

**AUDIT OF COMPLIANCE TO  
PROJECT APPROVAL 10\_0161,  
EPL 1770 and ML 1051**

**CHAIN VALLEY COLLIERY  
CHAIN VALLEY BAY, NSW**

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Date                              5th February 2013

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# 1. INTRODUCTION

## 1.1 Audit Details

Audit Date(s)	Thurs 8 and Fri 9 Nov 2012
Audit Type	Environmental Compliance Audit
Project No.	L1201-01
Auditors	Aaron Westwood (Lead Auditor) <i>B.Env.Sc., Registered Lead Environmental Auditor (Australia), Cert IV Training and Assessment, MEIANZ, MIEMA.</i>  Scott Evans (Auditor) <i>M. App. Sc., B. SC. (Forestry, ), Grad Cert Envt and Business (current studies)</i>
Client	Chain Valley Colliery
Contact	Chris Ellis
Position	Environmental Officer
Site Address	Construction Road, Chain Valley Bay NSW 2259
Phone	02 4358 0800

## 1.2 Introduction

The Chain Valley Colliery (CVC) is an underground coal mine operating at the southern end of Lake Macquarie, approximately 60km south of Newcastle and directly adjacent to the Vales Point Power Station.

Mining at CVC commenced in 1962 with mining occurring in three separate coal seams, the Wallarah, Great Northern and Fassifern seams. Current mining employs the use of miniwall mining, and the use of continuous miners for development.

LakeCoal Pty Ltd (LakeCoal) is the mine operator and is wholly owned by LDO Coal Pty Ltd.

Exis Pty Limited was appointed as independent auditors to complete this Independent Environmental Audit as required by condition 9, Schedule 5 of Approval 10\_0161.

This report outlines the audit scope, methodology, findings and recommendations.

## 1.3 Scope

The scope of this independent environmental audit is set out in condition 9 of Schedule 5 in project approval 10\_0161 and included, but was not limited to:

- a) Assessment of environmental performance of the project and compliance with the following conditions of approval:
  - i. Schedule 3 – Environmental Performance Conditions; and
  - ii. Schedule 5 - Environmental Management, Reporting and Auditing.
- b) Assessment of compliance with Environment Protection Licence (EPL) No. 1770 and environmental conditions contained in Mining Lease 1051;
- c) Assessment of compliance with management plans/programs required by the approval, EPL and Mining Lease; and
- d) Recommending appropriate measures or actions to improve the environmental performance and rehabilitation of the project.

## 1.4 Methodology

### 1.4.1 Audit Plan

Preliminary evidence, including documents required by or referred to in the relevant regulatory documents was identified and reviewed at the consultant's office on the 23<sup>rd</sup> October 2012 in preparation for the audit.

A preliminary audit plan was presented to the Environmental Officer in the week prior to the audit. An opening meeting was conducted at 8:20am on the morning of Thursday 8<sup>th</sup> November. A closing meeting was undertaken at 3:00pm on Friday 9<sup>th</sup> November 2012.

### 1.4.2 Audit Team

This environmental compliance audit was carried out by Aaron Westwood (Lead Auditor) and Scott Evans (Auditor). The Lead Auditor is registered by the Register of Certified Auditors, RABQSA International, as a Lead Environmental Auditor, and his qualifications and experience satisfy the criteria set out in *ISO 19011: 2002 - Guidelines for quality and/or environmental management systems auditing*.

### 1.4.3 Personnel Interviewed

The auditors would like to thank the following CVC employees and contractors for their time and assistance during the audit (in alphabetical order):

- o Kerry Atkins (Accountant)
- o Michael Callan (Technical Services Manager)
- o Chris Ellis (Environmental Officer)
- o Richard Gallimore (Purchasing Officer/Storeman)
- o Chris James (Logistics Coordinator)

- Sonay Lunney (Administration)
- Shaun McDonald (HSEC Coordinator)
- Kel Thomson (Shift Undermanager + Fire Officer)

#### 1.4.4 Document Review

Review of relevant documents was carried out as part of the audit to assist in verifying compliance. Documents required by, or referred to in, regulatory documents were sighted or copied, and reviewed as applicable. These documents are listed with the findings for each condition in Appendices 1-3.

#### 1.4.5 Site Inspection

A site inspection was carried out as part of the audit to assist in verifying compliance. Site inspection was targeted at areas which would enable the auditors to verify information reported during interviews and information contained in documentation and reports provided as evidence.

Site inspection was undertaken on both audit days and included:

- All surface facilities including workshop and store, flammable liquids storage, fire equipment store, offices, bath house,
- ROM and stockpile areas
- Settling ponds, evaporation areas and licensed discharge point
- Oil storage area
- Weighbridge and hopper/load-out area
- Vent shaft at Summerland Point

Site selection was based on the requirement for field verification of operational processes and key areas of environmental importance.

## 1.5 Abbreviations

BMP	Biodiversity Management Plan
CCC	Community Consultative Committee
CSWMP	Construction Soil and Water Management Plan
CVC	Chain Valley Colliery
EEC	Endangered Ecological Community
EMP	Environmental Management Plan
EMS	Environmental Management Strategy
EPL	Environment Protection Licence
ESCP	Erosion and Sediment Control Plan

GwMP	Groundwater Management Plan
HMP	Heritage Management Plan
INP	NSW Industrial Noise Policy
ML	Mining Lease
MOP	Mining Operations Plan
NMP	Noise Management Plan
NOW	NSW Office of Water
OEMP	Operational Environmental Management Plan
RTP	Road Transport Protocol
SGWRP	Surface and Ground Water Response Plan
SMP	Subsidence Management Plan
WMP	Water Management Plan

## 2. EXECUTIVE SUMMARY

### 2.1 Assessment of Compliance

Assessment of compliance with the conditions of the Project Approval 10\_0161 for LakeCoal Pty Limited is included as Appendix 1. Compliance with the conditions of Environment Protection Licence No. 1770 (EPL 1770) and Mining Lease 1051 (ML 1051) was also assessed and is included as Appendix 2 and Appendix 3, respectively.

The findings in this audit have been categorised as Compliant, Non-Compliant, or Not Applicable. Rationale for determining the level of compliance is outlined below.

Level of Compliance	Colour Code	Rationale
Compliant		Evidence demonstrating compliance to all requirements in a condition was found.
Not Compliant		Absence of evidence demonstrating compliance, or evidence demonstrating non-compliance to a condition was found.
Not Applicable		Conditions that do not apply to current activities or management of aspects of past activities, or have not yet been activated.

During the audit a small number of non-compliance areas were identified along with areas where improvement to environmental management could occur. Details of the non-compliances along with recommendations are included in Section 3 of this report. The main non-compliances relate to completion of audits/reviews/approvals of key documents. Percentage compliance scores (total compliant clauses / total applicable clauses) are as follows:

Compliance Criteria	Total Compliant	Total Non-Compliant	Total Not Applicable	Percentage Compliance Score
Project Approval 10_0161	204	31	82	<b>87%</b>
EPL 1770	29	6	16	<b>83%</b>
ML 1051	16	2	7	<b>89%</b>

In general, a high degree of compliance with the Project Approval, EPL and ML has been achieved. It is noted that CVC makes considerable effort in complying with its environmental obligations and responsibilities through its Environmental Management Strategy (EMS), which imparts a consistent approach to environmental management, with the view to achieving a high standard of practice.

CVC has well documented systems and sound procedures for record keeping relating to environmental activities. A suitable level of resources is devoted to environmental matters through a competent and well lead environmental team. It was also apparent that environmental considerations and responsibilities are devolved and understood at all levels at CVC and that these translated to practical actions and outcomes at the operational level on a day to day basis.

## 2.2 Assessment of Environmental Management

Schedule 5, Condition 9(c) of Project Approval 10\_0161 requires the audit to:

“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).”

The assessment of the effectiveness of environmental management at CVC was undertaken by reviewing the relevant sections of the Environmental Management Strategy (Oct 2012) and associated environmental management plans, where possible, as referenced in the Project Approval and assessing the effectiveness of their implementation during the audit site inspection and personnel interviews.

For each approval or licence condition, the need for improvement was defined by the term “Improvement Recommended”. Details of the areas and recommendations for improvement are included in Section 3 of this audit report.

The priority areas for improvement relate to the following:

- Maintenance of bunding and hydrocarbon storages on site;
- Ensuring accuracy in community fund calculations based on production figures;
- Clean-out and regular maintenance of the settling ponds to ensure they maintain their functionality;
- Review of clean/dirty water system in the area around the main workshop to ensure dirty water is diverted for treatment; and
- Review of the bushfire management arrangements in the CVC Fire & Explosion Major Hazard Management Plan in light of the LDO Bushfire Management Standard.

### 3. RECOMMENDATIONS FOR IMPROVEMENT

This section presents the recommendations for improvement that arise out of the Independent Environmental Audit undertaken at CVC in accordance with Project Approval 10\_0161.

No.	Condition No.(s)	Recommendation
<b>Mining Lease 1051</b>		
1	18 – Prevention of Soil Erosion and Pollution	<b>Improvement Observation</b> Oil staining of soil around the wash bay, oily water sump and adjacent to winder house was observed and should be addressed before it impacts off site or groundwater.
2	31 - Special Conditions	<b>Non-compliance</b> CVC should review arrangements for minor variations to the transport route, such as trucks returning home or driver convenience stops, to ensure that it is fully compliant at all times. Refer to Clauses 19-26 of Schedule 3 of the Project Approval for further details. <b>Improvement Observation</b> CVC should inform Planning NSW that the current TMP is based on the current Road Transport Protocol (2012) approved by the Department of Planning and Infrastructure, and not the 2003 protocol referred to in this condition.
<b>Environment Protection Licence 1770</b>		
3	A1 What the licence authorises and regulates	<b>Non-compliance</b> CVC should follow-up with EPA to progress the status of the EPL variation for maximum production tonnages and minimise the length of time this non-compliance exists.
4	P1.2 Location of monitoring/ discharge points and areas	<b>Non-compliance</b> The EPL monitoring location should be clarified with EPA as a matter of urgency to rectify this ongoing non-conformance. <b>Improvement Observation</b> The arrangements for the final dam wall should be agreed with EPA, specifically considering the impact of changing the hydrological regime on the existing downstream vegetation community (an EEC).
5	L2.1 Concentration limits	<b>Non-compliance</b> One discharge sample was identified as having exceeded the specified concentration limit (100% compliance) in 2012. CVC should to continue to monitor all parameters and act as required to stop further exceedances.

No.	Condition No.(s)	Recommendation
6	L3.1 Volume and mass limits	<b>Non-compliance</b> The EPL discharge water quality and volume monitoring location should be clarified with EPA as a matter of urgency to rectify this ongoing non-conformance. See also Clause P1.2 above.
7	M4.3 Recording of pollution complaints	<b>Non-compliance</b> CVC must maintain a minimum of four (4) years of complaint records.
<b>Project Approval 10_0161</b>		
8	Sch 2, cl.14 Community Trust	<b>Non-compliance</b> Complete an audit of production figures and community fund calculations for 2012 to determine the source of discrepancy between production figures and the accrued amount in accounts figures. <b>Improvement Observation</b> Consider developing a documented procedure/flowchart for the calculation of community fund accruals to ensure consistency in determining production figures and fund contributions.
9	Sch 3, cl. 9 Noise	<b>Non-compliance</b> Attended noise monitoring must be completed.
10	Sch 3, cl. 10(b) Operating Conditions	<b>Non-compliance</b> CVC should obtain more frequent access to meteorological data to allow for modification of work activities in accordance with this Clause if required.

No.	Condition No.(s)	Recommendation
11	Sch 3, cl. 10(c) Operating Conditions Sch 3, cl. 11(c) Noise Management Plan Sch 3, cl. 18(b) Meteorological Monitoring	<p><b>Non-compliance</b></p> <p>The Approval requires CVC to achieve the INP lapse rate assessment and modify the operations when inversion conditions were present.</p> <p>It is the understanding of the auditor that there are very few meteorological stations in NSW which would meet this requirement of the INP due to the height of the mast required for monitoring. In addition, it is considered highly unlikely that local government approval would be granted for a 60m high tower in Chain Valley Bay.</p> <p>CVC should liaise with EPA to seek exemption from the requirement to carry out direct measurement of temperature lapse rate as per the INP. Suitable surrogate criteria should be developed to achieve similar results (AECOM in the EA identifies that this is a relatively frequent occurrence.)</p>
12	Sch 3, cl. 10(c) Operating Conditions	<p><b>Non-compliance</b></p> <p>CVC should complete the planned noise audit to comply with this condition.</p>
13	Sch 3, cl. 15 Air Quality Assessment Criteria Sch 3, cl. 17(c) Air Quality & Greenhouse Gas Management Plan	<p><b>Non-compliance</b></p> <p>Air quality sampling using a volumetric sampler (RTD01) and one depositional dust monitoring point (DDG05) should be installed and made operational.</p>
14	Sch 3, cl. 18(a) Meteorological Monitoring	<p><b>Non-compliance</b></p> <p>Seek clarification from Mannering Colliery or install a meteorological station that complies with the requirements in <i>Approved Methods for Sampling of Air Pollutants in New South Wales</i> guidelines.</p>
15	Sch 3, cl. 24 Maintenance of Ruttleys Road and Scenic Drive	<p><b>Non-compliance</b></p> <p>The Road Maintenance Agreement for Ruttleys Road must be completed.</p>
16	Sch 3, Note – Soil and Water Appendix 5 - Surface Water and Soils	<p><b>Non-compliance</b></p> <p>The groundwater extraction licence is to be obtained by CVC to ensure compliance with this clause for current dewatering of the mine.</p>

No.	Condition No.(s)	Recommendation
17	Sch 3, cl. 27 Surface Water Discharges	<p><b>Non-compliance</b></p> <p>CVC should liaise with EPA to agree to changes to the EPL water monitoring point description or water sampling point(s) to ensure compliance with this clause.</p>
18	Sch 3, cl. 32(c) Water Management Plan	<p><b>Improvement Observation</b></p> <p>CVC should obtain suitable site groundwater bores analysis results on 'access'.</p>
19	Sch 3, cl. 33(a) Water Management Plan Appendix 5 - Surface Water and Soils	<p><b>Improvement Observation</b></p> <p>Many of the settling ponds are full of sediment and require cleaning to re-establish their function.</p>
20	Sch 3, cl. 33(b) Water Management Plan	<p><b>Improvement Observation</b></p> <p>Arrangements for final ponds should be finalised, including de-silting, dam wall management and EPL monitoring point revision.</p>
21	Sch 3, cl. 35(b) Heritage Management Plan	<p><b>Non-compliance</b></p> <p>CVC should finalise heritage management consultations and submit the Heritage Management Plan for approval of the Director-General.</p>
22	Sch 3, cl. 36(c) Visual Amenity and Lighting	<p><b>Non-compliance</b></p> <p>The site should to undertake an assessment under AS4282 to ensure external light impacts are consistent with this Clause.</p> <p><b>Improvement Observation</b></p> <p>In view of the location adjacent to Vales Point Power Station, this condition seems excessive and CVC may wish to seek exemption from the Director-General.</p>
23	Sch 3, cl. 37(a) Waste	<p><b>Improvement Observation</b></p> <p>Redundant spill kits should be removed from site.</p>
24	Sch 3, cl. 37(b) Waste	<p><b>Improvement Observation</b></p> <p>It is recommended that all dirty water be kept within the bunded areas, and that in particular the current pumping system from the sump to the oily water separator be relocated to be wholly within the bunded area.</p> <p>It is recommended that temporary bunding, spill or drip trays be emptied when any identifiable volume of material enters the tray so that spill catch volume can be maintained.</p>

No.	Condition No.(s)	Recommendation
25	Sch 3, cl. 38(a) Bushfire Management	<p><b>Improvement Observation</b></p> <p>The site needs to review both the availability and usage of LDO management plans and links between surface operations and underground operations and other fire management procedures/plans. Ensure bushfire standard is adequate, referenced or detailed in the CVC Fire &amp; Explosion Major Hazard Management Plan. Consider moving the content of the LDO standard into the management plan to avoid confusion.</p>
26	Sch 5, cl. 7 Incident Reporting	<p><b>Improvement Observation</b></p> <p>The incident management system should include the requirement for the Director-General to be notified of any incident arising from activities associated with the approved project.</p>
27	Appendix 5 - Ecology	<p><b>Non-compliance</b></p> <p>There was no evidence of provision of the seagrass Management Plan to Lake Macquarie City Council.</p> <p>The Seagrass Management Plan should be reviewed in consultation with DTIRIS (Fisheries) and LMCC as required by this Clause.</p>
28	Appendix 5 – Ecology	<p><b>Non-compliance</b></p> <p>There is no evidence that the analysis of seagrass undertaken in the 2012 survey report has been reviewed.</p>
29	Appendix 5 – Ecology	<p><b>Non-compliance</b></p> <p>A review of the continued data collection in regard to seagrass distribution and abundance should be undertaken as required by this Clause.</p>
30	Appendix 5 – Ecology	<p><b>Non-compliance</b></p> <p>Ensure the seagrass management plan review provides a clear definition of seagrass impact threshold criteria as required by this clause.</p>
31	Appendix 5 - Surface Water and Soils	<p><b>Non-compliance</b></p> <p>An analysis/review of water consumption by the facility should be undertaken as required by this Clause.</p>
32	Appendix 5 - Surface Water and Soils	<p><b>Improvement Observation</b></p> <p>CVC should install the planned two water tanks to collect roof water and connect for identified re-use.</p>

No.	Condition No.(s)	Recommendation
33	Appendix 5 - Surface Water and Soils	<p><b>Improvement Observation</b></p> <p>Specific plans for proposed water management works based on 2012 Water Audit should be developed as required by this Clause.</p>
34	Appendix 5 - Surface Water and Soils	<p><b>Non-compliance</b></p> <p>Bunds on site should be maintained to ensure no loss of functionality due to rainwater, spills or other content remaining within the bund. Ensure bunds are included in site maintenance schedules.</p>
35	Appendix 5 - Surface Water and Soils	<p><b>Improvement Observation</b></p> <p>As identified in the Water Audit, the general arrangement of this area should be revised to separate clean and process water, minimise risks for dispersal and possible off-site hydrocarbon impact and hydrocarbon contamination of soils.</p>
36	Appendix 5 - Surface Water and Soils	<p><b>Improvement Observation</b></p> <p>The existing ground surface contouring and bunding around the liquid store should be reviewed with an objective of separating clean and dirty water systems as far as possible.</p>
37	Appendix 5 - Surface Water and Soils	<p><b>Non-compliance</b></p> <p>'Procedures for Water Sampling from Pit Top Dams' should be updated to reflect current arrangements on site.</p>
38	Appendix 5 - Traffic and Transport	<p><b>Non-compliance</b></p> <p>CVC should follow-up with Ausgrid and ensure barriers are installed as required by this condition.</p>
39	Appendix 5 - Air Quality	<p><b>Non-compliance</b></p> <p>Monitoring should be undertaken with the augmented fan arrays and the results presented to the Director-General as required by this condition.</p>

# APPENDIX 1: COMPLIANCE WITH PROJECT APPROVAL 10\_0161

CVC Independent Environmental Audit Findings - PROJECT APPROVAL 10\_0161

Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliance	Non-Compliant	Not Applicable		
<b>SCHEDULE 2 - ADMINISTRATIVE CONDITIONS</b>						
<b>Obligation to Minimise Harm to the Environment</b>						
1	In addition to meeting the specific performance criteria established under this approval, 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 Proponent has developed and implemented the Chain Valley Colliery Environmental Management System to address environmental impacts of the works. The overview document is the Environmental Management Strategy. Review of implementation through personnel interview, document/record review and site inspection during the audit indicated that the system is implemented on site and contributes to achieving compliance with this clause.	OMP-D-16374 - Environmental Management Strategy, CVC, 12 Oct 2012.
<b>Terms of Approval</b>						
2	The Proponent shall carry out the project generally in accordance with the: (a) EA; (b) Statement of Commitments; and (c) EA (Mod 1)*; and (d) the conditions of this approval. Notes: • The general layout of the project is shown in Appendix 2; and • The Statement of Commitments is reproduced in Appendix 5.				This Audit has identified that the project has been carried out in general accordance with the EA, Statement of Commitments, EA (Mod 1) and conditions of approval. The conditions of approval (as modified by Mod 1) and statement of commitments are reproduced in the approval.  * <i>This part of this condition is modified by the Mod 1 approval for a variation to the approved works, dated 30 August 2012.</i>	Environmental Assessment, CVC, Domains 1 and 2 Continuation Project, Prepared by AECOM Australia Pty Ltd for LakeCoal Pty Ltd, 11 July 2011. Chain Valley Colliery, Modification 1, Environmental Assessment, Section 75W modification to MP10_0161, EMGA Mitchell McLennan for LakeCoal Pty Limited, 28 June 2012. MP 10_0161 Project Approval, Department of Planning and Infrastructure, 23 Jan 2012.
3	If there is any inconsistency between the above documents, the most recent document shall prevail to the extent of the inconsistency. However, the conditions of this approval shall prevail to the extent of any inconsistency.				Administrative provision - compliance with this condition was not assessed.	Nil
4	The Proponent shall comply with any reasonable requirement/s of the Director-General arising from the Department's assessment of: (a) any strategies, plans, programs, reviews, audits, reports or correspondence that are submitted in accordance with this approval; and (b) the implementation of any actions or measures contained in these documents.				The proponent has been generally in compliance with the reasonable requirements of the Director-General arising from the assessment of the listed documents. Specific non-compliances are noted within this report.	MP 10_0161 Project Approval, Department of Planning and Infrastructure, 23 Jan 2012. Various reviews by DPI of individual management plans, as noted within this report.

