a suspension phase and they have not sought the Minister's consent to suspend mining operations.	Nil.	NA