

PORT KEMBLA COAL TERMINAL REPORT

Review of the AECOM March 2011 Audit Report

Date: 10th August 2011

1. PURPOSE

The purpose of this report is to provide a response to the Department of Planning and Infrastructure (DPI) on the independent external audit(IEA) carried out in March 2011 by AECOM P/L (AECOM) together with advice on proposed actions.

2. SCOPE

DPI Approval 08_0009 given on 12th June 2009 included a requirement for PKCT to arrange an independent external audit of its operations. This audit was completed in March 2011 and an audit report was submitted to the DPI on 10th May 2011. This report is prepared in accordance with the following condition:-

Project Approval 08_0009 Schedule 7

7. Within 3 months of submitting the audit report to the Director General, the proponent shall review and if necessary revise the strategies/ plans/ programs required under this approval, to the satisfaction of the Director-General.

3. REFERENCES

Port Kembla Coal Terminal (PKCT) letter to DPI dated 10th May 2011

AECOM Audit Report dated 10th May 2011

Project Approval 08_0009 dated 12th June 2009

PKCT 1011 Annual Environment Management Report (AEMR)

Environment Management Strategy MP.HS.464 (EMS)

Noise Management Plan MP.HS.387 (NMP)

Air Quality Management Plan MP.HS.386 (AQMP)

Driver Code of Conduct Implementation Plan MP.BM.453 (DCCIP)

Water Management Plan MP.HS.462 (WMP)

Biodiversity Management Plan MP.HS.463 (BMP)

Green and Golden Bell Frog Management Plan MP.HS.109 (GGBFMP)

Landscape Management Plan MP.HS.470 (LMP)

Greenhouse Gas and Energy Efficiency Management Plan MP.HS.461 (GGEEMP)

Fire Management Plan MP.HS.459 (FMP)

4. REPORT FORMAT

The format of this report is as follows:-

- Section 5 provides a general overview of the audit carried out by AECOM.
- Section 6 provides a response to Section 6.0 Recommendations for Improvement in the AECOM audit report and uses the format therein as a template as follows:-
 - (a) Section 6.1- Table is based on Section 6.1 Compliance with MCoA and EPL Table 1. For each recommendation listed in the table, PKCT has provided (a) a response to the recommendation (b) a report on the action to be undertaken and its status.
 - (b) Section 6.2 herein- Table is based on Section 6.2 Adequacy of Management Plans, Strategies and Programs. For each recommendation listed in the table, PKCT has provided (a) a response to the recommendation (b) a report on the action to be undertaken and its status.

5. AUDIT OVERVIEW

5.1. General

In the two years since approval was given, significant work has been undertaken in the implementation of the DPI's approval conditions. The conditions attached to the approval are broad ranging covering a wide range of environmental and other aspects related to PKCT's site operations and road transport of product. Accordingly, the audit undertaken by AECOM was comprehensive and there were numerous audit findings.

In general, PKCT concurs with the findings and the compliance ratings assigned to the audit findings. There were a number of the audit checkpoints, however, which required interpretation of the associated approval conditions. This contributed to a number of partial non conformance and non conformance findings being made with which PKCT did not entirely agree with due to differing interpretations.

Terms in the conditions such as "to the satisfaction of the Director General" and "reasonable and feasible best practice measures" arose in a number of audit findings and recommendations. Clarification is required, in this regard, on the DPI's expectations and their practical application so that the audit findings can be satisfactorily addressed.

A number of findings identified improvement opportunities in document administration. Advice is sought on how best PKCT can strengthen the process for submission, review and approval of documents and subsequent revisions to ensure documents are submitted as required and approved in a reasonable time frame.

5.2. Management Plans

AECOM has made a number of findings and recommendations related to the format and content of PKCT's management plans. AECOM has recommended that the management plans be revised to include project tracking. For example, AECOM reviewed plans to ascertain what "reasonable and feasible" measures PKCT were carrying out under a particular plan.

On review, some plans, in particular, the Landscaping Management Plan which included an implementation plan, may have suggested that this was PKCT's intent. It is our consideration that it is not practical to do so, not necessary and would require frequent ongoing document revisions potentially involving the DPI and documentation overlap increasing the potential for inconsistency.

Management plans have been revised to clarify their purpose and application which is to primarily define the process by which an aspect is managed, its scope, specify assigned responsibilities, objectives and legal and other requirements. The improvement process is described as PKCT's business planning and capital works process which is the means by which improvement projects are developed and implemented. For the DPI Project Approval, performance reporting and reporting on progress of remedial and improvement actions is via the Annual Environment Management Report(AEMR) which reports on work carried out over the reporting period together with works proposed over the next reporting period. The AEMR has reports on evaluation of performance, compliance and trends.