CVC Independent Environmental Audit Findings - PROJECT APPROVAL 10\_0161

Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliance	Non-Compliant	Not Applicable		
<b>Limits on Approval</b>						
<b>Mining Operations</b>						
5	<p>The Proponent may carry out mining operations on the site until 31 December 2016.</p> <p><i>Note: Under this approval, the Proponent is required to rehabilitate the site and perform additional undertakings to the satisfaction of both the Director-General and the Executive Director Mineral Resources. Consequently, this approval will continue to apply in all other respects other than the right to conduct mining operations until the rehabilitation of the site and these additional undertakings have been carried out satisfactorily.</i></p>				<p>Mining operations are continuing on the site. No rehabilitation relating to completion of mining has been required at the site.</p>	CVC MOP 2008-2015.
<b>Coal Extraction and Transport</b>						
6	The Proponent shall not extract more than 1.2 million tonnes of coal from the site in any calendar year.				<p>Coal production rates are reported in the AEMR or Annual Report to the DMR. A central production spreadsheet is maintained by the Accountant. Production rates have not exceeded the extraction limit specified. Year-to-date figure in the master spreadsheet indicated 614,250 tonnes had been extracted in the period Jan-Sept 2012.</p>	<p>Annual Environmental Management Report, LakeCoal Pty Ltd, Chain Valley Colliery, Year Ending 30 June 2011. Production master spreadsheet 2012 (PRODSUM).</p>
7	The Proponent shall ensure that laden coal trucks only leave the Chain Valley Colliery surface facilities site between 5:30 am and 5:30 pm, Monday to Friday, and not at all on Saturdays, Sundays or public holidays.				<p>The Auditor reviewed weighbridge records maintained in a master spreadsheet for random dates (e.g. 7/6/12 when 138 trucks were recorded for the day). According to weighbridge records and driver logs truck leaving times were in compliance with this requirement. Copies of driver log sheets were matched to the days reviewed and there were no discrepancies identified. Internal random reviews of entry/exit times have been undertaken by CVC Environment Officer in the past and it was reported that no non-compliances with this Clause were found. Site requires all trucks to carry Chain Valley Colliery signage to increase responsibility, and haulage specific inductions are also undertaken.</p>	<p>Weighbridge records: 27_08_2012 7-19-47 AM.xlsx, 27_02_2012 8-47-27 AM.xlsx, 23_05_2012 7-37-58 AM.xlsx, 22_10_2012 8-01-59 AM.xlsx, 20_07_2012 5-49-53 AM.xlsx, 16_10_2012 7-26-19 AM.xlsx, 13_03_2012 7-28-56 AM.xlsx, 7_06_2012 7-35-12 AM.xlsx, 04_04_2012 7-40-12 AM.xlsx, 03_09_2012 7-43-01 AM.xlsx. Driver log sheets.</p>

CVC Independent Environmental Audit Findings - PROJECT APPROVAL 10\_0161

Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliance	Non-Compliant	Not Applicable		
8	The Proponent shall ensure that only private roads are used for the transport of coal to Vales Point Power Station by truck, unless otherwise approved by the Director-General for limited periods, should these private roads be unavailable to transport coal.				The colliery uses private roads to transport coal to Vales Point Power Station, being the entry road to the CVC, part of private road (known as Construction Road), and an internal road developed on the Vales Point Power Station site.	Environmental Assessment, CVC, Domains 1 and 2 Continuation Project, Prepared by AECOM Australia Pty Ltd for LakeCoal Pty Ltd, 11 July 2011. Chain Valley Colliery, Modification 1, Environmental Assessment, Section 75W modification to MP10_0161, EMGA Mitchell McLennan for LakeCoal Pty Limited, 28 June 2012. MP 10_0161 Project Approval, Department of Planning and Infrastructure, 23 Jan 2012. pers comm Chris Ellis.
<b>Hours of Operation</b>						
9	The Proponent may undertake mining operations 24 hours a day, 7 days a week.				The proponent was seen to be complying with this condition during the audit.	
<b>Structural Adequacy</b>						
10	The Proponent shall ensure that all new buildings and structures, and any alterations or additions to existing buildings and structures, are constructed in accordance with the relevant requirements of the BCA. <i>Notes:</i> · Under Part 4A of the EP&A Act, the Proponent is required to obtain construction and occupation certificates for the proposed building works; and · Part 8 of the EP&A Regulation sets out the requirements for the certification of the project.				CVC is committed to undertaking all new construction work in accordance with the BCA. An example of a construction approval was given for the vent fan, which requires a Structural Engineer to verify that the works as completed comply with BCA requirements.	Approved development inc MSB_acrocert - Vent Fans and switch room, App No. 2012 0116 , date 23 February 2012. MSB stamped plan dated 9 Jan 2012. Acrocert (certifier) letter of approval - Vent Fans and switch room, Application 20120116, 23 Feb 2012. Approval - Stair and Platform assembly Dwg No. 050384SA_r3, 23 Feb 2012.
<b>Demolition</b>						
11	The Proponent shall ensure that all demolition work is carried out in accordance with Australian Standard AS 2601-2001: <i>The Demolition of Structures</i> , or its latest version.				The demolition work on the old vent fan and associated structures was required by the CVC EMP - Ventilation Shaft Site - Fan Upgrade to be compliant with this condition.	S.8.1.2 ( <i>Approvals and Licences</i> ), of the CVC Environmental Management Plan - Ventilation Shaft Site – Fan Upgrade states that "Construction works shall only occur as authorised and in line with the conditions of the N.S.W Department of Planning and Infrastructure Project Approval MP 10_0161 dated 23/01/2012"
<b>Operation of Plant &amp; Equipment</b>						
12	The Proponent shall ensure that all the plant and equipment used at the site, or to transport coal from the site, is: (a) maintained in a proper and efficient condition; and (b) operated in a proper and efficient manner.				The plant and equipment on this site was observed to be suitably maintained and operated. Many of the site vehicles are road registered, and therefore compliant with road registration requirements. Pulse Mining system is used to track maintenance work orders and defect notices.	Weekly Cable Reel Inspection E301081 (blank). Longwall Panel Daily Inspection E309470 (due 8/11/12, completed and signed by worker and Engineer. Maintenance defect M308333 (closed 30/10/12). Maintenance schedule for oily water separator (various dates sighted and verified as complete).

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Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliance	Non-Compliant	Not Applicable		
<b>Continuation of Existing Management Plans</b>						
13	The Proponent shall continue to implement existing strategies, plans or programs that apply to existing activities on the site until they are replaced by an equivalent strategy, plan or program approved under this approval.				Noted	
<b>Community Trust</b>						
14	The Proponent shall pay WSC \$0.035 for each tonne of ROM coal produced by the project for the purpose of improving public infrastructure and the provision of community projects for the communities of Summerland Point, Gwandalan, Chain Valley Bay and Mannering Park. These payments shall be:				<p>A cost code in the Pulse Mining system, is used to allocate funds which are accrued monthly. The master production spreadsheet was reviewed during the audit and indicated a year-to-date figure (Jan-Sept 2012) of 614,250 tonnes. This equates to a community trust payment of \$21,498.75. The fund contribution sheet indicated the figure for the same period was \$18,455.93. This discrepancy was noticed by the Accountant who had only taken over management of the spreadsheet and fund less than one week prior to the audit. The Accountant indicated that she had not yet investigated the discrepancy in any detail, however she planned to do a complete audit of the figures in the coming weeks to ensure consistency and accuracy.</p> <p><b>Refer to Recommendation No. 8.</b></p>	Production master spreadsheet 2012 (PRODSUM).
14(a)	(a) held in a fund administered by a trust comprising representatives of the local communities, WSC and the Proponent in accordance with a set of guidelines to be established by the trustees;				It was reported that the fund and fund guidelines have been established. Documented fund guidelines were not reviewed during the audit.	
14(b)	(b) made by the end of February 2013, and at yearly intervals thereafter;				This Clause has not been activated.	
14(c)	(c) calculated on the ROM coal produced in the previous calendar year; and				This Clause has not been activated.	
14(d)	(d) subject to indexation in line with the Consumer Price Index, as published by the Australian Bureau of Statistics.				This Clause has not been activated.	
15	Any dispute about the membership of the trust or the guidelines established by the trustees and/or their application is to be settled by the Director- General, following consultation with the WSC. Any decision by the Director-General shall be final and not subject to further dispute resolution under this approval.				This Clause has not been activated.	

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Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliance	Non-Compliant	Not Applicable		
<b>SCHEDULE 3 - ENVIRONMENTAL PERFORMANCE CONDITIONS</b>						
<b>SUBSIDENCE</b>						
1	The Proponent shall ensure that vertical subsidence within the High Water Mark Subsidence Barrier and vertical subsidence of seagrass beds is limited to a maximum of 20 millimetres (mm).				The mine operator is required to report to DI&I every 4 months on high water mark and sea grass bed vertical subsidence, with a 20mm maximum impact. The monitoring that has been undertaken has not identified any exceedance of the subsidence limits.	Subsidence Management Plan. 20120411 Astute Surveying Survey Report - Lake Macquarie. Chain Valley - Domain No 2 MW3-5 Variation Approved Plan.jpg. 4 monthly subsidence status reports (report to DI&I).
<b>Environmental Performance Measures</b>						
2	The Proponent shall ensure that the project does not cause any exceedance of the performance measures in Table 1, to the satisfaction of the Director-General.				CVC implements its Subsidence Management Plan, and has undertaken Domain 2 Subsidence Monitoring, together with benthic community surveys and seagrass surveys. Results indicate that CVC has not exceeded the identified performance measures specified in Table 1.	Mod 1 Assessment Report by DoP. Domain No2 Subsidence Monitoring 31052010. Chain Valley Benthic Communities Management Plan Final 25.06.12. Seagrass Management Plan April 2008 (2).
2(table1)	Table 1: Environmental Subsidence Impact Performance Measures				The performance indicators are addressed in the SMP related plans.	Domain No2 Subsidence Monitoring 31052010. Chain Valley Benthic Communities Management Plan Final 25.06.12. Seagrass Management Plan April 2008 (2).
2(notes)	<p><i>Note 1: The Proponent will be required to define more detailed performance indicators (including impact assessment criteria) for each of these performance measures in the Extraction Plan required under this approval (see condition 6 below).</i></p> <p><i>Note 2: Measurement and/or monitoring of compliance with performance measures and performance indicators is to be undertaken using generally accepted methods that are appropriate to the environment and circumstances in which the feature or characteristic is located. These methods are to be fully described in the relevant management plans. In the event of a dispute over the appropriateness of proposed methods, the Director-General will be the final arbiter.</i></p> <p><i>Note 3: The requirements of this condition only apply to the impacts and consequences of mining operations, construction or demolition undertaken following the date of this approval.</i></p>				The SMP for Domains 1 & 2 has been in place since 2008, and with Mod 1 approval it was agreed to add monitoring of benthic communities. The requirement for performance indicators are provided in these plans.	Domain No2 Subsidence Monitoring 31052010. Chain Valley Benthic Communities Management Plan Final 25.06.12. Seagrass Management Plan April 2008 (2). Foreshore survey results, Line S23 Summary 08+ only.xls. Chain Valley Colliery, Lake Macquarie Benthos Survey. Results of Sampling No. 2 – September 2012, Dr John H. Laxton and Dr Emma Laxton, October 2012. Lake Macquarie seagrass survey report 2012.

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Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
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<b>Offsets</b>						
3	If the Proponent exceeds the performance measures in Table 1 and the Director-General determines that: (a) it is not reasonable or feasible to remediate the impact or environmental consequence; or (b) remediation measures implemented by the Proponent have failed to satisfactorily remediate the impact or environmental consequence; then the Proponent shall provide a suitable offset to compensate for the impact or environmental consequence, to the satisfaction of the Director-General.				This Clause has not been activated.	
3(note)	<i>Note: Any offset required under this condition must be proportionate with the significance of the impact or environmental consequence.</i>				This Clause has not been activated.	
<b>Built Features Performance Measures</b>						
4	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.				Performance measures for built features (Table 2) is given in the approved SMP and Public Safety Management Plan.	120331 End of Year Report - Domain No. 2, Chain Valley Colliery. 110801 Domain No2 Public Safety Management Plan. 20120411 Astute Surveying Survey Report - Lake Macquarie. Chain Valley - Domain No 2 MW3-5 Variation Approved Plan.
4 (cont')	<i>Table 2: Built Features Subsidence Impact Performance Measures</i>				The SMP and MOP identify that no mining is occurring within the subsidence zone of any public infrastructure or other built features.	Chain Valley - Domain No 2 MW3-5 Variation Approved Plan. 120331 End of Year Report - Domain No. 2, Chain Valley Colliery.
4 (Note 1)	<i>Notes: 1) The Proponent will be required to define more detailed performance indicators (including impact assessment criteria) for each of these performance measures in the Extraction Plan required under this approval (see condition 6 below).</i>	1			The approved management plans (SMP and Public Safety Management Plan) specify detailed performance indicators for build feature impacts.	Letter to Mr Steven Bath, Director Mine Safety Operations, Primary Industry – Minerals and Petroleum, dated 1st August 2011.
4 (Note 2-4)	<i>Note 2) Measurement and/or monitoring of compliance with performance measures and performance indicators is to be undertaken using generally accepted methods that are appropriate to the environment and circumstances in which the feature or characteristic is located. These methods are to be fully described in the relevant management plans. In the event of a dispute over the appropriateness of proposed methods, the Director-General will be the final arbiter. Note 3) The requirements of this condition only apply to the impacts and consequences of mining operations undertaken following the date of this approval. Note 4) Requirements regarding safety or serviceability do not prevent preventative or mitigatory actions being taken prior to or during mining in order to achieve or maintain these outcomes.</i>	1			The management plans each set out the methods to be used for monitoring, and have been approved by DPI. Further auditor comment may be made against specific management plans throughout this audit report.	DPI Management Plan approval letter, Nov 2012.

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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.				This Clause has not been activated.	Nil
<b>Extraction Plan</b>						
6	The Proponent shall prepare and implement an Extraction Plan for all second workings on site to the satisfaction of the Director-General. This plan must:				In Schedule 3 Clause 6.1 Note 1 of the Project Approval it is identified that a SMP which is approved by DRE prior to 31 December 2011 is taken to satisfy the requirements of this condition. The Department of Trade and Investment, Regional Infrastructure and Services (DTIRIS) approved SMP's for coal extraction in Domains 1 & 2 and Parcel A in April 2008 and May 2010 respectively. The approval for Mod 1 of the current approval was given in 2012.	Subsidence Management Plan
6(a)	(a) be prepared by suitably qualified and experienced persons whose appointment has been endorsed by the Director-General;				The SMP was in place before the Domain 1 & 2 approval was given, so is in accordance with this condition.	Subsidence Management Plan. Mine Operation Plan.
6(b)	(b) be approved by the Director-General before the Proponent carries out any of the second workings covered by the plan;				The SMP was in place before the Domain 1 & 2 approval was given, so is in accordance with this condition.	
6(c)	(c) include detailed plans of existing and proposed first and second workings and any associated surface development;				The current plan for first and second working for Domain 2 is identified in the drawing "Chain Valley - Domain No 2 MW3-5 Variation Approved Plan." This plan was approved by the Director General of Trade and Investment, Regional Infrastructure and Services on 23 January 2012.	Subsidence Management Plan. Chain Valley - Domain No 2 MW3-5 Variation Approved Plan.jpg.
6(d)	(d) include detailed performance indicators for each of the performance measures in Tables 1 and 2;				Performance indicators for biodiversity are included in the benthic communities management plan and the seagrass management plans, and for built features are given in the public safety management plan. Subsidence monitoring is also specifically addressed.	110801 Domain No2 Public Safety Management Plan. Domain No2 Subsidence Monitoring 31052010. Chain Valley Benthic Communities Management Plan Final 25.06.12. Seagrass Management Plan April 2008 (2).

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6(e)	(e) provide revised predictions of the potential subsidence effects, subsidence impacts and environmental consequences of the proposed second workings, incorporating any relevant information obtained since this approval;				Subsidence is generally assessed and reported in the Bathymetric survey results and the foreshore survey results. These also included revised predictions of subsidence effects. Measured impacts on benthos and seagrass has been found to be within the apparent internal variance (although generally populations have increased).	Benthic Communities Management Plan, Chain Valley Colliery Domains 1 & 2 Continuation Project (10_0161), JSA Environmental, 25 June 2012. Subsidence Management Plan End of Year Report Domain No2, 31 March 2012. Foreshore survey results, Line S23 Summary.
6(f)	(f) describe the measures that would be implemented to ensure compliance with the performance measures in Tables 1 and 2; and manage or remediate subsidence impacts and/or environmental consequences;				Subsidence compliance measures, timeframes and remediation actions, if required, are identified in the approved management plans relating to biodiversity and built features.	Seagrass Survey of Chain Valley Bay, Summerland Point and Crangan Bay, Lake Macquarie, NSW (Results for 2008, 2010, 2011 and 2012), August 2012, John H. Laxton and Emma Laxton, August 2012.
6(g)	(g) include a Benthic Communities Management Plan, which has been prepared in consultation with OEH, DPI Fisheries and LMCC, which provides for the management of the potential impacts and/or environmental consequences of the proposed second workings on benthic communities, and which includes: · surveys of the lake bed to enable contours to be produced and changes in depth following subsidence to be accurately measured; · benthic species surveys within the area subject to second workings, as well as control sites outside the area subject to second workings (at similar depths) to establish baseline data on species number and composition within the communities; · a program of ongoing seasonal monitoring of benthic species in both control and impact sites; · development of a model to predict likely impact of increased depth and associated subsidence impacts and effects, including but not limited to light reduction and sediment disturbance, on benthic species number and benthic communities composition, incorporating the survey data collected;				A Benthic Communities Management Plan has been developed in consultation with the required authorities. This plan includes (1 & 2) the bathymetric and benthic survey results to mid 2012, as well as (3) the ongoing program of monitoring as required by this clause. Modelling to predict likely impacts (4) is also undertaken.	Benthic Communities Management Plan, Chain Valley Colliery Domains 1 & 2 Continuation Project (10_0161), JSA Environmental, 25 June 2012. Subsidence Management Plan End of Year Report Domain No2, 31 March 2012. Foreshore survey results, Line S23 Summary.
6(h)	(h) include a Seagrass Management Plan, which has been prepared in consultation with OEH, DPI Fisheries and LMCC, which provides for the management of the potential impacts and/or environmental consequences of the proposed second workings on seagrass beds, and which includes: · a program of ongoing monitoring of seagrasses in both control and impact sites; and · a program to predict and manage subsidence impacts and environmental consequences to seagrass beds to ensure the performance measures in Table 1 are met;				A suitable Seagrass Management Plan has been sighted, and evidence of required consultation identified. An ongoing program of monitoring is in place, and subsidence related management is undertaken in this plan and the Subsidence Management Plan.	Seagrass Management Plan April 2008 (2) Seagrass Survey of Chain Valley Bay, Summerland Point and Crangan Bay, Lake Macquarie, NSW (Results for 2008, 2010, 2011 and 2012), August 2012, John H. Laxton and Emma Laxton, August 2012.
6(i)	(i) include a Public Safety Management Plan, which has been prepared in consultation with DRE, to ensure public safety in the mining area;				A suitable Public Safety Management Plan has been developed.	110801 Domain No2 Public Safety Management Plan.

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6(j)	<p>(j) include a Built Features Management Plan, which has been prepared in consultation with DRE, to manage the potential subsidence impacts and/or environmental consequences of the proposed second workings on built features, and which:</p> <ul style="list-style-type: none"> <li>· addresses in appropriate detail all items of public infrastructure and other public infrastructure and all classes of other built features;</li> <li>· has been prepared following appropriate consultation with the owner/s of potentially affected feature/s; and</li> <li>· recommend appropriate remedial measures to mitigate, repair, replace or compensate for predicted impacts on potentially affected built features; and</li> <li>· in the case of all key and other public infrastructure, report external auditing for compliance with ISO 31000 (or alternative standard agreed with the infrastructure owner) and provides for annual auditing of compliance and effectiveness during secondary extraction which may impact the infrastructure;</li> </ul>				The approved Public Safety Management Plan is considered to meet the requirements of the Built Features Management Plan. It identifies that there is no mining impacts on public built features.	CVC Ventilation Fan Augmentation Pre-Clearing Ecological Assessment Report to LAKECOAL, 23 JANUARY 2012, Forest Fauna Surveys Pty Ltd. 110801 Domain No2 Public Safety Management Plan.
6(k)	<p>(k) 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>				Contingency management is considered unlikely as the modelled results are being shown to be conservative for current works. Never-the-less, adaptive management is identified in the SMP.	