6. AECOM RECOMMENDATIONS FOR IMPROVEMENT

6.1. Compliance Actions: MCoA and EPL

No.	Approval	Condition/ Number	Topic	Recommendation	Action
1	MCoA	2.4	Term of Approval	<ul style="list-style-type: none"> PKCT to maintain documentation of approval of WMP from DPI. <p>PKCT: Recommendation accepted.</p>	WMP forms part of the DPI submission of revised management plans submitted with this report. All MPs will need to be tracked with a record of DPI approval kept. Where review and revision of a document is in progress, a proposed completion date is provided herein.
2	MCoA	3.12	Discharge Limits	<ul style="list-style-type: none"> Investigate and implement measures to bring pH and TSS levels into compliance with EPL. <p>PKCT: Recommendation accepted.</p> <ul style="list-style-type: none"> Continue to investigate continual improvements to dust management onsite to minimise offsite dispersal. <p>PKCT: Recommendation accepted.</p>	<p>Action is progressing through OEH EPL Pollution Reduction Program 9. Completion date for the PRP is 30th June 2012. Refer to 1011 AEMR Section 4.3.3 Activities Proposed for the Next Reporting Period n.b. Surface Water.</p> <p>Dust improvement forms part of PKCT Strategic Business Plan. A strategy is in place and will progress through the 11/12 Business Planning period. Refer to 1011 AEMR Section 4.3.3 Activities Proposed for the Next Reporting Period n.b. Air Quality.</p>
3	MCoA	3.13	Water MPlan	<ul style="list-style-type: none"> Keep records of all conversations and consultation with OEH during creation of management plans. <p>PKCT: Recommendation accepted in principle n.b. "all"</p>	Records of conversations will be confirmed via e mail or letter as appropriate; to date, no incident has occurred where an unrecorded conversation has resulted in a dispute or disagreement with OEH though it is noted that record management requires strengthening.

No.	Approval	Condition/ Number	Topic	Recommendation	Action
				<ul style="list-style-type: none"> Follow up revised WMP and seek written approval from DPI. Include in Section 9.1.3 reference to the Environmental Monitoring document, which details the monitoring procedure for discharge from the settlement lagoon. Include in this section the specific criteria for discharge from the lagoon, taken from the EPL, to ensure compliance with part (c) of this condition. Keep WMP updated with all reasonable and feasible measures taken by PKCT to ensure that water quality criteria are being met, as discussed in the Cardno Rigby water systems review report. Formalise discussions with OEH in the plan. Include monitoring of water quality for dust, as described in the SGS report. Confirm with OEH and DPI whether new EPL condition will be undertaken. <p>PKCT: Accepted that the management plan requires revision, that it needs to comply with DPI approval condition 13 and DPI approval of the plan will be required. The plan will reference “reasonable and feasible mitigation measures”, outline the “monitoring protocols” in place and outline the process for continual improvement. It is not considered appropriate or practical that the plan be used as a project tracking tool or to be prescriptive like a work instruction. Where appropriate, cross references are included to associated procedures. Task/ project and performance reporting is provide in the AEMR.</p>	<p>WMP has been revised. Water Management Plan MP.HS.462 is attached.</p>

No.	Approval	Condition/ Number	Topic	Recommendation	Action
4	MCoA	3.14	GGBF MPlan	<ul style="list-style-type: none"> Keep documentation of submission to Director-General. PKCT: Recommendation accepted	N.B Section 5.1 herein. Discuss administrative arrangements with DPI. Also Refer Action 16 below.
5	MCoA	3.15	Lighting Emissions	<ul style="list-style-type: none"> Undertake an inspection of external lighting to determine compliance against the Australian Standard, and implement any mitigation measures identified. PKCT: Recommendation accepted.	Lightpoint Consulting Services has been engaged and work is progressing checking site lighting against the standard. Refer to 1011 AEMR Section 3.7 and Section 4.3.3 Activities Proposed for the Next Reporting Period n.b. Visual Amenity.
6	MCoA	3.16	Landscape MPlan	<ul style="list-style-type: none"> Formalise submission process by sending dated letter to Director-General, for initial submission of management plans, and again with every re-submission of management plans. PKCT: Recommendation accepted; administrative arrangements require strengthening.	N.B Section 5.1 herein. Discuss administrative arrangements with DPI.
				<ul style="list-style-type: none"> Devise an implementation program and include in LMP. PKCT: Accepted; Implementation program included in the LMP. As outlined in Section 5.2, this program does not normally form part of the Landscape Management Plan document. Implementation plan included as it was a specific project commitment made under the DPI Project Approval.	LMP revised. Landscape Management Plan MP.HS.470 attached for DPI review/approval. LMP includes an implementation program.

No.	Approval	Condition/ Number	Topic	Recommendation	Action
7	MCoA	3.17	Operating Conditions	<ul style="list-style-type: none"> Identify and implement reasonable and feasible measures to reduce energy and greenhouse gas emissions. <p>PKCT: DPI clarification sought; refer Section 5.1</p> <ul style="list-style-type: none"> Formally notify and seek approval from the Director-General, when condition includes this requirement. <p>PKCT: DPI clarification sought.</p>	<p>Clarify intent and practical application of this condition with DPI.</p> <p>Clarify intent and practical application of this condition with DPI. AEMR is intended to be the means of reporting actions.</p>
8	MCoA	3.18	Greenhouse Gas & Energy MPlan	<ul style="list-style-type: none"> GGEEMP and ESAP must align, and be regularly updated with attention to detail from the ESAP translating to the GGEEMP. Revisions of the ESAP should be tracked (especially in ESAP as it was apparent that PKCT was not tracking revisions of the documents, or resubmitting them to DEUS/OEH). <p>PKCT: DPI clarification sought; refer Section 5.1</p> <ul style="list-style-type: none"> Update performance monitoring section of ESAP to clarify progress and completion of certain tasks. <p>PKCT: Recommendation accepted.</p>	<p>GGEEMP revised in accordance with Section 5.1. Discuss Section 5.1 with DPI.</p> <p>2011 Energy Savings Action Plan has been updated and submitted to OEH. Performance monitoring is tracked by PKCT's Energy Savings group which meets quarterly. Actions tracked via PKCT event management system. Action reporting to continue via AEMRs and annual ESAP reports.</p>