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6(l)	(l) include a subsidence monitoring program, which has been prepared in consultation with DRE, OEH, and DPI Fisheries, to: <ul style="list-style-type: none"> <li>· provide data to assist with the management of the risks associated with subsidence;</li> <li>· validate the subsidence predictions;</li> <li>· analyse the relationship between the predicted and resulting subsidence effects and predicted and resulting impacts under the plan and any ensuing environmental consequences; and</li> <li>· inform the contingency plan and adaptive management process;</li> </ul>				The monitoring program has been prepared in consultation with the identified authorities, as set out in this report, and is part of the SMP. (2) As noted in various CVC documents, all new working were undertaken at least 300m for the lake shore - and no subsidence monitoring was undertaken within the lake. The Bathymetric survey and shoreline survey (visual and surveyed) have identified no noticeable visual change and recorded negligible subsidence related to the current mining. An interview with CVC Technical Services Manager (Mick Callan) confirmed these findings, though he also noted that although within the CVC parameters there was a watch on part of Summerland Point where previous working in the upper coal seams seemed to be causing excessive subsidence relative to the work that is understood to have occurred in this area. (3) As noted by DPI in its assessment report for the Mod 1 project variation, the predicted subsidence was conservative, and recorded results of miniwall 1 and 2 are substantially less than the 360mm initially modelled. (4) Contingency and mitigation measures are identified in the Benthic Communities Management Plan.	Subsidence Management Plan End of Year Report Domain No2, 31 March 2012 Chain Valley Colliery, Domains 1 & 2 Continuation Project, Environmental Assessment Report, DPI Jan 2012. CVC Mod 1 Approval Variation, Environmental Assessment Report. Benthic Communities Management Plan, Chain Valley Colliery Domains 1 & 2 Continuation Project (10_0161), JSA Environmental, 25 June 2012.
6(m)	(m) a Spontaneous Combustion Management Plan, prepared in consultation with DRE;				The Spontaneous Combustion Management Plan (July 2012) has been developed. Evidence of consultation with DRE in the development of this plan was not sighted.	Spontaneous Combustion Management Plan (MSP-0009 D-13565), dated 25th July 2012.
6(n)	(n) propose appropriate revisions to the Rehabilitation Management Plan required under condition 40 of Schedule 4; and				This Clause has not been activated.	
6(o)	(o) include a program to collect sufficient baseline data for future Extraction Plans.				Baseline subsidence information continues to be collected by CVC.	Bathymetric Survey Report Lake Macquarie, NSW, Mine Subsidence Monitoring For Lake Coal Pty Ltd 11 April 2012.

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6(notes)	<p>Notes: 1) An SMP which is approved by DRE prior to 31 December 2011 is taken to satisfy the requirements of this condition.</p> <p>2) The Benthic Communities and Seagrass Management Plans may be prepared jointly with similar plans required for any adjacent colliery.</p>				<p>Administrative: This Note of the Project Approval identifies that an SMP which is approved by DRE prior to 31 December 2011 is taken to satisfy the requirements of this condition.</p> <p>The Department of Trade and Investment, Regional Infrastructure and Services (DTIRIS) approved SMP's for coal extraction in Domains 1 &amp; 2 and Parcel A in April 2008 and May 2010 respectively.</p>	
<b>First Workings</b>						
7	<p>The Proponent may carry out first workings within the site, other than in accordance with an approved Extraction Plan, provided that DRE is satisfied that the first workings are designed to remain stable and non-subsiding in the long-term, except insofar as they may be impacted by approved second workings.</p> <p>Note: The intent of this condition is not to require an additional approval for first workings, but to ensure that first workings are built to geotechnical and engineering standards sufficient to ensure long term stability, with negligible resulting direct subsidence impacts.</p>				<p>The first working were identified by CVC as being undertaken in compliance with the SMP.</p>	
<b>Payment of Reasonable Costs</b>						
8	<p>The Proponent shall pay all reasonable costs incurred by the Department to engage suitably qualified, experienced and independent persons to review the adequacy of any aspect of any Extraction Plan.</p>				<p>This Clause has not been activated.</p>	
<b>NOISE</b>						
<b>Noise Impact Assessment Criteria</b>						
9	<p>The Proponent shall ensure that the noise generated by the project does not exceed the criteria in Table 3 at any residence on privately-owned land or on more than 25 percent of any privately-owned land.</p> <p>Notes:</p> <ul style="list-style-type: none"> <li>To interpret the locations referred to in Table 3, see the appropriate figure in Appendix 3;</li> <li>Noise generated by the project is to be measured in accordance with the relevant procedures and exemptions (including certain meteorological conditions) of the INP; and</li> <li>Criteria applicable to a particular parcel of land are those criteria for the nearest specified location in Table 3.</li> </ul>				<p>A noise assessment has been undertaken for the vent fan by EMGA which identifies the fan sound level of the new extraction system is quieter than the old system. However, attended monitoring has not been undertaken to confirm that noise levels meet the required criteria.</p> <p>Attended noise monitoring and noise audit reporting is proposed to be undertaken in November 2012, after this audit is complete.</p> <p><b>Refer to Recommendation No. 9.</b></p>	<p>Noise Management Plan EMP-D-16370 (approved Nov 2012).</p> <p>Chain Valley Bay Ventilation Fan Study, 21 Aug 2012, EMGA Mitchell McLennan.</p>

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9 (cont')	However, these criteria do not apply if the Proponent has a written agreement with the relevant landowner to exceed the criteria, and the Proponent has advised the Department in writing of the terms of this agreement.				Currently there are no noise based landholder agreements. There are residential buildings located on Chain Valley Colliery land (to the north of the site) that are owned by LakeCoal. These are situated on land owned by Delta Electricity (Vales Point Power Station) which is not considered privately-owned land (refer definitions in Project Approval).	
<b>Operating Conditions</b>						
10(a)	The Proponent shall: (a) implement best management practice, including all reasonable and feasible noise mitigation measures, to minimise the construction, operational, low frequency and road traffic noise generated by the project;				Real time noise monitoring has been implemented to best practice standards incorporating: - SMS and email alerts to trigger levels - monthly reports of noise monitoring results which are reviewed by the Env Specialist - Web-based real-time noise monitoring with audio streaming to allow remote determination of noise sources. Noise complaint handling and response procedures are in place. The Noise Reduction Program is being developed and will incorporate noise audit findings.	Noise Management Plan EMP-D-16370 (approved Nov 2012). 12184_SourceLw_Summary.pdf.
10(b)	(b) regularly assess the noise monitoring and meteorological data and relocate, modify, and/or stop operations on site to ensure compliance with the relevant conditions of this approval;				Continuous real time noise monitoring and regular assessment of meteorological data is carried out - however at this stage, metrological data is only reviewed on a monthly basis. Relevant Conditions are set out in Tables 3 and 4 of the Approval, and in the approved Noise Management Plan.  <b>Refer to Recommendation No. 10.</b>	Benchmark Monitoring: Daily Summary Report NOISE SITE_RTNO01-L01-L99_A_WEIGHTED_06November 2012. Key Operations of Noise monitoring: Benchmark Monitoring: Jason Potts(Director).
10(c)	(c) minimise the noise impacts of the project during temperature inversions;				Temperature inversions are not identified from meteorological monitoring, however it is acknowledged that standard meteorological equipment (including the meteorological station at Mannering Park providing data for CVC) will not provide this data. The lack of inversion data may give insufficient time to make changes to site operations to minimise noise impacts during inversion events.  <b>Refer to Recommendation No. 11.</b>	

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10(d)	(d) use its best endeavours to achieve the long-term noise goals in Table 4, where reasonable and feasible, and report on progress towards achieving these goals in each Annual Review;				CVC has undertaken some substantial noise mitigation works, such as the replacement of the old exhaust fans with a new vent and duel fans. Progress on noise mitigation is to be identified in the Annual Review, due at the end of 2012.	Chain Valley Bay Ventilation Fan Study, 21 Aug 2012, EMGA Mitchell McLennan.
10(e)	(e) carry out a comprehensive noise audit of the project in conjunction with each independent environmental audit, and				Noise assessments for the project were due to be carried out in Nov 2012, and the findings, in the form of an audit report will be subsequently delivered. However, the noise audit had not been completed at the time of this audit.  <b>Refer to Recommendation No. 11.</b>	Global Acoustics have been commissioned to undertake this audit.
10(f)	(f) prepare an action plan to implement any additional reasonable and feasible onsite noise mitigation measures identified by each audit; to the satisfaction of the Director-General.				This Clause has not been activated.	Global Acoustics have been commissioned to undertake this audit.
10 (table)	Table 4: Long-term Noise Goals dB(A)				CVC will be working toward long term noise goals, and has implemented significant noise reduction at the vent shaft site.	
10 (notes)	Notes: • To interpret the locations referred to in Table 4, see the appropriate figure in Appendix 3; and • Noise generated by the project is to be measured in accordance with the relevant procedures and exemptions (including certain meteorological conditions) of the INP.				Administrative provision - compliance with this condition was not assessed.	
<b>Noise Management Plan</b>						
11	The Proponent shall prepare and implement a Noise Management Plan for the project to the satisfaction of the Director-General. This plan must:				The NMP was prepared by CVC on 27/09/2012 and was submitted to DPI for approval.	EMP-D-16370 - Noise Management Plan DPI letter dated 6/11/12 identified that NMP had been approved by the Director-General.
11(b)	(a) be submitted for approval to the Director-General within 7 months of the date of this approval;				The NMP was submitted to the DPI via email on the 22/8/2012. This is seven months after the date of the approval, and as such CVC is in compliance.	Letter signed 6/11/12 from DPI identifying that the Director-General had accepted specified Management Plans.

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11(c)	(b) describe the measures that would be implemented to ensure compliance with the relevant conditions of this approval;				The noise management measures and further investigations to reduce noise impacts of the works are provided in the NMP. The site is not identifying temperature inversion conditions, in non-compliance with the requirement to achieve INP noise environmental conditions.  <b>Refer to Recommendation No. 11.</b>	
11(c)	(c) outline procedures to manage responses to any complaints or issues raised by the owners of affected residences; and				The approved NMP identifies procedures to manage complaints or issues raised by owners of affected residences.	EMP-D-16370 - Noise Management Plan.
11(d)	(d) include a noise monitoring program that: • uses a combination of real-time and supplementary attended monitoring to evaluate the performance of the project; and • includes a protocol for determining exceedances of the relevant conditions of this approval.				The approved NMP identifies procedures to monitor noise monitoring through attended and continuous, unattended, real-time monitoring. The real-time remote monitoring system is in place and it was reported that it has proven reliable.	EMP-D-16370 - Noise Management Plan.
<b>Noise Management Plan</b>						
12	Prior to the commencement of construction activities at the Summerland Point ventilation shaft site, the Proponent shall submit to the Director-General for approval a Construction Noise Management Plan prepared in accordance with EPA's* <i>Interim Construction Noise Guideline 2009</i> .				The Construction Noise and Vibrations Management Plan was developed for the construction activities at the Summerland Point ventilation shaft site. The plan was prepared in accordance with OEH's Interim Construction Noise Guideline 2009. Correspondence was received by CVC on 6/2/12 from DPI approving the Construction Noise and Vibration Management Plan.  <i>* Mod 1 updated the reference for OEH to EPA, 20 Aug 2012.</i>	H11086 Summerland Point CNVMP_RP1 Final2 120206 DPI Approval of Construction Noise Management Plan.
<b>AIR QUALITY &amp; GREENHOUSE GAS</b>						
<b>Odour</b>						
13	The Proponent shall ensure that no offensive odours, as defined under the POEO Act, are emitted from the site.				The operations have not generated offensive odours, and there have not been any odour complaints. A review of the complaints register for 2011 and 2012 confirmed this.	EMP-D-16369 - Air Quality and Greenhouse Gas Management Plan. REG-D-13444 Complaint-Incident Register (spreadsheet).

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<b>Greenhouse Gas Emissions</b>						
14	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.				The recently approved Air Quality and Greenhouse Gas Management Plan addresses GHG emissions to the satisfaction of the Director-General, and the requirements must now be implemented by CVC. Current actions include completed miniwall panels will be sealed to reduce methane emissions from the goaf.	EMP-D-16369 - Air Quality and Greenhouse Gas Management Plan.
<b>Air Quality Assessment Criteria</b>						
15	The Proponent shall ensure that all reasonable and feasible avoidance and mitigation measures are employed so that particulate matter emissions generated by the project do not exceed the criteria listed in Tables 5, 6 or 7 at any residence on privately-owned land or on more than 25 percent of any privately-owned land.				There have been no air quality exceedances. The CVC Best Management Practice Air Quality Assessment has been prepared by PAE Holmes PL and Lake Coal. The colliery undertakes depositional dust sampling at four sites currently (fifth site to be installed Nov 2012). The colliery does not currently undertake volumetric sampling for dust. Consultation with OEH has been sought on the Best Management Practice Air Quality Assessment document.  <b>Refer to Recommendation No. 13.</b>	EMP D-16591, CVC Best Management Practice Air Quality Assessment, PAE Holmes PL and Lakecoal, 25 Sept 2012. Dust Deposition Report, Steel River Testing, Report number 3478-0, 26 October 2012.
15(table5)	Table 5: Long-term criteria for particulate matter				Noted	
15(table6)	Table 6: Short-term criterion for particulate matter				Noted	
15(table7)	Table 7: Long-term criteria for deposited dust				Annual results not yet available.	Dust Deposition Report, Steel River Testing, Report number 3478-0, 26 October 2012. 1209 Sep Dep Dust. 1210 Oct Dep Dust.
15 (table notes)	Notes to Tables 5 - 7: <ul style="list-style-type: none"> <li>· a Total impact (i.e. incremental increase in concentrations due to the project plus background concentrations due to all other sources);</li> <li>· b Incremental impact (i.e. incremental increase in concentrations due to the project on its own);</li> <li>· c Deposited dust is to be assessed as insoluble solids as defined by Standards Australia, AS/NZS 3580.10.1:2003: Methods for Sampling and Analysis of Ambient Air - Determination of Particulate Matter - Deposited Matter - Gravimetric Method.</li> <li>· d Excludes extraordinary events such as bushfires, prescribed burning, dust storms, sea fog, fire incidents, illegal activities or any other activity agreed by the Director-General in consultation with EPA*.</li> </ul>				c) Depositional dust analysis in undertaken in accordance with: AS3580.10.1 (Section 8 Only) <b>* Mod 1 updated the reference for OEH to EPA, 20 Aug 2012</b>	Dust Deposition Report, Steel River Testing, Report number 3478-0, 26 October 2012. 1209 Sep Dep Dust. 1210 Oct Dep Dust.

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Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
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<b>Operating Conditions</b>						
16	The Proponent shall implement best practice air quality management on site, including all reasonable and feasible measures to minimise off-site odour, fume and dust emissions generated by the project.				CVC has implemented best practice air quality management practices and procedures as documented in the Air Quality and Greenhouse Gas Management Plan.	EMP-D-16591 - Best Management Practice Air Quality Assessment. EMP-D-16369 - Air Quality and Greenhouse Gas Management Plan.
<b>Air Quality &amp; Greenhouse Gas Management Plan</b>						
17	The Proponent shall prepare and implement an Air Quality & Greenhouse Gas Management Plan for the project to the satisfaction of the Director-General. This plan must:				CVC has prepared an Air Quality and Greenhouse Gas Management Plan. This plan has been approved by the Director-General.	EMP-D-16369 - Air Quality and Greenhouse Gas Management Plan. 121106 Approval of Environmental Management Plans.
17(a)	(a) be prepared in consultation with EPA*, and submitted for approval to the Director-General within seven months of the date of this approval;				This plan was provided to EPA for comment. The final document was submitted to DPI on 22 August 2012 - being within seven months of the approval. It has now been approved by the Director-General. <i>* Mod 1 updated the reference for OEH to EPA, 20 Aug 2012</i>	120820 Letter from OEH (EPA) re AQGHGMP. 120816 Letter to OEH re AQGHGMP. 120822 Letter to Planning re management plans.
17(b)	(b) describe the measures that would be implemented to ensure compliance with the relevant conditions of this approval, including the proposed air quality management system ;				The plan describes the measures to be implemented to ensure compliance with the relevant conditions.	EMP-D-16369 - Air Quality and Greenhouse Gas Management Plan.
17(c)	(c) include an air quality monitoring program, that: · uses a combination of volumetric sampling and dust deposition gauges to evaluate the performance of the project; · monitors greenhouse gas emissions, particularly methane; and · includes a protocol for determining exceedances with the relevant conditions of this approval;				An air quality monitoring program is included in the plan. The volumetric sampler is programmed for installation in late 2012, however, it was not installed at the time of the audit. Greenhouse gases are continuously monitored within the mine, and reported through the Citect system - this includes warnings for site when trigger levels of mine gases are exceeded.  <b>Refer to Recommendation No. 13.</b>	EMP-D-16369 - Air Quality and Greenhouse Gas Management Plan. Dust Deposition Report, Steel River Testing, Report number 3478-0, 26 October 2012.
17(d)	(d) describe the measures that would be implemented to minimise the release of greenhouse gas emissions from the site, particularly methane.				A number of measures to minimise greenhouse gas emissions have been developed and are described in the plan (e.g. sections of the mine not in use will have ventilation control devices installed and will not be ventilated).	

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<b>METEOROLOGICAL MONITORING</b>						
18	During the life of the project, the Proponent shall ensure that there is a suitable meteorological station operating in the vicinity of the Chain Valley Colliery surface facilities site that:				CVC uses the meteorological station of the neighbouring Mannering Colliery. Access to additional met data is being negotiated with Vales Point Power Station.	Email correspondence with NSW Department of Planning & Infrastructure accepting the use of Mannering Colliery met station data, 6/3/2012.
18(a)	(a) complies with the requirements in the <i>Approved Methods for Sampling of Air Pollutants in New South Wales</i> guideline; and				The audit was unable to confirm that the Mannering Colliery meteorological station complies with the requirements in <i>Approved Methods for Sampling of Air Pollutants in New South Wales</i> guidelines. It was reported that no verification has been sought from Mannering Colliery.  <b>Refer to Recommendation No. 14.</b>	
18(b)	(b) is capable of continuous real-time measurement of temperature lapse rate , in accordance with the <i>INP</i> .				Correspondence from Colin Davies at Carbon Based indicates that the meteorological station does not comply with the INP (the mast is only 10m high and measures a lapse rate over 2 to 10m so does not comply with INP for temperature lapse rate monitoring which requires a 60m mast). It is the understanding of the auditor that there are very few meteorological stations in NSW which would meet this requirement of the INP. In addition, it is considered highly unlikely that local government approval would be granted for a 60m tower in Chain Valley Bay.  <b>Refer to Recommendation No. 11.</b>	Email correspondence between Chris Ellis (CVC) and Colin Davies at Carbon Based re: Mannering Park Meteorological Station (various dates - mid Nov 2012).
<b>TRANSPORT</b>						
<b>Monitoring of Coal Transport</b>						
19	The Proponent shall:					
19(a)	(a) keep accurate records of the amount of coal transported from the site (on a monthly basis);				Accurate records of the amount of coal transported from the site is available from the records maintained at the weighbridge.	Tonnages by Truck Movement 2011 spreadsheet. Tonnages by Truck Movement 2012 spreadsheet.
19(b)	(b) make these records publicly available on its website at the end of each calendar year.				The coal transport records are made available through the AEMR (or Annual Report) which is published on the web site when they are reported.	2010/2011 Annual Environmental Management Report.

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<b>Road Transport Protocol</b>						
20	The Proponent shall prepare and implement a Road Transport Protocol, in consultation with RMS, NCC, WSC, DRE and CCC. This protocol shall:				A Road Transport Protocol has been developed after consultation with the nominated agencies. The RTP has been varied by Ministerial approval in 2004, and the coal haulage management plan and coal haulage driver code of conduct appended.	Chain Valley Colliery Road Transport Protocol, Prepared by NSW Planning, 25 February 2003. inc MSP-D-14559 Coal Haulage Traffic Management Plan and POL-D-14926 Coal Haulage Driver Code of Conduct. Variation to RTP approved by Minister for Mineral Resources, 2004.
20(a)	(a) be submitted to the Director-General for approval within seven months of the date of this approval;				The revised RTP was submitted to the Director-General within seven months of the project approval. It has now been approved.	Letter from DoPI re Director-General approval of specified management plans, signed 6/11/12. 120823 Letter to Planning re management plans 2.
20(b)	(b) describe the designated haulage routes to be used (as shown in Appendix 4); the maximum number of road movements proposed and the haulage hours permitted under this approval;				The RTP describes the designated haulage routes, maximum number of road movements and haulage hours.	MSP-D-14559 Coal Haulage Traffic Management Plan.
20(c)	(c) include a Traffic Management Plan, which includes: <ul style="list-style-type: none"> <li>· procedures to ensure that drivers adhere to the designated haulage routes;</li> <li>· measures to maximise the use of a low frequency (regular) trucking schedule rather than an intermittently-high frequency (campaign) trucking schedule;</li> <li>· contingency plans to apply when (for example) the designated haulage route is disrupted, including procedures for notifying relevant agencies and affected communities of the need to implement such contingency plans;</li> <li>· procedures to ensure that all haulage vehicles associated with the Colliery are clearly distinguishable as Chain Valley Colliery coal haulage trucks;</li> <li>· details of procedures for receiving and addressing complaints from the community concerning traffic issues associated with truck movements to and from the Colliery; and</li> <li>· measures to ensure that the provisions of the Traffic Management Plan are implemented, e.g. driver training in the heavy vehicle driver's Code of Conduct and contractual agreements with heavy vehicle operators; and</li> <li>· procedures for ensuring compliance with and enforcement of the heavy vehicle driver's Code of Conduct; and</li> </ul>				The Coal Haulage Traffic Management Plan addresses the requirements of this condition.	MSP-D-14559 Coal Haulage Traffic Management Plan. CVC - Independent Traffic Audit, GHD, 28 September 2012.