No.	Approval	Condition/ Number	Topic	Recommendation	Action
				<ul style="list-style-type: none"> Formalise submission process with dated letter to Director-General to facilitate the Director-General being satisfied with the plan. <p>PKCT: Recommendation accepted; administrative arrangements require strengthening.</p>	N.B Section 5.1 herein. Discuss administrative arrangements with DPI.
9	MCoA	3.19	Operating Conditions	<ul style="list-style-type: none"> Complete implementation of Transpacific suggestions to improve waste management. <p>PKCT: Recommendation accepted.</p> <ul style="list-style-type: none"> Advise Director-General by letter of the waste summary in each AEMR. <p>PKCT: DPI clarification sought.</p>	<p>Transpacific's suggestions have been reviewed, prioritised and are being implemented as appropriate. Refer to Section 3.9 Waste, 4.3.2 and 4.3.3 in the 1011 AEMR for a report on action carried out to date and actions proposed.</p> <p>Discuss DPI expectations. AEMR includes a waste summary which is submitted with a covering letter.</p>
10	MCoA	3.20	Dangerous Goods	<ul style="list-style-type: none"> Implement recommendation made in LRQA report: Identify the relevant legal & other requirements for the storage of the different classes of dangerous goods / hazardous substances on the site, review and revise controls as necessary, communicate to relevant personnel & verify the effective implementation of the controls. Date for completion was 12/10. <p>PKCT: Recommendation accepted.</p>	<p>Consultant, Advitech P/L, has been engaged to review PKCT's Dangerous Goods storage on site. A report has been submitted and recommendations are under review. Refer 1011 AEMR Sections 3.10 Hazards, 4.3.2 and 4.3.3 on actions carried out and proposed. Actions will be tracked in PKCT's event management system and reported in the 11/12 AEMR.</p>
11	EPL	L1.1	Pollution of Waters	<ul style="list-style-type: none"> Investigate and implement measures to bring pH and TSS levels into compliance with EPL. <p>PKCT: Recommendation accepted.</p>	Refer Action 2

No.	Approval	Condition/ Number	Topic	Recommendation	Action
				<ul style="list-style-type: none"> Continue to investigate continual improvements to dust management onsite to minimise off site dispersal. PKCT: Recommendation accepted.	
12	EPL	L3.3	Concentration Limits	<ul style="list-style-type: none"> Investigate improvements to dosing systems to increase flocculation/coagulation of sediments/algae prior to discharge. Implement sediment pond maintenance works. PKCT: Recommendation accepted.	Refer Action 2
13	EPL	O4.1	Operating Conditions	<ul style="list-style-type: none"> Develop maintenance works program for sedimentation ponds to maintain silt to less than 20% of design capacity, and implement regular cleaning if required to achieve this, having regard to GGBF habitat requirements. PKCT: Recommendation accepted.	Action is progressing through OEH EPL Pollution Reduction Program 9. Completion date for the PRP is 30 th June 2012. A number of sedimentation ponds are very difficult to clean out and are vulnerable to wet weather. This is hampering systematic cleaning at present.
14	EPL	O4.2	Operating Conditions	<ul style="list-style-type: none"> Maintain records of days of discharge from sedimentation ponds and compare to excessive rainfall events as recorded by onsite rain gauge. PKCT: OEH clarification required.	“Excessive rainfall” is not defined in the EPL. Sedimentation ponds are licenced as overflow drains. Overflow is permitted if pond capacity is maintained and equipment is operational during wet weather. That is, rainfall is excessive if the pond’s capacity is exceeded. PKCT to verify this EPL aspect and its practical application with OEH.

No.	Approval	Condition/ Number	Topic	Recommendation	Action
15	EPL	U2.1	GGBell Frog MPlan	<ul style="list-style-type: none"> Keep records of all conversations and consultation with OEH during creation of management plans. <p>PKCT: Recommendation accepted in principle n.b. "all"</p>	Refer Action 3.
16	EPL	U2.1	GGBell Frog MPlan	<ul style="list-style-type: none"> Modify the GGBFMP to ensure that the Best Practice Guidelines have been included in the Plan, and that the Plan follows the template. <p>PKCT: Recommendation accepted.</p>	GGBFMP has been revised and is being reviewed by OEH. Refer 1011 AEMR Section 3.6 Biodiversity, 4.3.2 and 4.3.3 for actions undertaken and proposed. GGBFMP is attached.
17	DCC	8	Compliance Monitoring	<ul style="list-style-type: none"> Review and update DCC as necessary based on audit recommendations. <p>PKCT: Recommendation accepted.</p>	<p>An initial review of the Drivers Code of Conduct and the Drivers Code of Conduct Implementation Plan MP.BM.453(DCCIP) has been completed. Consideration was given to the audit findings/ recommendations and draft documents are currently being syndicated with road transport and shipper signatories.</p> <p>Consultation will also be required with other signatories such as the RTA. Once finalised, DCC and the DCCIP will be submitted to the DPI for review/approval. A completion date of 30.11.11 is proposed.</p>
18	DCC	8	Compliance Monitoring	<p>PKCT to coordinate and collate documentary evidence of audits/monitoring undertaken by signatories and Transport Providers to the DCC.</p> <p>PKCT: Recommendation accepted.</p>	Refer Action 17. Improved record management and administration is included in the review of DCC implementation.

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19	MCoA	3.7	Impact Assessment Criteria	<p>Unable to verify compliance with dust generation criteria due to the complexity of the PKCT location. PKCT do attempt to understand their contribution.</p> <p>PKCT: Noted.</p>	DPI discussion point; Air quality criteria is used as a management tool by PKCT. PKCT will continue to explore ways of improving understanding of the air shed and the variety of dust sources contributing. Refer Section 4.3.3 of 1011 AEMR for actions proposed.
20	MCoA	3.8	Operations	<ul style="list-style-type: none"> PKCT to establish a record of visible air pollution and documentary evidence showing operational modification. PKCT should seek Director-General's formal acceptance of operational modification procedure. <p>PKCT: DPI clarification sought.</p>	DPI discussion point; clarify intent and practical application.
21	MCoA	3.9	Operations	<ul style="list-style-type: none"> PKCT should seek the Director-General's satisfaction by a letter sent to the DPI advising of the truck washing protocol. <p>PKCT: DPI clarification sought; refer Section 5.1.</p>	DPI discussion point; clarify intent and practical application. It is considered this isn't required.
22	DCC	6	PKCT Road	<ul style="list-style-type: none"> Develop a system to monitor speed through the truck wash. PKCT to coordinate the client mines to establish compliance with use of mine's truck wash. <p>PKCT: Recommendation accepted.</p>	Refer Actions 17 and 26. Critical Task Observation (CTO) process is able to provide a subjective assessment by observation. PKCT truck wash upgrade project currently in development addresses truck speed in the work scope.

No.	Approval	Condition/ Number	Topic	Recommendation	Action
23	MCoA	3.2	Noise Monitoring Program	<ul style="list-style-type: none"> Maintain records of consultation with OEH. Add discussion to NMP regarding the reasons as to why unattended monitoring is not undertaken. <p>PKCT: Recommendation accepted.</p>	PKCT's noise consultant, Wilkinson Murray (WK), has provided a report, dated 4.8.11, in response to the AECOM audit. WK's noise monitoring program will be revised and changes reflected in PKCT's NMP. OEH consultation is required and records of OEH consultation will be kept. A copy of the WK report is attached. Proposed completion time is 30.11.11.
24	MCoA	3.3	Continuous Improvement	<ul style="list-style-type: none"> Incorporate requirement to undertake investigations into continual improvement in NMP, and report findings in AEMR. <p>PKCT: Recommendation accepted.</p>	Refer Action 23. Recommendation to be included in the NMP revision.
25	EPL	M10.1	Noise Monitoring	<ul style="list-style-type: none"> Additional information is to be provided during onsite monitoring which details the onsite activities at the time of measurements and to what extent this is consistent with 'normal operations', to support only undertaking attended noise measurements in the future. <p>PKCT: Recommendation accepted.</p>	Refer Action 23. Recommendation to be included in the NMP revision.
26	DCC	4 - Mt Ousley	Haulage Routes	<ul style="list-style-type: none"> PKCT (or signatories) to include observations of coal truck noise on Mt Ousley during future monitoring. <p>PKCT: Recommendation accepted.</p>	Refer Action 17. Draft CTO has been developed and is being reviewed by signatories. CTO has 3 parts (a) mine site (b) haul routes (c) PKCT. It is intended that this be used by DCC signatories in a more robust audit program.

No.	Approval	Condition/ Number	Topic	Recommendation	Action
27	DCC	4 – Bellambi Lane	Haulage Routes	<ul style="list-style-type: none"> Include details regarding 3 Strikes policy for breaches in DCC. <p>PKCT: Recommendation accepted in principle though the compliance monitoring and non conformance management is more appropriate for inclusion in the DCCIP. The 3 strike policy is PKCT's policy. Consultation is required with DCC signatories on an agreed process. Road transport companies are contracted by shippers.</p>	Refer Action 17. Compliance monitoring and non conformance management is included in the review of DCC implementation.
28	DCC	4 – Masters Road	Haulage Routes	<ul style="list-style-type: none"> PKCT to coordinate expansion of monitoring and inductions by client mines to encompass compression braking on Masters Road. <p>PKCT: Recommendation accepted.</p>	<p>Refer Action 17. Compliance monitoring and non conformance management is included in the review of DCC implementation. Monitoring will include all DCC requirements.</p> <p>Truck drivers are made aware in inductions of the noise impact compression braking has on residential areas and their associated obligations under the DCC. Truck drivers are appropriately licenced and responsible for the safe operation of their vehicles. To the extent it is practical to do so, compression brake use will be included in monitoring.</p>
29	DCC	4 – Springhill Road	Haulage Routes	<ul style="list-style-type: none"> Include details regarding 3 Strikes policy for breaches in DCC. Although condition doesn't require or identify the frequency of monitoring, it is required to shown the level of compliance with this condition. As such, repeat 	Refer Action 17. Compliance monitoring and non conformance management is included in the review of DCC implementation.