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Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
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20(d)	(d) include a Code of Conduct for heavy vehicle drivers that addresses: <ul style="list-style-type: none"> <li>· travelling speeds;</li> <li>· staggering of truck departures to ensure a regular trucking schedule throughout the day;</li> <li>· instructions to drivers not to overtake each other on the haulage route, as far as practicable, and to maintain appropriate distances between vehicles;</li> <li>· instruction to drivers to adhere to the designated haulage routes;</li> <li>· instruction to drivers to be properly safety conscious and to strictly obey all traffic regulations; and</li> <li>· appropriate penalties for infringements of the Code.</li> </ul>				The Coal Haulage Driver Code of Conduct addresses the requirements of this condition.	POL-D-14926 Coal Haulage Driver Code of Conduct.
<b>Independent Traffic Audit</b>						
21	Within six months of the date of this project approval, and every six months thereafter, unless the Director-General directs otherwise, the Proponent shall commission a suitably qualified person, whose appointment has been approved by the Director-General, to conduct an Independent Traffic Audit of the coal haulage operations. This audit must: <ul style="list-style-type: none"> <li>· be undertaken without prior notice to the Proponent, and in consultation with the RMS, NCC, WSC and CCC;</li> <li>· review haulage records;</li> <li>· assess the impact of the project on the performance of the road network;</li> <li>· investigate the accident records on the haulage route, and any incidents involving haulage vehicles from the project;</li> <li>· assess the effectiveness of the Driver's Code of Conduct; and, if necessary,</li> <li>· recommend measures to reduce or mitigate any adverse (or potentially adverse) impacts.</li> </ul>				CVC has obtained an independent traffic audit for its operations (conducted by GHD in Sept 2012).	CVC - Independent Traffic Audit, GHD, 28/9/2012 120529 Letter to Planning re independent traffic audit-GHD. 120529 Approval of Ind Traffic Auditor.
21(note)	<i>Note: After three such audits, the Director-General may consider a request to reduce audit frequency to every 12 months.</i>				This Clause has not been activated.	
22	Within two month of commissioning the audit, or as otherwise agreed by the Director-General, the Proponent shall submit a copy of the audit report to the Director-General, with a response to any of the recommendations contained in the audit report.				The audit report was emailed to the Director-General on 2/10/12, more than two months after commissioning of the audit.  <b>Note. No recommendation has been given as the report has now been submitted.</b>	Email correspondence from CVC Environment Officer dated 2/10/12.
<b>Ruttleys Road and Construction Road Intersection</b>						
23	The Proponent shall upgrade the Ruttleys Road and Construction Road intersection within 12 months of this project approval, unless the Director-General directs otherwise, by:				This Clause has not been activated.	
23(a)	(a) installing additional signage on and adjacent to Construction Road prior to the intersection;				This Clause has not been activated.	

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23(b)	(b) repairing the surface of Construction Road and ensuring the edge seal of the left turn lane is of sufficient width to accommodate coal trucks;				This Clause has not been activated.	
23(c)	(c) installing or replacing "Stop" signs in accordance with Austrroads guidelines;				This Clause has not been activated.	
23(d)	(d) repainting road line markings and raised pavements associated with this intersection;				This Clause has not been activated.	
23(e)	(e) removing silt from drains adjacent to the intersection and removing gravel and any other debris from the sealed surface of the intersection; and				This Clause has not been activated.	
23(f)	(f) installing barriers to prevent trucks parking on the gravel area adjacent to the intersection and the electricity substation located in the vicinity of this intersection.				This Clause has not been activated.	
23 (cont')	The design and construction of these works must be undertaken in consultation with, and to the relevant satisfaction of, WSC, RMS and Vales Point Power Station.				This Clause has not been activated.	
<b>Maintenance of Ruttleys Road and Scenic Drive</b>						
24	<p>Throughout the life of the project, the Proponent shall contribute an amount to fund the maintenance of local roads proportionate to the wear and tear of those roads caused by traffic generated by the colliery's operations and in accordance with road maintenance agreement(s) to be negotiated between the Proponent and WSC. The local roads to be covered by agreement(s) are:</p> <p>(a) Ruttleys Road from the Pacific Highway intersection to Construction Road; and</p> <p>(b) Scenic Drive from Pacific Highway intersection to Coal Plant Road (if coal is proposed to be trucked from the colliery to the Munmorah Power Station).</p> <p>Each agreement is to take into consideration a Dilapidation Report, prepared at the Proponents cost, covering the relevant sections of road and must include a method for determining reduced pavement life on the road section that is attributable to traffic generated by the colliery's operations.</p> <p>The road maintenance agreement for Ruttleys Road must be finalised within seven months of the date of this approval. The Dilapidation Report for Scenic Drive must be completed prior to recommending coal haulage to Munmorah Power Station. The road maintenance agreement for Scenic Drive must be finalised within six months of any recommencement of coal haulage to Munmorah Power Station.</p>				<p>CVC was in the process finalising an agreement with Wyong Council for road maintenance on sections of Ruttleys Road at the time of the audit. A Draft Road Maintenance Agreement is dated 5/10/12, and has been sent to council for review. It was reported that a Dilapidation Report was commissioned from Lyle Marshall &amp; Associates on 19/6/12 however the audit is yet to be completed as the auditor is waiting on information from council.</p> <p>An additional agreement will be required for Scenic Drive if coal is to be transported to Munmorah Power Station.</p> <p>The Road Maintenance Agreement cannot be finalised until the Dilapidation Report is completed. Funds for road maintenance will not be allocated/provided until the agreement is in place.</p> <p><b>Refer to Recommendation No. 15.</b></p>	<p>CVC - Independent Traffic Audit 28September2012. Amendment Approval to Road Protocol, 2004 19875877_4 - LakeCoal - Road Maintenance Agreement between LakeCoal and Wyong Shire Council - October 2012.doc.</p> <p>Email correspondence with Wyong Council 5/10/12 with Draft Road Maintenance Agreement attached.</p>
25	Any dispute about the terms of this agreement is to be settled by the Director-General, following consultation with the WSC and the Proponent. Any decision by the Director-General shall be final and not subject to further dispute resolution under this approval.				This Clause has not been activated.	

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<b>Coal Transport Options Report</b>						
26	Prior to 31 December 2012, and every two years thereafter, the Proponent shall prepare and submit to the Director-General for approval, a study of reasonable and feasible options to reduce or eliminate the use of public roads to transport coal from the project.				This Clause has not been activated.	
<b>SOIL AND WATER</b>						
Note	<i>Note: Under the Water Act 1912 and/or the Water Management Act 2000, the Proponent is required to obtain all necessary water licences for the project.</i>				A Groundwater Extraction Licence is being sought by CVC for the site. This is with NSW Office of Water to finalise, but is a current non-compliance as the current dewatering of the mine requires a licence.  <b>Refer to Recommendation No. 16.</b>	
<b>Surface Water Discharges</b>						
27	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.				The EPL discharge limits are generally being met by the activity in terms of water volume and quality. However, there were one non-compliance during the 2011-12 licence period. The discharge point was identified as not conforming to the EPL monitoring requirements and an official warning was issued by the EPA. Changes to the sampling point are to be agreed with EPA and finalised.  <b>Refer to Recommendation No. 16.</b>	Monitoring records (published monthly on web site). Chain Valley Colliery - Procedures for Water Sampling from Pit Top Dams, EPA Licence No. 1584, Nov 2008. Commercial laboratory sampling procedures and processes including chain of custody are utilised by CVC.
<b>Water Management Plan</b>						
28	The Proponent shall operate and implement a Water Management Plan for the project to the satisfaction of the Director-General. This plan must:				A WMP has been prepared and submitted for approval by the Director-General.	Chain Valley Colliery - Water Management Plan, EMP-D-16368, GSS Environmental, 28/09/2012. DPI letter dated 6/11/12 identified that WMP had been approved by the Director-General.
28(a)	(a) be prepared in consultation, NOW, DRE and WSC by suitably qualified and experienced persons whose appointment has been approved by the Director-General;				The WMP was prepared in consultation with NSW Office of Water, DRE and WSC by suitably qualified and experienced persons.	Rp_LDO01-002_Water Management Plan_DftV3. 120306 Appointment of Water Management Plan team. Lt_LDO01-002_DRE_20120807. Lt_LDO01-002_NOW_20120808. Lt_LDO01-002_WSC_20120808. Chris Ellis pers comm.

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28(b)	(b) be submitted for approval to the Director-General within seven months of the date of this approval; and				Correspondence from CVC identifies the submission to DPI of the WMP on 22/08/2012, which is within seven months of approval. In approving this plan, the Director-General notes the submission date as 15 October (which was a revised version of the WMP based on a comments from DP&I), however, Lake Coal's delivery date to DoPI has been taken to be the date for meeting this criteria.	Chain Valley Colliery - Water Management Plan, EMP-D-16368, GSS Environmental, 28/09/2012.
28(c)	(c) include: <ul style="list-style-type: none"> <li>· a Site Water Balance;</li> <li>· an Erosion and Sediment Control Plan;</li> <li>· a Surface Water Management Plan;</li> <li>· a Groundwater Monitoring Program; and</li> <li>· a Surface and Ground Water Response Plan.</li> </ul>				The required elements are present in the WMP.	Chain Valley Colliery - Water Management Plan, EMP-D-16368, GSS Environmental, 28/09/2012. DPI letter dated 6/11/12 identified that WMP had been approved by the Director-General.
29(a)	The Site Water Balance must: (a) include details of: <ul style="list-style-type: none"> <li>· sources and security of water supply;</li> <li>· water use on site;</li> <li>· water management on site;</li> <li>· any off-site water transfers;</li> <li>· groundwater transfers from the underground operations to the surface; and</li> </ul>				A site water balance incorporating the listed requirements (a) is provided in the WMP. Measures to minimise potable water use include two water storage tanks to collect clean water from the roof of buildings for use on site to replace potable water. One tank is on site, and the other has been ordered (see purchase order). The tanks will be plumbed in subsequently.	Chain Valley Colliery - Water Management Plan, EMP-D-16368, GSS Environmental, 28/09/2012. Receipt water tank purchase (purchase order dated 09/10/2012)
29(b)	(b) investigate and implement all reasonable and feasible measures to minimise potable water use from the town water supply and to reuse and recycle water.				Present in the WMP.	Chain Valley Colliery - Water Management Plan, EMP-D-16368, GSS Environmental, 28/09/2012. Receipt water tank purchase (purchase order dated 09/10/2012).
30(a)	The Erosion and Sediment Control Plan must: (a) be consistent with the requirements of the Managing Urban Stormwater – Soils and Construction, Volume 2E: Mines and Quarries (DECC 2008), or its latest version);				The ESCP states that it was developed to be consistent with the "Blue Book".	Erosion and Sediment Control (including generic controls) are present in Chain Valley Colliery - Water Management Plan, EMP-D-16368, GSS Environmental, 28/09/2012.
30(b)	(b) identify activities that could cause soil erosion and generate sediment particularly in relation to activities near waterways;				The ESCP identifies activities that could cause soil erosion and generate sediment.	
30(c)	(c) describe the location, function, and capacity of erosion and sediment control structures;				The location, function and capacity of erosion and sediment control structures is identified in the ESCP.	

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30(d)	(d) describe what measures would be implemented to maintain the structures over time; and				Section 7.6 of the WMP sets out the Inspection and Maintenance requirement of the site erosion and sediment control systems, including maintenance processes.	
30(e)	(e) describe the sediment and erosion control measures to be implemented for all activities undertaken at the site.				ESC measures relevant to all activities on site are set out in the WMP.	
31(a)	The Surface Water Management Plan must: (a) include detailed baseline data on surface water flows and quality of the unnamed creek which receives the water discharged from the licensed discharge point identified in the sites EPL;				Surface water controls on the site range from poor to very good, but the site inspection identified that works are being undertaken in some areas but that ongoing commitment to managing this area of the site could improve quality substantially and have significant positive benefits for the site operations.	Surface Water Management, within the Chain Valley Colliery - Water Management Plan, EMP-D-16368, GSS Environmental, 28/09/2012. Baseline data is included in Appendix 1.
31(b)	(b) detail surface water quality and stream health assessment criteria, including trigger levels for investigating any potentially adverse surface water impacts;				Surface water quality and stream health assessment criteria are provided within section 7.2 of the Water Management Plan	Chain Valley Colliery - Water Management Plan, EMP-D-16368, GSS Environmental, 28/09/2012. incl. Appendix B, TARP D-16606 – Stream Health and D-16607 – Surface Water Monitoring.
31(c)	(c) provide a program to monitor: · surface water discharges; · surface water flows and quality; · stream health and channel stability of the unnamed creek; and · water quality of Lake Macquarie; and				CVC's water monitoring program is included in the WMP. The surface water sampling procedures are described in <i>Procedures for Water Sampling from Pit Top Dams</i> .	Chain Valley Colliery - Procedures for Water Sampling from Pit Top Dams, EPA Licence No. 1584, Nov 2008.
31(d)	(d) identify and assess practical measures to minimise potable water consumption, maximise recycled water use and improve the management of sewage and surface rainfall runoff for the project, including quantifying the abatement potential of identified measures and their related costs and benefits.				Two large water tanks are to be used on site to capture roof water and replace town water use in the water tank and other activities (see conditions 29(a) and 29(b) above for details). Further work on the findings of the Water Audit for abatement and costing has been initiated.	Order number 462222 01, Hunter Irrigation and Water Solutions, supply of 22,500 litre water tank, 9 October 2012.
32(a)	The Groundwater Monitoring Program must include: (a) detailed baseline data of all groundwater levels (including any alluvial and weathered rock aquifers), yield and quality in the region, and any privately-owned groundwater bores that may be affected by mining operations on site;				A Groundwater Management Plan, is included as Appendix D of the Water Management Plan. It includes CVC's groundwater monitoring program and baseline data. CVC is currently obtaining a groundwater extraction licence, with an application having been to the NSW Office of Water. The identified neighbouring lands with licensed water bores are generally unusable, with one exception which is not accessible, and so investigation of alternative sites is being undertaken by CVC. Monitoring frequency is identified as on assess and post mining.	Ground Water Management Plan (LDO1-R1A 23 August, 2012, Geoterra Pty Ltd), Appendix D of the Chain Valley Colliery Water Management Plan, EMP-D-16368, GSS Environmental, 28/09/2012.

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32(b)	(b) groundwater assessment criteria based upon analysis of baseline data for groundwater, surface water and ecology, including trigger levels for investigating any potentially adverse groundwater impacts; and				Groundwater assessment criteria and investigation trigger levels have been developed in the GwMP.	Ground Water Management Plan (LDO1-R1A 23 August, 2012, Geoterra Pty Ltd).
32(c)	(c) a program to monitor and/or validate the impacts of the project on any alluvial and coal seam aquifers, groundwater bores and groundwater dependent ecosystems.				A program to monitor and/or validate the impacts of the project has been developed in the GwMP, and is being implemented. As identified in the GwMP, accessible neighbouring licensed water bores will be sampled. Investigation has identified that most are unusable, and so investigation of alternative sites is being undertaken by CVC. Monitoring frequency is identified as on assess and post mining.  <b>Refer to Recommendation No. 18.</b>	Ground Water Management Plan (LDO1-R1A 23 August, 2012, Geoterra Pty Ltd). Pers comm Chris Ellis.
33(a)	The Surface and Ground Water Response Plan must describe what measures and/or procedures would be implemented to: (a) respond to any exceedances of the surface water, stream health, and groundwater assessment criteria;				The Surface and Ground Water Response Plan (SGWRP) sets out response processes for an exceedance in the water system. Many of the settling ponds are full of sediment and require cleaning to re-establish their function and capacity to manage process water.  <b>Refer to Recommendation No. 19.</b>	Chain Valley Colliery Water Management Plan, EMP-D-16368, GSS Environmental, 28/09/2012.
33(b)	(b) mitigate and/or offset any adverse impacts on any groundwater dependent ecosystems and riparian or lakeshore vegetation located within and adjacent to the site.				Measures for mitigation and/or offset of adverse impacts on groundwater dependant ecosystems and riparian or lakeshore vegetation are identified in the GwMP.  <b>Refer to Recommendation No. 20.</b>	Chain Valley Colliery Water Management Plan, EMP-D-16368, GSS Environmental, 28/09/2012. Rp_LDO01-001_Chain Valley Surface Water Audit 240212_Fnl.
<b>BIODIVERSITY</b>						
<b>Biodiversity Management Plan</b>						
34	The Proponent shall prepare and implement a Biodiversity Management Plan for the project to the satisfaction of the Director-General. This plan must:				CV has developed a Biodiversity Management Plan, which has been approved by the Director-General.	EMP-D-16372 - Biodiversity Management Plan, dated 27/9/12, EMGA Mitchell McLennan Pty Limited. 121106 Approval of Environmental Management Plans.
34(a)	(a) be submitted to the Director-General within 7 months of the date of this approval;				The Biodiversity Management Plan was submitted via email to DPI within the required 7 months.	120822 Letter to Planning re management plans.

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		Compliance	Non-Compliant	Not Applicable		
34(b)	(b) be prepared by a suitably qualified ecologist approved by the Director-General;				The BMP was prepared by a suitably qualified and approved ecologist.	120416 Appointment of Ecology Expert for Biodiversity Management Plan.
34(c)	(c) include a detailed description of measures that would be implemented over the life of the project to protect and conserve biodiversity, including the procedures to be implemented for: <ul style="list-style-type: none"> <li>· weed management (both control and suppression) and monitoring;</li> <li>· management of retained native vegetation and habitat;</li> <li>· feral animal control;</li> <li>· fire management (including asset protection zones);</li> <li>· management of public access; and</li> <li>· ecological monitoring of the: <ul style="list-style-type: none"> <li>o receiving waters of the minewater discharge from licensed discharge point identified in the site's EPL;</li> <li>o <i>Swamp Sclerophyll Floodplain Forest Endangered Ecological Community</i> located downstream of licensed discharge point identified in the site's EPL; and</li> <li>o remnant woody vegetation around the ventilation facilities at Summerland Point.</li> </ul> </li> </ul>				The BMP includes detailed description of a range of management controls and monitoring to be undertaken.	EMP-D-16372 - Biodiversity Management Plan, dated 27/9/12, EMGA Mitchell McLennan Pty Limited. Chain Valley Colliery Fan Augmentation Habitat Assessment Lake Coal 00264 0.
<b>HERITAGE</b>						
<b>Heritage Management Plan</b>						
35	The Proponent shall prepare and implement a Heritage Management Plan for the project to the satisfaction of the Director-General. This Plan must:				The HMP has been developed as a final draft. Consultations are yet to be completed.	EMP-D-16371 CVC Heritage Management Plan, EMGA Mitchell McLennan Pty Limited, Draft 1, 3 August 2012.
35(a)	(a) be prepared in consultation with any relevant Aboriginal stakeholders;				The HMP has been prepared in consultation with relevant Aboriginal stakeholders (refer to Sections 4.3 and 4.4 of the HMP).	EMP-D-16371 CVC Heritage Management Plan, EMGA Mitchell McLennan Pty Limited, Draft 1, 3 August 2012.
35(b)	(b) be submitted for approval to the Director-General within seven months of the date of this approval;				The HMP was submitted to the Director-General as a draft document within the required submission period, however, it had not been completed due to the extended length of the stakeholder consultation being undertaken. The finalisation of the HMP is awaiting the completion of stakeholder consultation.  <b>Refer to Recommendation No. 21.</b>	EMP-D-16371 CVC Heritage Management Plan, EMGA Mitchell McLennan Pty Limited, Draft 1, 3 August 2012.  Chris Ellis pers comm.
35(c)	(c) include consideration of the Aboriginal and non-Aboriginal cultural context and significance of the site;				Consideration in the HMP of Aboriginal and non-Aboriginal cultural context and significance has been undertaken, and reported in Sections 4.2 of the HMP.	EMP-D-16371 CVC Heritage Management Plan, EMGA Mitchell McLennan Pty Limited, Draft 1, 3 August 2012.