No.	Approval	Condition/ Number	Topic	Recommendation	Action
				<p>Truck Driver Observations monitoring e.g. annually.</p> <p>PKCT: Recommendation accepted in principle though the compliance monitoring and non conformance management is more appropriate for inclusion in the DCCIP. The 3 strike policy is PKCT's policy. Consultation is required with DCC signatories on an agreed process. Road transport companies are contracted by shippers.</p>	
30	DCC	5 – Tailgate Noise	Noise Minimisation Controls	<ul style="list-style-type: none"> Include details regarding 3 Strikes policy for breaches in DCC. Although condition doesn't require or identify the frequency of monitoring, it is required to shown the level of compliance with this condition. As such, repeat Truck Driver Observations monitoring e.g. annually. <p>PKCT: Recommendation accepted in principle though the compliance monitoring and non conformance management is more appropriate for inclusion in the DCCIP. The 3 strike policy is PKCT's policy. Consultation is required with DCC signatories on an agreed process. Road transport companies are contracted by shippers.</p>	Refer Action 17. Compliance monitoring and non conformance management is included in the review of DCC implementation.
31	DCC	5 – Speed Hump Noise	Noise Minimisation Controls	<ul style="list-style-type: none"> Speed hump to be re-painted to increase driver awareness and signage installed requiring reduced speeds. <p>PKCT: Recommendation accepted.</p>	Complete.
32	DCC	8 – Compliance Monitoring	Compliance Monitoring	<ul style="list-style-type: none"> Establish a monthly audit/monitoring program for DCC. <p>PKCT: Recommendation accepted. It is recognized that a</p>	Refer Action 17. Compliance monitoring and non conformance management is included in the review of DCC implementation.

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				more systematic, transparent audit/monitoring program is required involving all DCC signatories.	
33	MCoA	3.5	Traffic Management	<ul style="list-style-type: none"> Include details regarding 3 Strikes policy for breaches in DCC. Although condition doesn't require or identify the frequency of monitoring, it is required to shown the level of compliance with this condition. As such, PKCT to establish and coordinate an audit programme of truck queuing e.g. monthly. <p>PKCT: Recommendation accepted in principle though the compliance monitoring and non conformance management is more appropriate for inclusion in the DCCIP. The 3 strike policy is PKCT's policy. Consultation is required with DCC signatories on an agreed process. Road transport companies are contracted by shippers.</p>	Refer Action 17. Compliance monitoring and non conformance management is included in the review of DCC implementation.
34	MCoA	3.6	Driver's Code of Conduct	<ul style="list-style-type: none"> Driver Summary Sheet to be expanded to cover queuing on local roads, and speed limits and compression braking in general, and any other requirements of the DCC not currently included. <p>PKCT: Recommendation accepted.</p>	Driver summary sheet has been revised with reference to the recommendation and currently under review by DCC signatories.
35	DCC	Driver Summary Sheet – Travel Time	Road Delivery Standards	<ul style="list-style-type: none"> Documentary evidence should be provided with timing of inbound trucks from NRE No. 1 Mine as monitored by PKCT; OR Modify DCC obligation to align with MCoA, which regulates dispatch of trucks from NRE rather than receipt of trucks at PKCT. <p>PKCT: Recommendation accepted.</p>	NRE has developed a document "NRE Drivers Code of Conduct" which includes management of truck dispatch times and record keeping.

No.	Approval	Condition/ Number	Topic	Recommendation	Action
36	DCC	Driver Summary Sheet – Observe all road rules	Road Delivery Standards	<ul style="list-style-type: none"> PKCT to coordinate DCC signatories' compliance monitoring of driver's adhering to road rules and speed limits. PKCT to maintain records of compliance monitoring. <p>PKCT: Recommendation that PKCT coordinate is accepted. The means of record management and each DCC signatory's respective record management accountability needs to be considered.</p>	Refer Action 17. Compliance monitoring, improved record management and administration is included in the review of DCC implementation.
37	DCC	Driver Summary Sheet – Driver's Licence	Road Delivery Standards	<ul style="list-style-type: none"> PKCT to undertake compliance reporting and periodic site checks of transport provider's induction/licensing records. <p>PKCT: Recommendation accepted.</p>	Refer Action 17. PKCT to include this in the CTO process.
38	DCC	Driver Summary Sheet – Compression Brakes	Road Delivery Standards	<ul style="list-style-type: none"> PKCT to coordinate DCC signatories' to more regularly monitor compression braking by trucks. <p>PKCT: Recommendation accepted in principle;</p>	<p>Refer Action 17. Compliance monitoring and non conformance management is included in the review of DCC implementation. Monitoring to include all DCC requirements.</p> <p>Truck drivers are made aware in inductions of the noise impact compression braking has on residential areas and their associated obligations under the DCC. Truck drivers are appropriately licenced and responsible for the safe operation of their vehicles. To the extent it is practical to do so, compression brake use will be included in monitoring.</p>

No.	Approval	Condition/ Number	Topic	Recommendation	Action
39	DCC	Driver Summary Sheet – Minimise Vehicle Noise	Road Delivery Standards	<ul style="list-style-type: none"> PKCT to expand Critical Task Observations to encompass this requirement or create and implement a new auditing/documentation process by client mines. <p>PKCT: Recommendation accepted.</p>	Refer Actions 17 and 26. Draft CTO includes all DCC requirements.
40	DCC	Driver Summary Sheet – Truck Wash	Road Delivery Standards	<ul style="list-style-type: none"> Develop a system to monitor speed through the truck wash. PKCT to coordinate the client mines to establish compliance with use of mine's truck wash. <p>PKCT: Recommendation accepted.</p>	Refer Actions 17 and 22.
41	DCC	4 – Major Arterial Roads	Haulage Routes	<ul style="list-style-type: none"> PKCT to show evidence of truck driver's use of major arterial roads by coordinating compliance monitoring by client mines. <p>PKCT: Recommendation accepted.</p>	Refer Action 17. Draft CTO has been developed and is being reviewed by signatories. CTO has 3 parts (a) mine site (b) haul routes (c) PKCT. It is intended that this be used by DCC signatories in a more robust audit program.
42	DCC	4 – Appin Road	Haulage Routes	<ul style="list-style-type: none"> Include auditing/documentation process for driver behaviour Appin Road in CTOs. <p>PKCT: Recommendation accepted.</p>	Refer Action 41.
43	DCC	4 – Bellambi Lane	Haulage Routes	<ul style="list-style-type: none"> Include details regarding 3 Strikes policy for breaches in DCC. <p>PKCT: Recommendation accepted in principle though the compliance monitoring and non conformance management is more appropriate for inclusion in the DCCIP. The 3 strike policy is PKCT's policy. Consultation is required with DCC signatories on an agreed process. Road transport companies</p>	Refer Action 33.

No.	Approval	Condition/ Number	Topic	Recommendation	Action
				are contracted by shippers.	
44	DCC	4 – Masters Road	Haulage Routes	<ul style="list-style-type: none"> PKCT to coordinate expansion of monitoring and inductions by client mines to encompass compression braking on Masters Road. PKCT: Recommendation accepted.	Refer Action 17. Compliance monitoring and non conformance management is included in the review of DCC implementation. Monitoring to include all DCC requirements. Truck drivers are made aware in inductions of the noise impact compression braking has on residential areas and their associated obligations under the DCC. Truck drivers are appropriately licenced and responsible for the safe operation of their vehicles. To the extent it is practical to do so, compression brake use will be included in monitoring.
45	DCC	4 – Springhill Road	Haulage Routes	<ul style="list-style-type: none"> Include details regarding 3 Strikes policy for breaches in DCC. Although condition doesn't require or identify the frequency of monitoring, it is required to shown the level of compliance with this condition. As such, repeat Truck Driver Observations monitoring e.g. annually PKCT: Recommendation accepted in principle though the compliance monitoring and non conformance management is more appropriate for inclusion in the DCCIP. The 3 strike policy is PKCT's policy. Consultation is required with DCC signatories on an agreed process. Road transport companies are contracted by shippers.	Refer Action 33.

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46	DCC	6 – Speed Limits	Delivery Standards	<ul style="list-style-type: none"> PKCT to coordinate DCC signatories' compliance monitoring of driver's adhering to speed limits. <p>PKCT: Recommendation accepted.</p>	Refer Actions 17 and 41.
47	DCC	8 – Regular Audits	Compliance Monitoring	<ul style="list-style-type: none"> PKCT to formalise and coordinate DCC signatories to undertake annual compliance monitoring of speed, compression braking, truck washing and load covering. Establish regular monitoring by client mines and PKCT (where relevant) of all other requirements of the Code (e.g. Monthly). <p>PKCT: Recommendation accepted; frequency to be determined.</p>	Refer Actions 17 and 41.
48	SoC	Designated Transport Route	Traffic and Transport	<ul style="list-style-type: none"> PKCT to show evidence of truck driver's use of major arterial roads by coordinating and maintaining records of compliance monitoring by client mines <p>PKCT: Recommendation accepted.</p>	Refer Action 17 and 41.
49	SoC	Driver's Code of Conduct	Traffic and Transport	<ul style="list-style-type: none"> PKCT to update DCC to include 2 additional signatories (SCE and Minion) and submit to DPI. <p>PKCT: Recommendation accepted.</p>	Record check indicated SCE & Minion are, in fact, signatories to the DCC. Management of this aspect is being considered in the DCC review currently in progress. Once completed the DCC will be submitted to DPI. Proposed completion date is 30.11.11.
50	SoC	Coal Receival from NRE Gujarat	Traffic and Transport	<ul style="list-style-type: none"> Documentary evidence should be provided with regard to how the timing of inbound trucks from NRE No. 1 Mine is monitored by PKCT. <p>PKCT: Recommendation accepted.</p>	Refer Action 35. PKCT to consider checks against NRE procedures.

6.2 Improvement Actions: Adequacy of Management Plans, Strategies and Programs

PKCT Plan	Improvement Summary	Action/ Comment
General	<p>Include a commitment to implement all reasonable and feasible measures to prevent and/or minimise any harm to the environment that may result from the operation of the project in the position description for the General Manager and senior management staff of PKCT</p> <p>PKCT: Recommendation accepted.</p>	Complete
General	<p>Improve and formalise documentation and record keeping where indicated by the audit recommendations e.g. where the satisfaction of the Director-General is required a letter should be sent to DPI advising of the relevant milestone/outcome/report revision</p> <p>PKCT: Recommendation accepted</p>	DPI discussion point; practical management of PKCT/DPI interface; clarification of intent "to the satisfaction of Director-General"
General	<p>Seek new planning consents and conditions if proposed future developments trigger modifications outside the scope of the current approval</p>	Noted; confirming current process
General	<p>Review the EMS and all environmental management documents within its framework and make any modifications required to obligations and requirements to establish specific, measureable, achievable, realistic and time-based</p>	Noted; confirming current process
General	<p>Submit a response to the recommendations made within this report along with the IEA audit report to DPI within six weeks of the completion of the audit</p>	Response provided by PKCT in letter of the 10 th May 2011 submitting the AECOM audit report.
General	<p>Implement the recommendations made by the IEA in readiness for and prior to any subsequent audits, and within 3 months of submitting the audit report to the Director-General, review and if necessary revise the strategies/plans/programs required under this approval, to the satisfaction of the Director- General</p>	This report submitted by 10 th August 2011 partially meets this requirement. As this was PKCT's first IEA, actions are not yet complete due to the following:- (a) findings / recommendations were extensive.