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35(d)	(d) detail the responsibilities of all stakeholders; and				The responsibilities of all stakeholders is set out in section 11, Table 3 of the HMP.	EMP-D-16371 CVC Heritage Management Plan, EMGA Mitchell McLennan Pty Limited, Draft 1, 3 August 2012.
35(e)	(e) include programs/procedures and management measures for: <ul style="list-style-type: none"> <li>the ongoing monitoring of site 45-7-0189 at Summerland Point;</li> <li>dealing with previously unidentified Aboriginal objects (excluding human remains), including any need to halt works in the vicinity, assessment of significance, determination of appropriate mitigation measures (by a qualified archaeologist in consultation with Aboriginal stakeholders), re-commencement of works, notifying OEH, and registering the new site(s) in the OEH AHIMS register;</li> <li>dealing with any human remains which may be discovered, including halting works in the vicinity; notifying NSW Police, OEH, the Department and Aboriginal stakeholders; and not re-commencing any works in the vicinity unless authorised;</li> <li>heritage induction for construction personnel (including procedures for keeping records of inductions);</li> <li>ongoing Aboriginal consultation and involvement (including procedures for keeping records of this);</li> <li>appropriate identification, management, conservation and protection of both Aboriginal and non-Aboriginal heritage items identified on the site; and</li> <li>dealing with previously unidentified non-Aboriginal heritage items which may be discovered during the project.</li> </ul>				The HMP sets out the agreed programs/procedures and management measures in the following sections: <ul style="list-style-type: none"> <li>- Section 7.1 and</li> <li>- Section 6.2</li> <li>- Section 6.3</li> <li>- Section 8, Section 13</li> <li>- Section 4.4, Section 13</li> <li>- Section 6.1</li> <li>- Section 5.2</li> </ul>	EMP-D-16371 CVC Heritage Management Plan, EMGA Mitchell McLennan Pty Limited, Draft 1, 3 August 2012.
<b>VISUAL</b>						
<b>Visual Amenity and Lighting</b>						
36	The Proponent shall:					
36(a)	(a) minimise visual impacts, and particularly the off-site lighting impacts, of the Chain Valley Colliery surface facilities site;				Lights at the site were observed not be directed off the site. According to the CVC Env and Community Officer, there have been no complaints about light shed from the site. It is noted that the neighbouring Vales Point Power Station is a highly lit structure - and would generally make insignificant any impact of the CVC operations.	
36(b)	(b) take all practicable measures to further mitigate off-site lighting impacts from the project; and				The site was observed to be minimising its off-site lighting impact.	Nil
36(c)	(c) ensure that all external lighting associated on site complies with <i>Australian Standard AS4282 (INT) 1995 – Control of Obtrusive Effects of Outdoor Lighting,</i>				The site has not completed an assessment under AS4282 of off-site light impact. No complaints have been received by CVC in regard to light impact.  <b>Refer to Recommendation No. 22.</b>	Nil

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	to the satisfaction of the Director-General.					

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Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
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<b>WASTE</b>						
37	The Proponent shall:					
37(a)	(a) minimise the waste generated by the project; and				The site recycles many of its waste products, and is generally observed to manage waste well. Redundant spill kits were observed on site, and are attracting rubbish.  <b>Refer to Recommendation No. 23.</b>	
37(b)	(b) ensure that the waste generated by the project is appropriately stored, handled and disposed of, to the satisfaction of the Director-General.				The site is generally observed to be well managed with waste being appropriately stored. The washdown bay was observed to be in a generally poor condition, with a pump to lower water levels in the oily water sump being located outside of the bunded area. Areas of hydrocarbon staining were also evident, primarily associated with stored machinery.  <b>Refer to Recommendation No. 24.</b>	
<b>BUSHFIRE MANAGEMENT</b>						
38(a)	The Proponent shall: (a) ensure that the project is suitably equipped to respond to any fires on site; and				Fire fighting equipment, including hydrants, hoses and extinguishers are present on the surface and serviceability checks were evidenced as having been conducted as required. Hydrants are compatible with NSW emergency services fittings (and adaptors are maintained on site). Two 100,000L water tanks supply the reticulated fire hydrant line. A dedicated fire crew of approx. 20 workers is maintained (attending approx. 6 training sessions per year). The LDO Bushfire Fighting Standard was not identified by the fire officer during interview.  <b>Refer to Recommendation No. 25.</b>	MHP-0008 / D-13402, CVC Fire & Explosion Major Hazard Management Plan, LDO, 18 Nov 2010. STD-0053 Bushfire Fighting Standard, LDO 1/12/08. Fire training records (various dates).
38(b)	(b) assist the Rural Fire Service and emergency services as much as possible if there is a fire in the surrounding area.				CVC primary responsibility is to provide first response to a fire on the mine site. It is able to assist RFS and emergency services in the case of a fire in the surrounding area, where requested.	HSSTD-0003_D-13569_-_Emergency_Management. STD-0053 LDO Bushfire Fighting Standard, LDO 1/12/08.

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Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliance	Non-Compliant	Not Applicable		
<b>REHABILITATION</b>						
<b>Rehabilitation Objectives</b>						
39	The Proponent shall rehabilitate the surface facilities sites to the satisfaction of the Executive Director Mineral Resources. This rehabilitation must be generally consistent with the proposed rehabilitation strategy described in the EA, and comply with the objectives in Table 8.				CVC have undertaken rehabilitation of the area impacted by the air vent replacement works, however, it is generally understood that the main intent of this clause will only be fully relevant after mine closure.	EMP-D-16372 - Biodiversity Management Plan, dated 27/9/12, EMGA Mitchell McLennan Pty Limited.
39 (Notes1 & 2)	<i>Notes: 1) These rehabilitation objectives apply to all subsidence impacts and environmental consequences caused by mining taking place after the date of this approval; and to all project surface infrastructure part of the project, whether constructed prior to or following the date of this approval. 2) Rehabilitation of subsidence impacts and environmental consequences caused by mining which took place prior to the date of this approval may be subject to the requirements of other approvals (e.g. under a mining lease or an Subsidence Management Plan approval) or the Proponent's commitments.</i>				Noted	
<b>Progressive Rehabilitation</b>						
40	The Proponent shall carry out the rehabilitation of the site progressively, that is, as soon as reasonably practicable following disturbance.				CVC have undertaken rehabilitation of the area impacted by the works for the air vent replacement. Site inspection of the area indicated that the revegetation and land management works are becoming established. The work has been undertaken using suitable controls, which will remain in place while the site returns to its stable state.	Chain Valley Colliery Fan Augmentation Habitat Assessment Lake Coal 00264 0. MSP-D-15701 - Environmental Management Plan-Vent Shaft.
<b>Rehabilitation Management Plan</b>						
41	The Proponent shall prepare and implement a Rehabilitation Management Plan for the project to the satisfaction of the Executive Director Mineral Resources. This plan must:				This Clause has not been activated.	
41(a)	(a) be prepared in consultation with the Department, DPI Fisheries, WSC and the CCC;				This Clause has not been activated.	
41(b)	(b) be prepared in accordance with any relevant DRE guideline and be consistent with the rehabilitation objectives in the EA and Table 8;				This Clause has not been activated.	
41(c)	(c) provide for detailed mine closure planning, including measures to minimise socio-economic effects due to mine closure, to be conducted prior to the site being closed or placed on care and maintenance;				This Clause has not been activated.	
41(d)	(d) build, to the maximum extent practicable, on the other management plans required under this approval; and				This Clause has not been activated.	
41(e)	(e) be submitted to the Executive Director Mineral Resources for approval within 12 months of the date of this approval.				This Clause has not been activated.	

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		Compliance	Non-Compliant	Not Applicable		
<b>SCHEDULE 4 - NOTIFICATION PROCEDURES</b>						
<b>NOTIFICATION OF LANDOWNERS</b>						
1	As soon as practicable after obtaining monitoring results showing:					
1(a)	(a) an exceedance of any relevant criteria in Schedule 3, the Proponent shall notify affected landowners in writing of the exceedance, and provide regular monitoring results to each affected landowner until the project is again complying with the relevant criteria; and				No exceedance has impacted on landholders. A TSS exceedance in a laboratory sample was investigated, but as other samples taken at the same time were within specification, no further action was undertaken at the time.	120528 Memo - TSS Exceedance - May 2012.
1(b)	(b) an exceedance of any relevant air quality criteria in Schedule 3, 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).				No exceedances of the air quality criteria as measured have been recorded.	
<b>INDEPENDENT REVIEW</b>						
2	If an owner of privately-owned land considers the project to be exceeding the relevant criteria in Schedule 3, then he/she may ask the Director-General in writing for an independent review of the impacts of the project on his/her land. 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:				This Clause has not been activated.	
2(a)	(a) commission a suitably qualified, experienced and independent person(s), whose appointment has been approved by the Director-General, to: <ul style="list-style-type: none"> <li>consult with the landowner to determine his/her concerns;</li> <li>conduct monitoring to determine whether the project is complying with the relevant criteria in Schedule 3; and</li> <li>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</li> </ul>				This Clause has not been activated.	
2(b)	(b) give the Director-General and landowner a copy of the independent review .				This Clause has not been activated.	
3	If the independent review determines that the project is complying with the relevant impact assessment criteria in Schedule 3, then the Proponent may discontinue the independent review with the approval of the Director-General. If the independent review determines that the project is not complying with the relevant impact assessment criteria in Schedule 3, and that the project is primarily responsible for this non-compliance, then the Proponent shall:				This Clause has not been activated.	

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		Compliance	Non-Compliant	Not Applicable		
3(a)	(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				This Clause has not been activated.	
3(b)	(b) secure a written agreement with the landowner to allow exceedances of the relevant criteria;				This Clause has not been activated.	
	to the satisfaction of the Director-General.				This Clause has not been activated.	
<b>SCHEDULE 5 - ENVIRONMENTAL MANAGEMENT, REPORTING AND AUDITING</b>						
<b>ENVIRONMENTAL MANAGEMENT</b>						
<b>Environmental Management Strategy</b>						
1	The Proponent shall prepare and implement an Environmental Management Strategy for the project to the satisfaction of the Director-General. This strategy must:				The Environmental Management Strategy has been developed.	Chain Valley Colliery Environmental Management Strategy, OMP-D-16374, 12/10/2012.
1(a)	(a) be submitted for approval to the Director-General within nine months of the date of this approval;				The EMS was submitted less than nine months after the approval date.	Chain Valley Colliery Environmental Management Strategy, OMP-D-16374, 12/10/2012.
1(b)	(b) provide the strategic framework for the environmental management of the project;				The EMS provides a strategic framework for the environmental management of the project.	
1(c)	(c) identify the statutory approvals that apply to the project;				The EMS identifies the statutory approvals that apply to the project.	
1(d)	(d) describe the role, responsibility, authority and accountability of all key personnel involved in the environmental management of the project;				The EMS describes these aspects of the environmental management of the project.	
1(e)	(e) describe the procedures that would be implemented to: <ul style="list-style-type: none"> <li>· keep the local community and relevant agencies informed about the operation and environmental performance of the project;</li> <li>· receive, handle, respond to, and record complaints;</li> <li>· resolve any disputes that may arise during the course of the project;</li> <li>· respond to any non-compliance;</li> <li>· respond to emergencies; and</li> </ul>				The EMS sets out procedures to address: <ul style="list-style-type: none"> <li>- keeping informed the local community and agencies;</li> <li>- managing complaints;</li> <li>- resolving disputes; and</li> <li>- responding to emergencies.</li> </ul>	
1(f)	(f) include: <ul style="list-style-type: none"> <li>· copies of any strategies, plans and programs approved under the conditions of this approval; and</li> <li>· a clear plan depicting all the monitoring required to be carried out under the conditions of this approval.</li> </ul>				Included in EMS document	

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<b>Management Plan Requirements</b>						
2	The Proponent shall ensure that the management plans required under this approval are prepared in accordance with any relevant guidelines, and include:				It was reported that the development of management plans took any relevant guidelines into account.	Refer to individual Management Plans.
2(a)	(a) detailed baseline data;				Management plans report on baseline data where relevant.	Refer to individual Management Plans.
2(b)	(b) a description of: <ul style="list-style-type: none"> <li>· the relevant statutory requirements (including any relevant approval, licence or lease conditions);</li> <li>· any relevant limits or performance measures/criteria;</li> <li>· 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;</li> </ul>				The management plans include relevant statutory requirements, qualification of limits and criteria, and performance indicators.	Refer to individual Management Plans.
2(c)	(c) a description of the measures that would be implemented to comply with the relevant statutory requirements, limits, or performance measures/criteria;				The management plans include relevant measures to be implemented to comply with the relevant statutory requirements.	Refer to individual Management Plans.
2(d)	(d) a program to monitor and report on the: <ul style="list-style-type: none"> <li>· impacts and environmental performance of the project;</li> <li>· effectiveness of any management measures (see c above);</li> </ul>				The management plans include monitoring and reporting measures.	Refer to individual Management Plans.
2(e)	(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;				While CVC's operations are relatively mature and have minimal operational change, contingency plans have been included in each management plan.	Refer to individual Management Plans.
2(f)	(f) a protocol for managing and reporting any: <ul style="list-style-type: none"> <li>· incidents;</li> <li>· complaints;</li> <li>· non-compliances with statutory requirements; and</li> <li>· exceedances of the impact assessment criteria and/or performance criteria; and</li> </ul>				The protocol for managing and reporting complaints, incidents, non-compliances and exceedances is contained within the Complaint-Incident Register.	REG-D-13444 Complaint-Incident Register (Excel Spreadsheet)
2(g)	(g) a protocol for periodic review of the plan.				The management plans include periodic review requirements.	Refer to individual Management Plans.
2(Note)	<i>Note: The Director-General may waive some of these requirements if they are unnecessary for particular management plans.</i>				Administrative provision - compliance with this condition was not assessed.	

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		Compliance	Non-Compliant	Not Applicable		
<b>Adaptive Management</b>						
3	The Proponent must assess and manage project related risks to ensure that there are no exceedances of the criteria and/or performance measures in Schedule 3. Any exceedance of these criteria and/or 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. Where any exceedance of these criteria and/or performance measures has occurred, the Proponent must, at the earliest opportunity:				Measures to identify and manage risk and address any exceedance of the identified criteria are included in the Environmental Management System and all approved management plans.	
3(a)	(a) take all reasonable and feasible steps to ensure that the exceedance ceases and does not recur;				No exceedance of criteria has been identified since approval of the MP10_0161. Where relevant, measures to address criteria exceedances are generally included in each of the approved management plans.	
3(b)	(b) consider all reasonable and feasible options for remediation (where relevant) and submit a report to the Department describing those options and any preferred remediation measures or other course of action; and				This Clause has not been activated.	
3(c)	(c) implement remediation measures as directed by the Director-General,  to the satisfaction of the Director-General.				This Clause has not been activated.	
<b>Annual Review</b>						
4	By the end of 2012, and annually thereafter, the Proponent shall review the environmental performance of the project to the satisfaction of the Director-General. This review must:				This Clause has not been activated.	
4(a)	(a) describe the development (including any rehabilitation) that was carried out in the past calendar year, and the development that is proposed to be carried out over the next year;				This Clause has not been activated.	
4(b)	(b) include a comprehensive review of the monitoring results and complaints records of the project over the past calendar year, which includes a comparison of these results against the: · the relevant statutory requirements, limits or performance measures/criteria; · requirements of any plan or program required under this approval; · the monitoring results of previous years; and · the relevant predictions in the EA;				This Clause has not been activated.	
4(c)	(c) identify any non-compliance over the past year, and describe what actions were (or are being) taken to ensure compliance;				This Clause has not been activated.	

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4(d)	(d) identify any trends in the monitoring data over the life of the project;				This Clause has not been activated.	
4(e)	(e) identify any discrepancies between the predicted and actual impacts of the project, and analyse the potential cause of any significant discrepancies; and				This Clause has not been activated.	
4(f)	(f) describe what measures will be implemented over the next year to improve the environmental performance of the project.				This Clause has not been activated.	
<b>Revision of Strategies, Plans and Programs</b>						
5	Within 3 months of:					
5(a)	(a) the submission of an annual review under Condition 4 above;				This Clause has not been activated.	
5(b)	(b) the submission of an incident report under Condition 7 below;				This Clause has not been activated.	
5(c)	(c) the submission of an audit under Condition 9 below; and				This Clause has not been activated.	
5(d)	(d) any modification to the conditions of this approval (unless the conditions require otherwise),				The Mod 1 variation approval was given in August 2012, and resulted in minor updates and revisions of the conditions of the approval.	
5 (cont')	the Proponent shall review, and if necessary revise the relevant , strategies, plans, and programs required under this approval to the satisfaction of the Director-General.				CVC has undertaken a brief reviewed the management plans in response to the Mod 1 approval.	Chris Ellis pers comm.
5 (note)	<i>Note: This is to ensure the strategies, plans and programs are updated on a regular basis, and incorporate any recommended measures to improve the environmental performance of the project.</i>				Administrative provision - compliance with this condition was not assessed.	
<b>Community Consultative Committee</b>						
6	The Proponent shall establish and operate a Community Consultative Committee (CCC) for the project in general accordance with the <i>Guidelines for Establishing and Operating Community Consultative Committees for Mining Projects</i> (Department of Planning, 2007, or its latest version), and to the satisfaction of the Director-General. This CCC must be operating within seven months of the date of this approval.				The proponent has established and is operating a CCC that is in compliance with the requirements of this condition.	CVC D1&2 Appoint CCC Members 150412. 120306 Appointment of CCC Chair Margaret MacDonald-Hill. ChValley_120807-Minutes-of-Meeting-CCC-DRAFT. ChValley_121113-Minutes-of-Meeting-CCC-DRAFT. ChValley_120515 Minutes of Meeting - CCC-FINAL.
6(note)	<i>Notes:- The CCC is an advisory committee. The Department and other relevant agencies are responsible for ensuring that the Proponent complies with this approval; and · In accordance with the guideline, the Committee should be comprised of an independent chair and appropriate representation from the Proponent, Council, recognised environmental groups and the local community.</i>				Noted	

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<b>REPORTING</b>						
<b>Incident Reporting</b>						
7	The Proponent shall notify the Director-General and any other relevant agencies of any incident that has caused, or threatens to cause, material harm to the environment. For any other incidents 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.				The CVC Incident Management System identifies the requirement for management and reporting of incidents. Reporting of incident that cause or threaten material harm to the environment are required to be notified, as set out in the <i>Protection of the Environment Operations Act</i> . The Pollution Incident Response for CVC is set out in Duty Card 15.  <b>Refer to Recommendation No. 26.</b>	Environmental Management Strategy, 12/10/2012. Incident Management System Pollution Incident Response (Duty Card 15).
<b>Regular Reporting</b>						
8	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.				Required reporting of environmental performance is provided by CVC on its web site.	CVC website ( <a href="http://www.chainvalleymine.com.au">http://www.chainvalleymine.com.au</a> )
<b>INDEPENDENT ENVIRONMENTAL AUDIT</b>						
9	Within 12 months of this approval and every three 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:				This audit by Exis Pty Limited was undertaken in November 2012.	
9(a)	(a) be conducted by a suitably qualified, experienced and independent team of experts whose appointment has been endorsed by the Director-General;				The audit was undertaken by suitably qualified, experienced and independent team of experts. The appointment was endorsed by the Director-General.	120911 Appointment of Exis as Independent Environmental Auditor.
9(b)	(b) include consultation with the relevant agencies;				Consultation was not considered necessary to verify any audit findings.	
9(c)	(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); and				This audit has assessed the environmental performance of the project and its compliance with the requirements of the approval and other controls.	
9(d)	(d) recommend appropriate measures or actions to improve the environmental performance and rehabilitation of the project while on care and maintenance or following mine closure.				Recommendations are provided in s.3 of this audit report.	
9 (Note)	<i>Note: This audit team must be led by a suitably qualified auditor and include experts in any fields specified by the Director-General.</i>				The audit is certified as a Lead Environmental Auditor by RABQSA (Auditor No. 112925).	
10	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.				Noted	

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Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliance	Non-Compliant	Not Applicable		
<b>ACCESS TO INFORMATION</b>						
11(a)	<p>From the end of August 2012, the Proponent shall:</p> <p>(a) make copies of the following publicly available on its website:</p> <ul style="list-style-type: none"> <li>· the documents referred to in condition 2 of Schedule 2;</li> <li>· all relevant statutory approvals for the project;</li> <li>· all approved strategies, plans and programs required under the conditions of this approval;</li> <li>· a comprehensive summary of the monitoring results of the project, reported in accordance with the specifications in any approved plans or programs required under the conditions of this or any other approval;</li> <li>· a complaints register, which is to be updated on a monthly basis;</li> <li>· minutes of CCC meetings;</li> <li>· the annual reviews required under this approval;</li> <li>· any independent environmental audit of the project, and the Proponent's response to the recommendations in any audit;</li> <li>· any other matter required by the Director-General; and</li> </ul>				<p>CVC has published documents (list attached) relating to the following areas on the web site (<a href="http://www.chainvalleymine.com.au">www.chainvalleymine.com.au</a>):</p> <ul style="list-style-type: none"> <li>- Approvals and Licences</li> <li>- Annual Reports and Audits</li> <li>- Management Plans</li> <li>- Monitoring Results (2012)</li> <li>- Project Applications &amp; Modifications</li> <li>- Community</li> <li>- Project Site Boundary Diagram</li> <li>- Community Consultative Committee Information</li> <li>- Complaints Register</li> <li>- Newsletters</li> <li>- Contact details for Chain Valley Colliery</li> <li>- Community hotline 1800 687 557</li> <li>- CCC Member Contact List</li> <li>- Environmental Protection licence (EPL) 1770</li> </ul>	<ul style="list-style-type: none"> <li>•MP 10_0161 – Project Approval (Domains 1 &amp; 2 Continuation Project)</li> <li>•MP10_0161 (Mod 1) Approval</li> <li>•Subsidence Management Plan Approval</li> <li>•2010/2011 Annual Environmental Management Report</li> <li>•2011 End of Year Subsidence Report</li> <li>OMP-D-16374 – Environmental Management Strategy</li> <li>EMP-D-16370 – Noise Management Plan</li> <li>EMP-D-16369 – Air Quality and Greenhouse Gas Management Plan</li> <li>EMP-D-16372 – Biodiversity Management Plan</li> <li>EMP-D-16368 – Water Management Plan</li> <li>EMP-D-16591 – Best Management Practice Air Quality Assessment</li> <li>Road Transport Protocol, which includes; MSP-D-14559 – Coal Haulage Traffic Management Plan and POL-D-14926 Coal Haulage Driver Code of Conduct</li> <li>•Monthly Website Report – November 2012</li> <li>•Monthly Website Reports – April - October 2012</li> <li>•2011 End of Year Subsidence Report</li> <li>•Mining Extension 1 – Preliminary Environmental Assessment</li> <li>•Mining Extension 1 – DGRs</li> <li>•MP10_0161 (Modification 1) Approval</li> <li>•Modification 1 Response to Submissions</li> <li>•Environmental Assessment for Modification 1 to MP10_0161</li> <li>•Environmental Assessment for Modification 1 to MP10_0161 – Appendices</li> <li>•Project Approval MP10_0161 – Domains 1 &amp; 2 Continuation Project</li> <li>•Director Generals Assessment Report MP10_0161</li> </ul>
11(b)	(b) keep this information up-to-date,				CVC has provided updates on records such as the monthly monitoring results and minutes of the community consultation committee meetings.	
	to the satisfaction of the Director-General.					