PKCT Plan	Improvement Summary	Action/ Comment
		<p>(b) some document reviews involve consultation with others prior to submission to the DPI.</p> <p>(c) PKCT seeks to meet the DPI to clarify interpretation, expectations and the means of practical application of some of the DPI approval conditions n.b. references herein. This is needed for PKCT to complete actions for some of the audit findings.</p>
General	<p>Within 3 months of the approval of any strategy/plan/program required under this approval (or any subsequent revision of these strategies/plans/programs), or the completion of the audits or AEMR, required under this approval:</p> <p>(a) provide a copy of the relevant document/s to the relevant agencies;</p> <p>(b) place a copy of the document/s on its website; and</p> <p>(c) remove superseded copies of strategies/plans/programs from its website</p>	Noted; confirming current process
WMP	<p>Consolidate all documents related to water management into one revised Water Management Plan, including recommendations outlined in Section 5 of the Surface Water Systems Review by Cardno, and discharge criteria</p> <p>PKCT: Not accepted. Consolidation of documents into one is not considered practical or necessary. The plan currently entails 41 pages and is an overview document. There are other management plans e.g. Recycled Water Quality Management Plan which needs to be in a specific format and be “stand alone” for other regulatory purposes.</p> <p>As outlined in Section 5.2, it is not practical or appropriate for this plan to serve as a task/ project tracking tool. The Cardno report provided a far ranging list of options and recommendations which were risk</p>	<p>Refer Action 3. Water Management Plan MP.HS.462 has been revised and is attached.</p> <p>Refer Section 5.1 and 5.2- DPI discussion point</p>

PKCT Plan	Improvement Summary	Action/ Comment
	assessed and discussed with OEH to determine what actions were to be progressed via the associated Pollution Reduction Program.	
WMP	<p>Maintain records of the progress of the development, submission and review of the WMP to DPI, to ensure that water management measures are physically implemented and remain a priority for PKCT</p> <p>PKCT: Partially accepted; records of the development, submission and review of the WMP to DPI will be kept and the process strengthened. Records and reporting on the implementation of water management measures will be through AEMRs, Pollution Reduction Program reports or specific reports provided on request.</p>	Refer Section 5.1 and 5.2- DPI discussion point
WMP	<p>Complete the WMP to encompass reasonable and feasible mitigation measures to improve compliance against Section 120 of the POEO Act, with specific regard to the reduction of pH and mitigation of algae growth in the central settlement pond.</p> <p>PKCT: Refer Recommendation 3.</p>	Refer Action 3. PKCT's view- MP is not a project tracking tool.
WMP	<p>Consult with the OEH during the re-development of the WMP, and record this contact with the agency to improve compliance against MCoA 3.13 (a)</p> <p>PKCT: Recommendation accepted.</p>	Refer Action 3.
GGBFMP	<p>Formalise the DPI submission process, to track the progress of the report and ensure that compliance is met against 3.14 (b)</p> <p>PKCT: Recommendation accepted.</p>	Refer Action 4.
GGBFMP	<p>Record consultation and advice given by the OEH during the development of the plan, to ensure that this process is trackable.</p> <p>PKCT: Recommendation accepted.</p>	Refer Actions 3 and 15.

PKCT Plan	Improvement Summary	Action/ Comment
GGBFMP	<p>Prepare the GGBFMP in accordance with Appendix 3 of the 'Draft Recovery Plan: Green and Golden Bell Frog (Lesson 1829) Recovery Plan' (DECC 2005), Best Practice Guidelines: Green and Golden Bell Frog Habitat (DECC 2008) and the associated actions in the NSW Priorities Action Statement</p> <p>PKCT: Recommendation accepted.</p>	Refer Action 16.
LMP	<p>Execute the LMP from a more detailed approach to adequately fulfil this condition. For example, include an implementation program including dates, tasks and monitoring process.</p> <p>PKCT: Recommendation accepted</p>	Refer Action 6.
GGEEMP	<p>Align the GGEEMP and ESAP, and regularly update each with attention to detail from the ESAP translating to the GGEEMP;</p> <p>PKCT: Recommendation accepted</p>	GGEEMP MP.HS.461 has been revised and is attached for DPI review/ approval.
GGEEMP	<p>Regularly update the ESAP, and the corresponding GGEEMP, and keep filed records of revisions of the document</p> <p>PKCT: Recommendation accepted.</p>	Refer Actions 7,8
GGEEMP	<p>Update the performance monitoring section of the ESAP to clarify progress and completion of certain tasks;</p> <p>PKCT: Recommendation accepted.</p>	Refer Action 8
GGEEMP	<p>Review the GGEEMP to include information gathered as part of the ESAP process, including a program for the management of energy efficiency measures in PKCT.</p> <p>PKCT: Not accepted; n.b. Section 5.2 herein</p>	Refer Action 8.
GGEEMP	<p>Formalise the submission process of the ESAP to DEUS to track reporting in accordance with the Guidelines;</p> <p>PKCT: Recommendation accepted.</p>	Refer Action 8; adopt DPI process.