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Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
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<b>APPENDIX 5 - STATEMENT OF COMMITMENTS</b>						
<b>Timing</b>	<b>Commitment</b>					
<b>Subsidence</b>						
Project design	The Project would be designed to take into account areas which may be sensitive to subsidence, including the lake foreshore, low lying land to the 2.44 metre contour and seagrass communities.				The subsidence management plans and subsidence monitoring programs cover the foreshore, low lying lands and seagrass communities.	Project Approval Application Number 10_0161, LakeCoal Pty Ltd, Chain Valley Colliery Domains 1 & 2 Continuations Project. Dated 23rd January 2012.
Project design	The Project would be designed such that no secondary extraction would be undertaken within a 26.5 degree angle of draw to the seaward extent of the Seagrass communities and the 35 degree angle of draw to the high water mark of the lake.				The SMP has been designed with the required angle of draw to meet these requirements.	Project Approval Application Number 10_0161, LakeCoal Pty Ltd, Chain Valley Colliery Domains 1 & 2 Continuations Project. Dated 23rd January 2012.
During mining operations	Only first workings would be undertaken within Parcel A.				The SMP identifies that only first working will be undertaken within Parcel A.	Project Approval Application Number 10_0161, LakeCoal Pty Ltd, Chain Valley Colliery Domains 1 & 2 Continuations Project. Dated 23rd January 2012.
During mining operations	LakeCoal acknowledges that the Chain Valley Colliery site is located within the Swansea / North Entrance Mine Subsidence District and as such, any new surface improvements or alterations to existing improvements would require the approval of the Mine Subsidence Board.				Mine Subsidence Board approval for ventilation fan site upgrade was issued as required.	Approved development inc MSB_acrocert - Vent Fans and switch room, App No. 2012 0116 , date 23 February 2012. MSB stamped plan dated 9 Jan 2012. Acrocert (certifier) letter of approval - Vent Fans and switch room, Application 20120116, 23 Feb 2012.
During mining operations	Subsidence issues associated with the changes to the mine layout from the current Subsidence Management Plan (SMP) approvals would be addressed via an SMP variation application to the Division of Resources & Energy.				The subsidence management plan was varied by approval given by DRE on 27 July 2011. The current SMP is Plan No. C4P0152 titled "Chain Valley Colliery - Fassifern Seam - "Domain No2" SMP Approved Plan - Miniwall Secondary Extraction".	110727 DRE letter giving SMP Approval Domain No2 Miniwall's 1-5, 27 July 2011. 2012 Group Exploration Report 04052012 20120411 - Lake Coal Long Sections Sheet 1 of 5
	Following receipt of Project approval, a detailed Extraction Plan and/or Subsidence Management Plan (as required by the relevant Authorities at the time, would be prepared which would build on the approved Subsidence Management Plans for No 1 Domain and No 2 Domain. The Plan(s) would address the matters specified in the approval and any relevant guidelines including:				The current SMP (approval dated 27 July 2011) satisfies the Extraction Plan requirements set out in clause 6 of the development approval (granted by DoPI on 23 January 2012).	Project Approval Application Number 10_0161, LakeCoal Pty Ltd, Chain Valley Colliery Domains 1 & 2 Continuations Project.. Dated 23rd January 2012.
	- Further outlining and clarifying the subsidence barriers and environmental safeguards developed to prevent subsidence adversely impacting on the environment.				CVC undertook additional work on clarifying subsidence barriers, in the variation to mining sought in Mod 1.	Chain Valley Colliery, Fassifern Seam – Subsidence Management Plan Approval - Domain No2, Clause 12 Subsidence Monitoring , date 31 May 2010 (for SMP date 27April 2010).

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Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
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	- Nomination of a conservative proven mine design specifically focussed on controlling the levels of subsidence in nominated areas of the surface above mining.				Monitoring results are given in the Domain 2 End of year report, as required by Clause 16 of the Approval. Also, the DoPI assessment of Mod 1 identifies that the subsidence impacts reported for the original EA are less than modelled, and are therefore conservative.	Mod 1 Assessment Report by DoPI 120331 End of Year Report - Domain No. 2.
	- Programs to monitor subsidence impacts.				The description of the subsidence monitoring program is given in "Domain No2. Subsidence Monitoring 31052010", while the locations are identified in "C4P0125 Subsidence Monitoring Plan".	Domain No2 Subsidence Monitoring 31052010 (description). C4P0125 Subsidence Monitoring Plan (locations).
<b>Ecology</b>						
Within 6 months of Project Approval	The existing Seagrass Management Plan would be reviewed in consultation with DTIRIS (Fisheries) and Lake Macquarie City Council and updated as warranted. The review shall:				CVC commissioned a seagrass survey (undertaken in June 2012 and reported in August 2012). There is evidence that CVC provided the survey report (in hardcopy) to; DTIRIS (Division of Resources and Energy), Mr Greg Summerhayes and Department of Primary Industries (Fisheries), Mr Scott Carter. There was no evidence of provision of the report to LMCC at that time. The Seagrass Management Plan was not reviewed in consultation with DTIRIS (Fisheries) and LMCC within six months of the project approval.  <b>Refer to Recommendation No. 27.</b>	Seagrass Survey of Chain Valley Bay, Summerland Point and Crangan Bay, Lake Macquarie, NSW. (Results for 2008, 2010, 2011 and 2012) by John H. Laxton and Emma Laxton. 120919 Letter to DRE re 2012 seagrass report Seagrass Management Plan April 2008.
	- the need for additional baseline data analysis and conduct Tests of statistical significance;				The monitoring of seagrass by CVC is ongoing at this stage, however, there is no evidence that the analysis of seagrass undertaken in the 2012 survey report has been reviewed as required.  <b>Refer to Recommendation No. 28.</b>	Seagrass Survey of Chain Valley Bay, Summerland Point and Crangan Bay, Lake Macquarie, NSW. (Results for 2008, 2010, 2011 and 2012) by John H. Laxton and Emma Laxton. 120919 Letter to DRE re 2012 seagrass report Seagrass Management Plan April 2008.
	- the continuation of data collection in order to determine natural variation in seagrass distribution and abundance; and				There is no evidence that continuing data collection on seagrass has been reviewed as required.  <b>Refer to Recommendation No. 29.</b>	Seagrass Survey of Chain Valley Bay, Summerland Point and Crangan Bay, Lake Macquarie, NSW. (Results for 2008, 2010, 2011 and 2012) by John H. Laxton and Emma Laxton. 120919 Letter to DRE re 2012 seagrass report Seagrass Management Plan April 2008.

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Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
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	- provide clear definitions of seagrass impact threshold criteria.				There is no evidence that a review has provided clear definitions of seagrass impact threshold criteria has been undertaken as required.  <b>Refer to Recommendation No. 30.</b>	Seagrass Survey of Chain Valley Bay, Summerland Point and Crangan Bay, Lake Macquarie, NSW. (Results for 2008, 2010, 2011 and 2012) by John H. Laxton and Emma Laxton. 120919 Letter to DRE re 2012 seagrass report Seagrass Management Plan April 2008.
	- <i>If identified through the monitoring program, subsidence is found to occur in areas known to contain seagrass beds (as identified in Figure 10) and loss of seagrass habitat has been determined to have occurred as a result of this subsidence, then LakeCoal would commit to undertaking remediation strategies to replace an equal area of any loss of seagrass habitat that has occurred.</i>				This Clause has not been activated.	
	- <i>Remediation and or mitigation strategies would be included in the updated Seagrass Management Plan (SGMP), in consultation with and requiring the approval of DTIRIS. Where remediation on-site is not viable, mitigation would be undertaken at other sites within Lake Macquarie in consultation with DTIRIS (Fisheries) and LMCC.</i>				This Clause has not been activated.	
Within 6 months of Project Approval	LakeCoal will commence monitoring of the health of Swamp Sclerophyll Floodplain Forest EEC that receives mine discharge water downstream of the sedimentation and pollution control ponds. Any harm to EEC vegetation due to mine water discharge would be offset in accordance with OEH policy.				The first round of monitoring was completed as part of the development of the Biodiversity Management Plan. A proforma for vegetation condition monitoring is provided in Appendix 1 of the BMP. Monitoring guidelines for the Swamp Oak Forest are included in Section 9 of the BMP, together with local benchmarks established by baseline monitoring.	EMP-D-16372 - Biodiversity Management Plan.
During construction of the ventilation fan augmentation	Weeds on the site would be managed in the following manner:				Weeds management controls for Lake Coal are detailed in Section 5 of the BMP. The <i>Environmental Management Plan Ventilation Shaft Site – Fan Upgrade</i> includes specific details relating to the vent shaft site.	EMP-D-16372 - Biodiversity Management Plan. MSP-D-15701 - Environmental Management Plan-Vent Shaft.
	- Dense infestations of Lantana are to be removed or controlled prior to the commencement of vegetation clearing works.				Before and after photos were sighted and indicate compliance with this clause. Site inspection of the vent shaft site at Summerland Point confirmed this.	Before and after photos of vegetation at the vent shaft construction site (various dates).
	- earthworking equipment and vehicles would be cleaned of excess soil by brushing and/or hosing at the commencement and completion of construction works in order to minimise the likelihood of the spread of weed seeds and plant pathogens;				It was reported that construction contractors complied with this clause. Examination of the Construction EMP and Environmental Management Plan Ventilation Shaft Site – Fan Upgrade shows that this was included in the plan(s).	MSP-D-15701 - Environmental Management Plan-Ventilation Shaft Site -fan upgrade. MSP-D-15701 - Environmental Management Plan-Vent Shaft.

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Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
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	- sediment fences and sediment traps would be put in place for the duration of the construction works until disturbed areas have been stabilised by rehabilitation works, to prevent sediments that contain weed seeds, weed propagules and plant pathogens leaving the site;				It was reported that construction contractors complied with this clause. Examination of the Construction EMP and Environmental Management Plan Ventilation Shaft Site – Fan Upgrade shows that this was included in the plan(s).	MSP-D-15701 - Environmental Management Plan-Ventilation Shaft Site -fan upgrade. MSP-D-15701 - Environmental Management Plan-Vent Shaft.
	- disturbed areas would be kept to a minimum and be revegetated as soon as practically possible. This is to reduce the opportunities for weeds to colonise disturbed areas and also to minimise the potential for erosion and sediment transport;				It was reported that construction contractors complied with this clause. Examination of the Construction EMP and Environmental Management Plan Ventilation Shaft Site – Fan Upgrade shows that this was included in the plan(s).	MSP-D-15701 - Environmental Management Plan-Ventilation Shaft Site -fan upgrade. MSP-D-15701 - Environmental Management Plan-Vent Shaft.
	- any soil and vegetation removed from the site would be covered during transport and only taken to approved disposal sites, to minimise the risks of spreading weeds and plant pathogens beyond the area of disturbance; and				It was reported that construction contractors complied with this clause. Examination of the Construction EMP and Environmental Management Plan Ventilation Shaft Site – Fan Upgrade shows that this was included in the plan(s).	MSP-D-15701 - Environmental Management Plan-Ventilation Shaft Site -fan upgrade. MSP-D-15701 - Environmental Management Plan-Vent Shaft.
	- seasonal monitoring and weed control would be undertaken as necessary following the completion of works to minimise the spread of weeds into nearby remnant vegetation.				Review of the <i>Environmental Management Plan Ventilation Shaft Site – Fan Upgrade</i> shows that this was included in the plan.	MSP-D-15701 - Environmental Management Plan-Ventilation Shaft Site -fan upgrade. MSP-D-15701 - Environmental Management Plan-Vent Shaft.
During construction of the ventilation fan augmentation	The following measures would be applied to minimise potential impacts to native fauna associated with removal of native vegetation as part of the proposed works:				A Pre-Clearing Ecological Assessment was prepared by Forest Fauna Surveys in Feb 2012 prior to commencement of clearing operations. This survey identified suitable measures consistent with this Clause of the Project Approval for protection of fauna associated with the removal of native vegetation as part of the proposed works.	Pre-Clearing Ecological Assessment (Forest Fauna Surveys, Feb 2012).
	- A qualified and suitably experienced fauna spotter is to be present during tree-felling to check for wildlife and to capture or relocate animals if necessary.				It was reported that this occurred.	
	- Immediately prior to clearing, canopy trees would be visually inspected for the presence of fauna by a suitably qualified ecologist;				It was reported that this occurred.	CVC Ventilation Fan Augmentation Pre-Clearing Ecological Assessment Report to LAKECOAL, 23 JANUARY 2012, Forest Fauna Surveys Pty Ltd.
	- If fauna species are detected in a tree scheduled for clearing, the tree is to be nudged prior to felling to encourage the fauna to vacate the tree prior to felling.				It was reported that this occurred.	

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	- If threatened fauna are located in trees scheduled to be cleared, clearing is be halted until the fauna has been relocated.				It was reported that this occurred.	
	- Felled trees are to be left in-situ for at least 24 hours to allow the escape of fauna that may be hidden in hollows, under bark, etc.				It was reported that this occurred.	
	- If any wildlife is inadvertently injured during the proposed works, WIRES or an accredited veterinarian would be contacted.				It was reported that there were no wildlife injuries reported.	
<b>Surface Water and Soils</b>						
Project design	Rainwater tanks would be installed at the operations block and workshop area for use at the Chain Valley Mine.				Two rainwater tanks will be installed on site. One is currently on site, the other has been ordered. This is considered to be complying as work on the rainwater tank installation is progressing .	Water Management Audit 2012, Chain Valley Colliery, LDO01-001, GSS Environmental, February 2012. Order number 462222 01, Hunter Irrigation and Water Solutions, supply of 22,500 litre water tank, 9 October 2012.
Prior to construction of the ventilation fan	A detailed Construction Soil and Water Management Plan would be developed in accordance with <i>Managing Urban Stormwater – Soils and Construction</i> (Landcom, 2004).				A construction EMP incorporating a CSWMP was developed for the re-construction of the ventilation fan.	MSP-D-15701, MSP-D-15701 - Environmental Management Plan-Ventilation Shaft Site -fan upgrade (inc Construction Soil and Water Management Plan).
Prior to construction of the ventilation fan	Sediment traps would be installed downslope of areas of exposed soils external to the catchments identified in Figure 10-2 of the EA during construction works to protect downstream water quality.				Works were undertaken against a CSWMP, and sediment drains and traps were observed to have been constructed and maintained. Some silt fencing was observed to require maintenance.	MSP-D-15701, MSP-D-15701 - Environmental Management Plan-Ventilation Shaft Site -fan upgrade (inc Construction Soil and Water Management Plan).
During construction of the ventilation fan	Disturbance of acid sulfate soils (ASS) would be avoided wherever practicable. Where ASS has the potential to be disturbed, an ASS Management Plan would be prepared. Any ASS disturbed would be tested and handled in accordance with the ASS Management Plan and would be treated or disposed of to an appropriately-licensed facility.				The EMP identified that construction work did not impact on acid sulfate soils.	MSP-D-15701, MSP-D-15701 - Environmental Management Plan-Ventilation Shaft Site -fan upgrade (inc Construction Soil and Water Management Plan).
During mining operations	An internal audit of water management practices would be undertaken with the aim of improving overall water efficiency and to reduce total potable water consumption. The scope of the audit would include:				An initial water management audit was undertaken and reported in Feb 2012. The audit identified 28 sites at which action were recommended. Water management activities identified in the Audit and Water Management Plan will be implemented.	Water Management Audit 2012, Chain Valley Colliery, LDO01-001, GSS Environmental, February 2012.
	- review of water consumption by individual facilities, equipment and appliances;				Water consumption by facilities is yet to be reviewed.  <b>Refer to Recommendation No. 31.</b>	

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	- consideration of measures to improve water efficiency through behavioural change, revised operational procedures or equipment modification/upgrades;				The Feb 2012 Water Audit recommended many changes to improve water quality, and prioritised them for completion. It was observed during this audit that the highest priority task (site 24-25) has been completed - completion of other actions were not specifically assessed in this audit, however Table 20 in the Water Management Plan captures actions from the Water audit.	Water Management Audit 2012, Chain Valley Colliery, LDO01-001, GSS Environmental, February 2012.
	- investigation of alternative water supplies; and				Two water tanks are to be installed (approximately 22,000 litres each), supplying around 10ML of site water each year (pers comm). One tank is currently on site and the other has had a purchase order issued. Arrangements for water re-use are being finalised (pers comm).  <b>Refer to Recommendation No. 32.</b>	Order number 462222 01, Hunter Irrigation and Water Solutions, supply of 22,500 litre water tank, 9 October 2012. Chris Ellis pers comm.
	- consideration of on-site opportunities for water recycling and reuse.				The Feb 2012 Water Audit identifies a number of onsite water re-use options which require refinement. Opportunities for water recycling include use in the water cart, but other options are being canvassed (pers comm).  <b>Refer to Recommendation No. 33.</b>	Chris pers comm.
During mining operations	Improvements would be made with regard to the stormwater quality and runoff from the impervious surfaces of the car park and site entry. Any such improvements would be determined as part of the site water audit to be undertaken following Project Approval.				Improvements to stormwater systems have been designed and are programmed for implementation.	Chain Valley Colliery - Water Management Plan, EMP-D-16368, GSS Environmental, 28/09/2012.
During mining operations	A revised Water Management Plan would be submitted for endorsement to the NSW Office of Water, Lake Macquarie City Council and Wyong Shire Council, and for approval to the Director General. The site Water Management Plan shall include:				The revised Water Management Plan has been developed, submitted to the NOW and has been approved.	
	- Details of site water balance, including source(s) of water from which supply shall be obtained, and entitlements under which any supply of water from a water source governed under the <i>Water Sharing Plan for the Central Coast Unregulated Water Sources 2009</i> is obtained.				Water balance information was included in the approved Water Management Plan	
	- Demonstration of maximising the beneficial reuse of water intercepted and obtained from the underground mining operation, and any surface capture of water runoff from the internal catchment circuitry.				Water re-use is being increased with the installation of roof water capture and storage. Further options will be developed.	

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	- Demonstration that any harvesting of clean catchment runoff for beneficial use for the Colliery is obtained in compliance with the NSW Harvestable Rights Order, established under S.54 of the <i>Water Management Act 2000</i> .				Addressed in Chain Valley Colliery - Water Management Plan, EMP-D-16368, GSS Environmental, 28/09/2012.	Chain Valley Colliery - Water Management Plan, EMP-D-16368, GSS Environmental, 28/09/2012.
	- A groundwater monitoring plan, which provides justification to any monitoring arrangement within unconsolidated or porous rock aquifers in consultation with the NSW Office of Water. This shall include locations, target strata and/or aquifers, parameters, frequency and reporting of data and interpretation of results in consultation with the NSW Office of Water.				A Ground Water Monitoring Plan was included in the approved Water Management Plan.	Chain Valley Colliery - Water Management Plan, EMP-D-16368, GSS Environmental, 28/09/2012.
	- A surface and ground response strategy, which defines and explains trigger levels, response actions and any mitigation and/or rehabilitation measures which shall be undertaken for the project.				A Surface and Ground Water Response Strategy was included in the approved Water Management Plan.	Chain Valley Colliery - Water Management Plan, EMP-D-16368, GSS Environmental, 28/09/2012.
	- Incorporate principles from the Landcom "Blue Book" for any improvements made to site as a result of recommendation from the site water audit.				The WMP incorporates principles from the "Blue Book".	Chain Valley Colliery - Water Management Plan, EMP-D-16368, GSS Environmental, 28/09/2012.
	- Detail the current wastewater treatment train, pollutant removal and disposal, water infiltration, discharge point and rates, existing basin capacity and the ongoing maintenance program.				This is being developed, and has benefitted from a range of site investigations and analysis.	Chain Valley Colliery - Water Management Plan, EMP-D-16368, GSS Environmental, 28/09/2012. Water Management Audit 2012, Chain Valley Colliery, LDO01-001, GSS Environmental, February 2012.
	- Minimising the erosion of soil from disturbed areas by: · Limiting the area of disturbance and period of exposure. · Implementation of site management procedures such as watering of disturbed areas and unsecured stockpiles. · Installation of sediment traps around areas of exposed soils to protect downstream water quality.				This is being developed, and has benefitted from a range of site investigations and analysis.	
	- Relevant licences and management plans are in place for the correct storage and handling of all hydrocarbons at the Chain Valley Mine.				The site does not hold sufficient quantities of hydrocarbons to require licensing as a major hazard facility in NSW.	
	- Suitable bunding has been installed around all liquid storage areas and would be maintained for the life of the Project.				Bunding was observed to be suitable. The main storage bunds had drainage valves fitted with locks and signage as required by AS 1940. Site inspection revealed that some bunding was not being maintained at the time of the audit however (e.g. bund in main workshop was close to overflowing, as were drip trays located adjacent to the bund).  <b>Refer to Recommendation No. 34.</b>	

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	- Oil separator filtration traps are used for regular servicing of the diesel fleet machinery.				The oil separator has been recently upgraded and will operate in tandem with the water storage sump. As identified in the Water Audit, the general arrangement of this area should be revised to separate clean and process water, minimise risks for dispersal and possible off-site hydrocarbon impact and hydrocarbon contamination of soils.  <b>Refer to Recommendation No. 35.</b>	Weekly Inspection form - Oil Water Separator Frm D-16464, Work Order 1WOWSM. Monthly Inspection form - Oil Water Separator Frm D-16465, Work Order 4WOWSM. Water Management Audit 2012, Chain Valley Colliery, LDO01-001, GSS Environmental, February 2012.
	- All waste sump oil is removed from site and disposed of by a licensed external waste collection company.				Evidence of suitable disposal was provided.	Worth Recycling - Oily sedimentation & oily water pit - vacuum, 4626m date 21/6/10. Veolia Env Services, Vac Oily sludge from pit. 90340, 9/2/12 (60,000 Litres).
During mining operations	Recommendations of the site water audit would determine the nature of any works which may relate to an upgrade of existing water infrastructure. Where necessary, a comprehensive report would be prepared prior to the commencement of works, by an experienced and qualified person, including water quality modelling (for example MUSIC) and engineering plans.				Action identified in Feb 2012 Water Audit should be reviewed for implementation.  <b>Refer to Recommendation No. 35.</b>	Water Management Audit 2012, Chain Valley Colliery, LDO01-001, GSS Environmental, February 2012.
	LakeCoal would obtain all appropriate licences and approvals to undertake such works and update the site's Water Management Plan accordingly.				CVC has applied for a ground water licence needed for current dewatering activities (see Schedule 3, Clause 27 above). Other licences appear to be held as required.  <b>Refer to Recommendation No. 16.</b>	
During mining operations	Sufficient water supply would be ensured for all stages of mine development. Should insufficient water supply be available, the Project shall be scaled back to match its water supply.				Noted	

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Within one year of Project Approval	LakeCoal is committed to securing and complying with all necessary environmental and planning approvals. Within one year of Project Approval, LakeCoal would supply the NSW Office of Water with records to demonstrate compliance with any statutory authority regulated under either the <i>Water Act 1912</i> or <i>Water Management Act 2000</i> , which would include reference to all licences obtained under either statute, volumes authorised under licence and registration of any dealings undertaken in accordance with the NSW Access Dealings Principles Order 2004 and rules of the <i>Water Sharing Plan for the Central Coast Unregulated Water Sources 2009</i> .				This Clause has not been activated.	
Annually, commencing upon Project Approval	Annual reporting of water balance, monitoring results and any response actions defined in the site Water Management Plan, shall be provided to the NSW Office of Water.				The water balance, monitoring results and responses are defined in the WMP, and reported in the Annual Report (previously AEMR) and provided to various agencies including NSW Office of Water.	
During mining operations	Investigations of alternate water supply options to the Wyong Water Supply Authority would be undertaken, to account for, and if necessary reduce existing and increased water supply from the Authority.				Clean water collected from roof tops will be used to replace potable water where possible. Other options will be further investigated.	Chain Valley Colliery - Water Management Plan, EMP-D-16368, GSS Environmental, 28/09/2012. Water Management Audit 2012, Chain Valley Colliery, LDO01-001, GSS Environmental, February 2012.
During mining operations	Hydrocarbons would continue to be stored on site in accordance with existing licences and management plans.				Hydrocarbons are stored in suitable areas, including permanent bunding for larger volumes, and on temporary bunding when used in the yard.	Chain Valley Colliery - Water Management Plan, EMP-D-16368, GSS Environmental, 28/09/2012. Water Management Audit 2012, Chain Valley Colliery, LDO01-001, GSS Environmental, February 2012.
During mining operations	Existing bunding would be maintained around liquid storage areas.				The existing bunding around the liquid store area to be retained, and reviewed with an objective of separating clean and dirty water systems as far as possible.  <b>Refer to Recommendation No. 36.</b>	Chain Valley Colliery - Water Management Plan, EMP-D-16368, GSS Environmental, 28/09/2012. Water Management Audit 2012, Chain Valley Colliery, LDO01-001, GSS Environmental, February 2012.
During mining operations	Oil separator filtration traps would continue to be used during regular servicing of the diesel fleet machinery.				Oil separator has been upgraded.	Chain Valley Colliery - Water Management Plan, EMP-D-16368, GSS Environmental, 28/09/2012. Water Management Audit 2012, Chain Valley Colliery, LDO01-001, GSS Environmental, February 2012.

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Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliance	Non-Compliant	Not Applicable		
During mining operations	Existing monitoring of ponds would continue, to assist in the identification of the need for erosion-related maintenance.				Several of the ponds are in urgent need of de-silting, and should have markers installed to identify depth of sedimentation once they have been cleaned out. The capacity of at least one pond to retain sediment is close to zero.  <b>Refer to Recommendation No. 19.</b>	Chain Valley Colliery - Water Management Plan, EMP-D-16368, GSS Environmental, 28/09/2012. Water Management Audit 2012, Chain Valley Colliery, LDO01-001, GSS Environmental, February 2012.
During mining operations	Water that is likely to be contaminated with suspended solids, oil and grease, such as the oil storage facilities, diesel tank storage, workshop maintenance areas and wash bay, would continue to be directed to, and treated by, an oily water separator.				CVC to ensure that all process and dirty water flows to the oily water sump for processing through the oily water separator.	Chain Valley Colliery - Water Management Plan, EMP-D-16368, GSS Environmental, 28/09/2012. Water Management Audit 2012, Chain Valley Colliery, LDO01-001, GSS Environmental, February 2012.
During mining operations	Water that is potentially contaminated with suspended solids, for example, from unsealed areas, would continue to be directed to the existing ponds.				Ponds are to be de-silted and continue to be used for water quality improvement.  <b>Refer to Recommendation No. 19.</b>	Chain Valley Colliery - Water Management Plan, EMP-D-16368, GSS Environmental, 28/09/2012. Water Management Audit 2012, Chain Valley Colliery, LDO01-001, GSS Environmental, February 2012.
During mining operations	Further investigation of sedimentation of surface water would be undertaken and appropriate treatment/management implemented, based upon findings of the surface water audit.				Findings and recommendations of the water audit and water management plan to be acted on.	Chain Valley Colliery - Water Management Plan, EMP-D-16368, GSS Environmental, 28/09/2012. Water Management Audit 2012, Chain Valley Colliery, LDO01-001, GSS Environmental, February 2012.
During mining operations	Surface water quality would continue to be monitored in accordance with EPL 1770 for the site.				Surface water quality is being monitored in accordance with EPL 1770.	Chain Valley Colliery - Water Management Plan, EMP-D-16368, GSS Environmental, 28/09/2012.
During mining operations	Existing surface water quality monitoring would be supplemented with the following:					
	- incorporation of upstream and downstream sampling points, in addition to those required by EPL 1770, to enable background conditions and the contribution of surface water contaminants from Chain Valley Mine to be assessed;				Upstream and downstream water quality sampling is being undertaken for background characterisation.	Chain Valley Colliery - Water Management Plan, EMP-D-16368, GSS Environmental, 28/09/2012.
	- analysis for a wider range of analytes than those required under EPL 1770, including oil and grease;				Additional analytes are part of the water quality sampling being undertaken for background characterisation.	Chain Valley Colliery - Water Management Plan, EMP-D-16368, GSS Environmental, 28/09/2012.

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Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliance	Non-Compliant	Not Applicable		
	<ul style="list-style-type: none"> <li>the development or maintenance on-site of written protocols for:                             <ul style="list-style-type: none"> <li>collection and analysis of surface water samples; and</li> <li>review and evaluation of surface water analytical results to confirm that adverse impacts for the discharge of water from the site is identified, addressed and reported in a timely manner;</li> </ul> </li> </ul>				<p>There is a written protocol for collection and analysis of surface water samples and actions to be undertaken if analytical results do not achieve the required limits. This procedure is not maintained as required by this clause (has not been updated since 2008 and refers to Peabody as the site owner).</p> <p><b>Refer to Recommendation No. 37.</b></p>	Chain Valley Colliery - Procedures for Water Sampling from Pit Top Dams, EPA Licence No. 1584, Nov 2008.
	development of site specific criteria following the collection of two years of surface water quality data with appropriate limits of detection.				Water quality data is still being collected prior to characterisation and criteria setting.	Water Quality data is published monthly on the CVC web site, and reported annually in the Annual Environment Management Report/Annual Report.
During mining operations	A surface water reticulation irrigation line with dust suppression sprinklers would be utilised to suppress dust during coal processing.				Dust suppression sprinklers are in place on coal lines. Dust during coal preparation is not a significant problem under most weather conditions.	
During mining operations	The existing sprinklers installed around the access roads to the final product bin and in the product coal stockpile areas would be upgraded to minimise the generation of dust.				CVC does not consider dust a significant issue, and are considering the options for a revised sprinkler system on stockpile and loading areas to minimise dust generation.	
During mining operations	Existing dust minimisation measures would continue including use of a road sweeper to water internal roads and education of truck drivers to cover loads.				The road are understood to be swept regularly by a road sweeper and a water cart is in operation on the site .	Chain Valley Colliery - Water Management Plan, EMP-D-16368, GSS Environmental, 28/09/2012.
<b>Groundwater</b>						
Currently in progress	LakeCoal has submitted a Groundwater Licence application to NOW, seeking approval to pump a mix of potable and groundwater from the underground workings sump to the sedimentation and pollution control ponds at the pit top.				The groundwater licence has progressed, and it is expected that NOW has all of the required information to finalise it.	120921 RE LakeCoal groundwater licence email.
<b>Traffic and Transport</b>						
During mining operations	Coal transport to Newcastle Port for export would be along Ruttleys Road, then south along the Pacific Highway and the Doyalson Link Road to the F3 Freeway Interchange at Sparks Road. The route would then follow the F3 Freeway to its northern end, then easterly on John Renshaw Drive and the New England Highway and then south to the Newcastle Port via the Pacific Highway (Maitland Road), Industrial Highway and Elizabeth Street.				The route for coal transport to Newcastle Port is identified in the Coal Haulage Traffic Management Plan.	Chain Valley Colliery Road Transport Protocol, prepared by NSW Planning, 25 February 2003. inc MSP-D-14559 Coal Haulage Traffic Management Plan and POL-D-14926. Coal Haulage Driver Code of Conduct. Variation to RTP approved by Minister for Mineral Resources, 2004.

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Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliance	Non-Compliant	Not Applicable		
During mining operations	Records would be kept of all haulage vehicles leaving and entering the Chain Valley Mine including details of departure and arrival times and haulage routes used.				Accurate records of the amount of coal transported from the site is available from the records of the weighbridge. Driver log sheets are also maintained.	Tonnages by Truck Movement 2011 spreadsheet. Tonnages by Truck Movement 2012 spreadsheet. Driver log sheets (various dates).
During mining operations	Haulage would only be undertaken on weekdays. No haulage would occur on public holidays.				Coal haulage hours are specified in the approval, and is being met by CVC and the haulage contractors. This was confirmed by an independent traffic audit reported in September 2012.	MSP-D-14559 Coal Haulage Traffic Management Plan. CVC - Independent Traffic Audit, GHD, 28 September 2012.
Within 6 months of Project Approval	The existing Traffic Management Plan would be revised / updated and implemented, and would include: - procedures to ensure that drivers adhere to the designated haulage routes as required under these safeguards; - measures to achieve a low-frequency, regular trucking schedule rather than a high-frequency, campaign trucking schedule. Consideration would be given to arrangements with the Port of Newcastle to receive long-lead time ship nominations and to store coal at the facility where there is discontinuance in the lease holder's ship nominations; - contingency plans where, for example the designated transport routes are disrupted or arrangements with the Port of Newcastle to maintain even scheduling of truck movements are not available. This would also address procedures for notifying relevant agencies of the required implementation of any such contingency plans; - details of procedures for receiving and addressing complaints from the community concerning traffic issues associated with haulage from the Project; - measures to ensure that the provisions of the Traffic Management Plan are implemented, for example education of drivers and any contractual agreements with operators of heavy vehicles which service the Project.				The Road Transport Protocol has been developed after consultation with the relevant agencies. The RTP has been varied by Ministerial approval, 2004, and now includes the coal haulage traffic management plan and coal haulage driver code of conduct. The required matters are addressed in these documents.	Chain Valley Colliery Road Transport Protocol, Prepared by NSW Planning, 25 February 2003. inc MSP-D-14559 Coal Haulage Traffic Management Plan. POL-D-14926 Coal Haulage Driver Code of Conduct. Variation to RTP approved by Minister for Mineral Resources, 2004.

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Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliance	Non-Compliant	Not Applicable		
Within 6 months of Project Approval	The Driver Code of Conduct would be amended / updated and implemented, and would address: <ul style="list-style-type: none"> <li>- address travelling speeds;</li> <li>- include instructions to drivers not to overtake each other on the haulage routes, as far as practicable, and to maintain appropriate distances between vehicles;</li> <li>- include instruction to drivers to adhere to the designated haulage routes;</li> <li>- include instruction to drivers to be especially safety conscious and to ensure that traffic regulations are obeyed strictly;</li> <li>- address driver training in the Code to ensure that all drivers are made aware and to do; and</li> <li>- include procedures for ensuring compliance with and enforcement of the Code.</li> </ul>				The Coal Haulage Driver Code of Conduct addresses the requirements of this condition.	MSP-D-14559 Coal Haulage Traffic Management Plan.
During mining operations	An independent traffic consultant would be engaged to conduct a traffic audit of the Project six months after obtaining Project Approval. The audit would include: <ul style="list-style-type: none"> <li>- haulage contractor records and any available receipt records;</li> <li>- provision of estimates of average daily truck movements on these haulage routes, including identification of haulage trucks travelling to and from the Chain Valley Mine;</li> <li>- hours of haulage for trucks leaving and returning to the site; and</li> <li>- advice on compliance with the Driver's Code of Conduct.</li> </ul>				An independent traffic audit was undertaken on the transport of coal from CVC. It identified that the road transport was undertaken to an excellent standard.	CVC - Independent Traffic Audit, GHD, 28 September 2012.
During mining operations	An annual compliance review would be undertaken with outcomes being presented in the AEMR. The review would address: <ul style="list-style-type: none"> <li>- annual tonnage of coal hauled from the site;</li> <li>- number of truck movements and routes taken from the site on an average daily, maximum daily, maximum hourly and per annum basis;</li> <li>- a review of compliance with these safeguards;</li> <li>- a record of complaints received and the manner in which complaints were addressed; and</li> <li>- disruptions to services or haulage, or any projected disruption to this scheduling.</li> </ul>				This Clause has not been activated.	

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Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliance	Non-Compliant	Not Applicable		
During construction of the ventilation fan	A separate Construction Traffic Management Plan would be put in place to manage the traffic generated during the relocation of the ventilation fan to the pit top area should this option be chosen, and would address: <ul style="list-style-type: none"> <li>- Implementing appropriate signage to warn road users of the presence of construction vehicles, as well as any changes to normal traffic conditions;</li> <li>- Scheduling heavy vehicle movements in off-peak hours when traffic volumes are typically at a minimum;</li> <li>- Restricting heavy vehicle movements to designated haulage routes to minimise any impacts to residents and the local road network;</li> <li>- Ensuring heavy vehicles meet the Australian Road Rules and RTA standards so that road safety is not compromised; and</li> <li>- Transporting oversized equipment and machinery in accordance with the RTA guidelines for oversized movements.</li> </ul>				This Clause has not been activated.	
During mining operations	LakeCoal would address each of the key improvement areas identified from the Road Safety Audit in the EA through the updated Chain Valley Coal Road Transport Protocol. This would include consultation with Wyong Shire Council and Delta Electricity or consultation with the RTA and/or Newcastle City Council as appropriate.				CVC has undertaken consultation with the relevant authorities before finalising the Road Transport Protocol.	Chain Valley Colliery Road Transport Protocol, Prepared by NSW Planning, 25 February 2003. inc MSP-D-14559 Coal Haulage Traffic Management Plan. POL-D-14926 Coal Haulage Driver Code of Conduct.
During mining operations	LakeCoal commits to continued discussions with Council with a view to formulating an agreement regarding the ongoing maintenance of the section of Ruttleys Road administered by Council travelled by heavy vehicles hauling coal.				CVC has a draft agreement with WSC regarding ongoing maintenance of Ruttleys Road.	
During mining operations	Subject to the agreement of the landowner, LakeCoal agree to install barriers to prevent trucks entering the unpaved area from Construction Road into the electricity substation for the purpose of parking or potentially bypassing the formal intersection of Construction and Ruttleys Roads.				CVC has had a traffic engineer provide barrier options for the area, met with Ausgrid at the site and subsequently sent details to Ausgrid to determine if they have any issues with the proposal. No correspondence had been received back from Ausgrid at the time of the audit.  <b>Refer to Recommendation No. 38.</b>	Chris Ellis pers comm.

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Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliance	Non-Compliant	Not Applicable		
<b>Noise and Vibration</b>						
During construction of the ventilation fan	A Construction Noise Management Plan would be prepared prior to commencing construction activities associated with the augmentation of the ventilation fan at Summerland Point. The construction noise management plan would: <ul style="list-style-type: none"> <li>- link construction methodologies with those assessed in the Noise Impact Assessment presenting a reasonable and a feasible approach to construction noise management;</li> <li>- identify the extent of the residential area affected and assess the impact on residents; and</li> <li>- detail a 24 hour contact phone number for residents to call regarding complaints or queries.</li> </ul>				The Construction Noise and Vibrations Management Plan was developed for the construction activities at the Summerland Point ventilation shaft site. The CNVMP was prepared in accordance with OEH's Interim Construction Noise Guideline 2009. Correspondence was received by CVC on 6/2/12 from DPI approving the Construction Noise and Vibration Management Plan. The work had a 24 hour contact phone number for complaints and queries.	H11086 Summerland Point CNVMP_RP1 Final2. 120206 DPI Approval of Construction Noise Management Plan.
Within 6 months of Project Approval	A noise monitoring program would be prepared to assist in confirming and/or identifying the site specific potential for disturbance at nearby residential receiver locations. The noise monitoring program would identify areas where operational methods or sequences or alternate plant could be used to reduce noise emissions from the site.				Continuous noise monitoring is undertaken on site, with trigger levels for exceedances sending SMS and other notifications to appropriate staff. Attended monitoring and a noise audit will be undertaken in November 2012. The noise monitoring program was not commenced within six months.  <i>Refer to Recommendation No. 9.</i>	
<b>Air Quality</b>						
During mining operations	Bulldozer operations would be scheduled to avoid periods of high winds, where reasonable and feasible to do so.				CVC have identified that bulldozer hours are low, and that formal scheduling is unlikely to be necessary.	Observed records identifying the weekly hours of operation of the bulldozer.
During mining operations	The pit top area would be maintained in such a manner as to minimise areas affected by coal dust, and consideration would be given to providing additional watering to the stockpile and trafficable areas if dust generation is excessive.				The pit top was observed to have a varied level of cover with coal fines, but the actual area potential affected by coal dust is relatively small. A water cart was present during the audit, and is understood to be fully in operation at the site.	
During mining operations	Monitoring would be undertaken with both the existing and augmented fan arrays and the results presented to the Director-General.				No evidence of air quality monitoring at the vent fan was available during the audit.  <i>Refer to Recommendation No. 39.</i>	
During mining operations	The mine's continuous gas monitoring system is currently being updated to include new real time and tube bundle monitoring systems which would enable more comprehensive analysis of CO <sub>2</sub> e emissions.				The real time monitoring system was observed to be in operation and working. CVC indicated that the tube bundle monitoring system was in place.	Chris Ellis pers comm.