PKCT Plan	Improvement Summary	Action/ Comment
FMP	<p>Detail in the FMP how the organisation will assist the fire and emergency services as much as possible if there is a fire on site. Verbal assurance was given during the site audit that this does occur, however it would improve the FMP if this was included.</p> <p>PKCT: Recommendation accepted</p>	<p>PKCT has initiated discussions with the NSW Fire Brigade re. the establishment of an annual review of PKCT/ NSW Fire Brigade arrangements. Outcome will be incorporated into the FMP. Proposed completion date is 30.9.11.</p>
AQMP	<p>Revise the AQMP to define and include reasonable and feasible best practice emission mitigation measures, which may be implemented to ensure project specific air quality assessment criteria are met. Reasonable and feasible best practice measures may be developed by using the outcomes of PKCT's reviews of comparable operations, which has included the PWCS facilities at Kooragang and Carrington, Hay Point and Dalrymple Bay facilities in Mackay, and the RG Tanna facility in Gladstone. Benchmarking with regards to air quality management may also be undertaken with facilities such as Eraring Energy's Coal Fired Power Station</p> <p>PKCT: Recommendation accepted subject to Section 5.2.</p>	<p>Refer Action 7; AQMP to be reviewed. Proposed completion is 30.11.11.</p>
AQMP	<p>Further investigate air quality control strategies for fine particulate emissions resulting from:</p> <ul style="list-style-type: none"> • truck wash water carry-over; • the No. 1 Stockpile area; • coal covered areas beneath conveyors (at the eastern side of facility); • the sludge dry out area; • rail unloader coal spillage external to the dump station; and • the truck wash bypass lane. <p>PKCT: Recommendation accepted; include in PKCT's Dust Management Improvement project.</p>	<p>Refer Action 2.</p>

PKCT Plan	Improvement Summary	Action/ Comment
AQMP	<p>The strategies identified should be included in the DMI following discussion and approval from OEH;</p> <p>PKCT: PKCT consults with OEH in strategy and project development as appropriate and considers OEH inputs in determining appropriate actions. PKCT has a project approval framework in place which includes business case development and project authorisations. It is not considered appropriate that OEH give prior approval to strategies PKCT might be contemplating.</p>	
NMP	<p>Amend the NMP to identify representative operational scenarios for each INP period (day, evening, night), specifying the operations undertaken, the use of various equipment, the type of plant and machinery, and the average truck and rail deliveries anticipated;</p> <p>PKCT: Recommendation accepted.</p>	Refer Action 25 and WK report.
NMP	<p>Require that noise monitoring equipment performance is field checked prior to each period of compliance monitoring, consistent with the requirements of AS1259.1, AS1259.2 or IEC 942. Consideration should be given to providing calibration certificates with the compliance monitoring reports;</p> <p>PKCT: Recommendation accepted.</p>	Refer Action 23 and WK report.
NMP	<p>Amend the NMP to provide further justification why unattended noise monitoring is not appropriate for this project;</p> <p>PKCT: Recommendation accepted.</p>	Refer Action 23 and WK report.
NMP	<p>Augment the NMP to include noise management measures, including the identification of reasonable and feasible best practice noise mitigation measures, and specify ongoing investigations and commitments to the continual improvement of noise reduction measures;</p> <p>PKCT: Recommendation accepted.</p>	Refer Action 24.
NMP	<p>Involve and document consultation with OEH during the modification of the NMP</p> <p>PKCT: Recommendation accepted.</p>	Refer Action 23.

PKCT Plan	Improvement Summary	Action/ Comment
DCC	Align the DCC obligations to the MCoA, in particular in relation to truck dispatch times from NRE to PKCT. PKCT: Recommendation accepted.	Refer Action 17.
DCC	Review the obligations within the DCC and modify to ensure that they are quantifiable (where possible) and measureable in all cases. PKCT: Recommendation accepted.	Refer Action 17.
DCC	Review the Driver Summary Sheet to ensure that all obligations within the DCC are included and provided to Road Transport Companies and Transport Providers, in the form of an updated DCC. PKCT: Recommendation accepted.	Refer Action 34.
DCC	Review and modify the CTO to ensure that all obligations within the Program are included in the check-sheet. PKCT: Recommendation accepted.	Refer Action 26.
DCC	Modify the categories within the CTO check-sheet to reflect environmental compliance or non-conformance with the DCC and Implementation Program PKCT: Recommendation accepted in principle though CTO is an operational check where as a check against the Implementation Program is a process audit.	Refer Action 17 and consider therein.
DCC	Establish and implement a monitoring/auditing schedule for undertaking CTOs and intensive periods of monitoring of driver behaviour, within and external to the PKCT site; PKCT: Recommendation accepted. A reasonable level of monitoring will be undertaken compatible with findings. Driver behavior is also monitored by NSW Police and the community on public road ways.	Refer Action41.
DCC	Within the Implementation Program, apportion responsibility to PKCT in relation to the coordination and collation of documentation relating to the DCC in particular the coordination of the implementation and monitoring, assessment and review of the DCC, and for ensuring that a response/follow-up of breaches of	Refer Action 36.

PKCT Plan	Improvement Summary	Action/ Comment
	<p>the Code is carried out; and</p> <p>PKCT: Recommendation that PKCT coordinate is accepted. Means of record management and each DCC signatory's respective record maintenance accountability needs to be considered.</p>	
DCC	<p>Augment the Implementation Program to clearly identify the actions/investigations that will be undertaken when breaches of the DCC are reported (e.g. the '3 Strikes' process)</p> <p>PKCT: Recommendation accepted in principle though compliance monitoring and non conformance management is more appropriate for inclusion in the DCCIP. The 3 strike policy is PKCT's policy. Consultation is required with DCC signatories on an agreed process. Road transport companies are contracted by shippers.</p>	Refer Action 29.