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Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliance	Non-Compliant	Not Applicable		
Within 6 months of Project Approval	An Air Quality Management Plan would be developed and implemented to detail dust mitigation measures, and to reflect a proactive dust monitoring and mitigation approach for the Project.				The air quality and greenhouse gas management plan has been developed. It has since been approved by the Director-General.	
<b>Heritage</b>						
During mining operations	Monitoring of site 45-7-0189 should occur following Project approval at the end of year 1, year 3, and year 5. Monitoring should include a visual inspection of the site by an archaeologist and Aboriginal stakeholders. Given that negligible subsidence is expected above Parcel A, in order to measure any changes in land-surface, monitoring should include the following: - establishment of fixed datum point; - stakes with horizontal markings placed on either extent of the site to enable accurate recording of landscape shifts; - a control reference point outside proposed subsidence area such as a building; - photograph records from the fixed datum point to enable photographic comparison. Photos should be large format with clear distinguishable features; and - production of a letter report to be retained by LakeCoal and sighted as requested by Aboriginal stakeholders.				This Clause has not been activated.	
During mining operations	In the event that any unexpected historic heritage or archaeology is uncovered during the works, all works in the vicinity will stop and a heritage consultant will be contacted to assess the finds. Depending on the results of the assessment further mitigation measures may be required to protect or record this heritage before works recommence. If unexpected 'relics' are located, the Heritage Council will be notified in accordance with S146 of the Heritage Act.				This Clause has not been activated.	
<b>Community, Infrastructure and Service Contributions</b>						
During mining operations	Two cents from each tonne of coal produced at the Chain Valley Mine would be contributed to a fund to be administered by Council for the provision of public infrastructure and services for the communities of Summerland Point, Gwandalan, Chain Valley and Mannering Park.				Refer to Schedule 2, Clause 14 of the Project Approval (above) for details.	
During mining operations	One and half cents from each tonne of coal produced would be contributed towards a dedicated Chain Valley Community Fund				Refer to Schedule 2, Clause 14 of the Project Approval (above) for details.	
<b>Waste Management</b>						
During mining operations	Waste generated during the life of the Project would continue to be managed in accordance with current DECCW guidelines using the existing waste management practices at the Mine.				Waste from the operations was observed to be managed suitably.	Waste inspection checksheet (Remondis form) - example. STD-D-11213 Waste Management Standard CVC.
<b>Environmental Management</b>						

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Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliance	Non-Compliant	Not Applicable		
Within 6 months of Project Approval	An Operational Environmental Management Plan would be prepared and implemented to provide a framework for effective environmental management of the Project and incorporating relevant plans, standards and procedures required. The Operational Environmental Management Plan would guide conformance with environmental management requirements for the Project and would include risk analysis, monitoring programmes, responsibility allocations and inspection checklists. The following sub-plans would be incorporated into the framework of the Operational Environmental Management Plan and prepared taking into account the existing environmental controls, the effectiveness of management under the existing MOP and the requirements of the approval: - Soils and Water Management Plan; - Water Efficiency Management Plan; - Air Quality Management Plan; - Traffic Management Plan; - Extraction Plan; - Waste Management Standard; and - Spill Containment Standard.				An Environmental Management System has been implemented by CVC, with the Environmental Management Strategy providing the requirements outlined here for an OEMP. The specified (sub) plans have also been developed, though names may vary slightly.	
During mining operations	Additional data requested by the Department of Resources and Energy (DRE) would be included in the required Annual Environmental Management Report (AEMR). The proponent would amend the Mining Operation Plan, to include the proposed project, and throughout the life of the Project, to the satisfaction of the DRE.				This Clause has not been activated.	
During mining operations	Rehabilitation and environmental management reporting would be captured in the existing Mining Operation Plan and Annual Environmental Management Report to the satisfaction of the Division of Resources and Energy's Director of Environmental Sustainability.				Administrative provision - compliance with this condition was not assessed.	
Two years prior to the completion of mining (conditional)	Should a further Project Approval not be sought and/or obtained prior to December 2013, that is, in excess of two years prior to the completion of mining sought under this Project Application, LakeCoal would prepare a Mine Closure and Rehabilitation plan for approval by the relevant authorities. The Mine Closure and Rehabilitation Plan would be prepared in accordance with the relevant guidelines at the time and build upon the content and commitments in the approved MOP.				This Clause has not been activated.	
<b>Modification 1 - Statement of Commitments</b>						
	This section consolidates the management and monitoring measures proposed to manage the potential impacts resulting from the proposed modification. These measures have been considered in the context of the original EA and the Approval.				Administrative provision - compliance with this condition was not assessed.	

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Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliance	Non-Compliant	Not Applicable		
	Given the relatively minor nature of the proposed modification, measures that are specific to the proposed modification relate only to benthic communities. However, it is noted that as a guiding principle, subsidence impacts will be avoided by limiting the extent of secondary extraction activities in each panel to ensure protection of: <ul style="list-style-type: none"> <li>• all land based surface infrastructure;</li> <li>• the lake foreshore by the use of a high water mark subsidence barrier; and</li> <li>• seagrass communities by the mapping and use of a seagrass protection barrier.</li> </ul>				Noted	Modification 1 - Environmental Assessment Report, Section 75W modification to MP10_0161, Prepared for LakeCoal Pty Limited, June 2012. Chain Valley Colliery MOD 1 - Notice of Modification under s75W to Conditions of Approval, 20 Aug 2012, Minister for Planning and Infrastructure.
	Management and monitoring measures related to benthic communities are identified below.					
	<ul style="list-style-type: none"> <li>• Water quality, benthic substrate and benthic community monitoring will be undertaken during spring and autumn each year until 2014 at which time the monitoring program will be reviewed in consideration of the data obtained.</li> </ul>				Water quality, benthic substrate and benthic community monitoring will be undertaken during spring and autumn each year until 2014.	
	<ul style="list-style-type: none"> <li>• Lake bed bathymetric surveys will be undertaken annually, before the autumn benthic community surveys.</li> </ul>				Lake bed bathymetric surveys will be undertaken annually.	Subsidence Management Plan. Bathymetric Survey. Chain Valley - Domain No 2 MW3-5 Variation Approved Plan.jpg. 4 monthly subsidence status report (report to DI&I).
	<ul style="list-style-type: none"> <li>• New reference sites will be added as existing reference sites are undermined.</li> </ul>				New reference sites will be developed as required in the SMP.	Subsidence Management Plan. Bathymetric Survey. Chain Valley - Domain No 2 MW3-5 Variation Approved Plan.jpg. 4 monthly subsidence status report (report to DI&I).
	<ul style="list-style-type: none"> <li>• Statistical analysis will be undertaken which will compare benthic community, environmental and bathymetric data to determine the level of impacts on benthic communities being caused by subsidence (if any).</li> </ul>				Statistical analysis is undertaken in analysing the benthic community, environmental and bathymetric data to determine the level of impacts on benthic communities being caused by subsidence. Initial results are available in the report.	Domain No2 Subsidence Monitoring 31052010 Chain Valley Benthic Communities Management Plan Final 25.06.12 Seagrass Management Plan April 2008 (2) Foreshore survey results, Line S23 Summary 08+ only.xls. Chain Valley Colliery, Lake Macquarie Benthos Survey. Results of Sampling No. 2 – September 2012, Dr John H. Laxton and Dr Emma Laxton, October 2012. Lake Macquarie seagrass survey report 2012.

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Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliance	Non-Compliant	Not Applicable		
	<ul style="list-style-type: none"> <li>If impacts to benthic community abundance or distribution are occurring above a minor level, additional sampling and analysis will be undertaken to validate the results obtained, including assessment by an independent third party.</li> </ul>				Impacts on benthic communities are reported, and will be discussed with OEH as appropriate.	Chain Valley Colliery, Lake Macquarie Benthos Survey. Results of Sampling No. 2 – September 2012, Dr John H. Laxton and Dr Emma Laxton, October 2012
	<ul style="list-style-type: none"> <li>If subsidence is verified to be causing more than minor impacts to benthic communities, the mine plan will be modified for future panels in order to ensure compliance with the Approval</li> </ul>				This Clause has not been activated.	Subsidence Management Plan

# APPENDIX 2: COMPLIANCE WITH EPL 1770

CVC Independent Environmental Audit Findings - EPL No. 1770

Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliant	Non-Compliant	Not Applicable		
<b>1. Administrative Conditions</b>						
<b>A1 What the licence authorises and regulates</b>						
A1.1	This licence authorises the carrying out of the scheduled activities listed below at the premises. Unless otherwise further restricted by a condition of this licence, the scale at which the activity is carried out must not exceed the maximum scale specified in this condition.				No other scheduled activities were observed on site during the audit. Review of 2012 production figures indicate that CVC has exceeded the 500,000 tonnes permitted by the EPL, however it was noted that an EPL variation has been lodged to change level to max of 2,000,000 tonnes (previous correspondence with the EPA identified that the lodgement of the variation should wait until project approval was issued).  <i>Refer to Recommendation No. 3.</i>	2011 Production Spreadsheet and Reports. 2012 Production Spreadsheet and Reports.
<b>A2 Premises to which this licence applies</b>						
A2.1	The licence applies to the following premises: Chain Valley Colliery: LOT A DP 187570, LOT 1 DP 226133, LOT 1B DP 339441, LOT C DP 349733, LOT A DP 379918, LOT B DP 379918.				Site activities were observed to be within the identified property boundaries.	
<b>A3 Information supplied to the EPA</b>						
A3.1	Works and activities must be carried out in accordance with the proposal contained in the licence application, except as expressly provided by a condition of this licence.				Compliance not specifically assessed.	
<b>2. Discharges to Air and Water and Applications to Land</b>						
<b>P1 Location of monitoring/ discharge points and areas</b>						
P1.1	The following points referred to in the table are identified in this licence for the purposes of the monitoring and/or the setting of limits for discharges of pollutants to water from the point.				Administrative provision - compliance with this condition was not assessed.	Nil

CVC Independent Environmental Audit Findings - EPL No. 1770

Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliant	Non-Compliant	Not Applicable		
P1.2	<p>The following utilisation areas referred to in the table below are identified in this licence for the purposes of the monitoring and/or the setting of limits for any application of solids or liquids to the utilisation area.</p> <p><b>EPA Identification No:</b> 1</p> <p><b>Type of Monitoring Point:</b> Discharge to waters Discharge quality and volume monitoring</p> <p><b>Type of Discharge Point:</b> Discharge to waters Discharge quality and volume monitoring</p> <p><b>Location Description:</b> Discharge drain from settling &amp; diffusion pond labelled as 'Sampling Point No 1' as shown on map titled "Chain Valley Colliery Surface facilities" submitted to the EPA on 10/09/09</p>				<p>Sampling is undertaken at location identified in the EPL however this location may be influenced by other inputs as it is some 40 metres from the dam discharge point. The water quality in the final dam is recorded voluntarily, and is considered to represent the final water quality.</p> <p>Additionally, the discharge volume is not measured at the specified point, with the mine dewatering volume being preferred as a more reliable measurement. This is understood to have been discussed with EPA, and it was reported that discussions were being undertaken at the time of the audit to clarify these matters. Refer also to Clause L3.1.</p> <p>CVC takes EPL specified water quality samples on a monthly basis. It also takes samples at three other related locations as part of its baseline data gathering. CVC acknowledges that the final dam has a semi-porous wall, with a small breach also being present.</p> <p><b>Refer to Recommendation No. 4.</b></p>	<p>Rp_LDO01-001_Chain Valley Surface Water Audit 240212_Fnl.</p> <p>Monthly reporting of water quality and quantity data on web site.</p> <p>2010-11 Annual Environmental Management Report, CVC.</p> <p>EPL 1770 2011-2012 Annual Return - Completed.</p>
<b>3. Limit Conditions</b>						
<b>L1 Pollution of waters</b>						
L1.1	<p>Except as may be expressly provided in any other condition of this licence, the licensee must comply with section 120 of the Protection of the Environment Operations Act 1997.</p>				<p>The sampling and analysis of discharge water quality is considered to meet the requirements of s120 of the POEO Act.</p>	<p>Web site Water quality report - examples sighted for August and September 2012.</p>

CVC Independent Environmental Audit Findings - EPL No. 1770

Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliant	Non-Compliant	Not Applicable		
<b>L2 Concentration limits</b>						
L2.1	For each monitoring/discharge point or utilisation area specified in the table\ below (by a point number), the concentration of a pollutant discharged at that point, or applied to that area, must not exceed the concentration limits specified for that pollutant in the table.				pH and TSS are the water quality parameters that have prescribed discharge quality limits. These have predominantly been within the prescribed limits, however on one occasion TSS was outside of the limits. CVC investigated the circumstances and was unable to identify any cause and subsequent samples were within limits. This was reported to EPA in the annual return. EPA was also notified of an internal oily water discharge that entered the settling ponds. Other parameters are required to be collected for information. The Water Management Plan has reviewed the water quality of Lake Macquarie, and baseline sampling and analysis is being undertaken by CVC to further inform water management in and around the site.  <i>Refer to Recommendation No. 4.</i>	File Note: TSS exceedance for May 2012 water sampling, Date 28th May 2012. 120104_Notification of Oily Water Discharge.
L2.2	Where a pH quality limit is specified in the table, the specified percentage of samples must be within the specified ranges.				The EPL specifies pH samples are to be all (100%) within the prescribed limits. The monitoring data/reports sighted during the audit indicate CVC is in compliance with this requirement.	Water quality report - examples sighted for August and September 2012. EPL Annual Report 2011-12, CVC submission to the EPA, dated 28 May 2012.
L2.3	To avoid any doubt, this condition does not authorise the pollution of waters by any pollutant other than those specified in the table\.				Administrative provision - compliance with this condition was not assessed.	
L2.4	Water and/or Land Concentration Limits <b>Pollutant:</b> pH <b>100 percentile concentration limit:</b> 6.5-8.5 <b>Pollutant:</b> Total suspended solids <b>100 percentile concentration limit:</b> 25 milligrams per litre				Administrative provision - compliance with this condition was not assessed.	
<b>L3 Volume and mass limits</b>						
L3.1	For each discharge point or utilisation area specified below (by a point number), the volume/mass of: a) liquids discharged to water; or; b) solids or liquids applied to the area; must not exceed the volume/mass limit specified for that discharge point or area. Point Unit of Measure Volume/Mass Limit: 12161 kilolitres per day				The volume of water extracted from the underground working is measured and reported. The volume reported in this way is in compliance with the volume limits set by the EPA, however, this is not the licensed monitoring point and EPA has issued an official caution in regard to this (September 2011). As agreed with EPA, a flow recording device is to be installed by CVC at an agreed location representing the off-site discharge. Refer also to Clause P1.2.  <i>Refer to Recommendation No. 5.</i>	Water quality report - examples sighted for August and September 2012. EPL Annual Report 2011-12, CVC submission to the EPA, dated 28 May 2012.

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Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliant	Non-Compliant	Not Applicable		
<b>4. Operating conditions</b>						
<b>O1 Activities must be carried out in a competent manner.</b>						
O1.1	Licensed activities must be carried out in a competent manner. This includes: (a) the processing, handling, movement and storage of materials and substances used to carry out the activity; and (b) the treatment, storage, processing, reprocessing, transport and disposal of waste generated by the activity.				Site activities, work practices and housekeeping observed during the audit indicated compliance with this clause.	
<b>O2 Maintenance of plant and equipment</b>						
O2.1	All plant and equipment installed at the premises or used in connection with the licensed activity: a) must be maintained in a proper and efficient condition; and b) must be operated in a proper and efficient manner.				The plant and equipment on this site was observed to be suitably maintained and operated. Many of the site vehicles are road registered, and therefore compliant with road registration requirements. Pulse Mining system is used to track maintenance work orders and defect notices.	Weekly Cable Reel Inspection E301081 (blank). Longwall Panel Daily Inspection E309470 (due 8/11/12, completed and signed by worker and Engineer. Maintenance defect M308333 (closed 30/10/12). Maintenance schedule for oily water separator (various dates sighted and verified as complete).
<b>O3 Dust</b>						
O3.1	The premises must be maintained in a condition which minimises or prevents the emission of dust from the premises.				Water Cart observed on site and operating. Water sprays on conveyors observed.	
<b>5. Monitoring and Recording Conditions</b>						
<b>M1 Monitoring records</b>						
M1.1	The results of any monitoring required to be conducted by this licence or a load calculation protocol must be recorded and retained as set out in this condition.				The results of the required water monitoring are reported on a monthly basis on the CVC website.	CVC website ( <a href="http://www.chainvalleymine.com.au">http://www.chainvalleymine.com.au</a> )
M1.2	All records required to be kept by this licence must be: a) in a legible form, or in a form that can readily be reduced to a legible form; b) kept for at least 4 years after the monitoring or event to which they relate took place; and c) produced in a legible form to any authorised officer of the EPA who asks to see them.				The results of monitoring are kept in digital form, and from mid 2012 have been reported on the CVC website. Records relating to EPL water quality are kept in the Water Quality Database (spreadsheet) which records results back to December 2008.	Water Quality Database September12 ES1222669_0 Lab Report Certificate of Analysis.
M1.3	The following records must be kept in respect of any samples required to be collected for the purposes of this licence: a) the date(s) on which the sample was taken; b) the time(s) at which the sample was collected; c) the point at which the sample was taken; and d) the name of the person who collected the sample.				For water quality, date and time of sample together with the locations and name of the sampler are recorded on the sample lab results and are summarised in the Water Quality Database. An example Certificate of Analysis for water quality was reviewed for September 2012. Water volume is recorded by an automatic sampler.	Water Quality Database September12 ES1222669_0 Lab Report Certificate of Analysis.

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Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliant	Non-Compliant	Not Applicable		
<b>M2 Requirement to monitor concentration of pollutants discharged</b>						
M2.1	For each monitoring/discharge point or utilisation area specified below (by a point number), the licensee must monitor (by sampling and obtaining results by analysis) the concentration of each pollutant specified in Column 1. The licensee must use the sampling method, units of measure, and sample at the frequency, specified opposite in the other columns.				Records relating to the EPL requirements for water quality are kept in the Water Quality Database (spreadsheet) which records results back to December 2008. Samples methodology is compliant with this Clause.	Water Quality Database September12 ES1222669_0 Lab Report Certificate of Analysis.
M2.2	Water and/ or Land Monitoring Requirements TABLE				Administrative provision - compliance with this condition was not assessed.	
<b>M3 Testing methods - concentration limits</b>						
M3.1	Subject to any express provision to the contrary in this licence, monitoring for the concentration of a pollutant discharged to waters or applied to a utilisation area must be done in accordance with the Approved Methods Publication unless another method has been approved by the EPA in writing before any tests are conducted.				The sampling methodology is clearly set out in the Procedures for Water Sampling from Pit Top Dams. Analysis methodology is set out by the NATA accredited laboratory.	Chain Valley Colliery - Procedures for Water Sampling from Pit Top Dams, EPA Licence No. 1584, Nov 2008. Commercial laboratory sampling procedures and processes including chain of custody are utilised by CVC.
<b>M4 Recording of pollution complaints</b>						
M4.1	The licensee must keep a legible record of all complaints made to the licensee or any employee or agent of the licensee in relation to pollution arising from any activity to which this licence applies.				A register of complaints is maintained by the site.	REG-D-13444 Complaint-Incident Register (spreadsheet).
M4.2	The record must include details of the following: a) the date and time of the complaint; b) the method by which the complaint was made; c) any personal details of the complainant which were provided by the complainant or, if no such details were provided, a note to that effect; d) the nature of the complaint; e) the action taken by the licensee in relation to the complaint, including any follow-up contact with the complainant; and f) if no action was taken by the licensee, the reasons why no action was taken.				The complaint register is being maintained and records the required details.	REG-D-13444 Complaint-Incident Register (spreadsheet).
M4.3	The record of a complaint must be kept for at least 4 years after the complaint was made.				CVC has a suitable complaints register which contains records back to the beginning of 2010. The register is being maintained and updated as necessary however there are no records available prior to 2010.  <b>Refer to Recommendation No. 7.</b>	REG-D-13444 Complaint-Incident Register (spreadsheet).

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Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliant	Non-Compliant	Not Applicable		
M4.4	The record must be produced to any authorised officer of the EPA who asks to see them.				The complaint register is available on the CVC website for general detail, and will be available in full to any authorised officer that visited the site.	REG-D-13444 Complaint-Incident Register (spreadsheet).
<b>M5 Telephone complaints line</b>						
M5.1	The licensee must operate during its operating hours a telephone complaints line for the purpose of receiving any complaints from members of the public in relation to activities conducted at the premises or by the vehicle or mobile plant, unless otherwise specified in the licence.				A telephone complaint line is available 24 hours per day.	
M5.2	The licensee must notify the public of the complaints line telephone number and the fact that it is a complaints line so that the impacted community knows how to make a complaint.				The complaints phone number is clearly identified on CVC's website and signs are present and associated with identified activities (such as main site and vent shaft access gate).	CVC website ( <a href="http://www.chainvalleymine.com.au">http://www.chainvalleymine.com.au</a> )
M5.3	The preceding two conditions do not apply until 3 months after: a) the date of the issue of this licence or b) if this licence is a replacement licence within the meaning of the Protection of the Environment Operations (Savings and Transitional) Regulation 1998, the date on which a copy of the licence was served on the licensee under clause 10 of that regulation.				Administrative provision - compliance with this condition was not assessed.	
<b>M6 Requirement to monitor volume or mass</b>						
M6.1	For each discharge point or utilisation area specified below, the licensee must monitor: a) the volume of liquids discharged to water or applied to the area; b) the mass of solids applied to the area; c) the mass of pollutants emitted to the air; at the frequency and using the method and units of measure, specified below.				Volume monitoring not undertaken at discharge point. Refer to Clause L3.1 and P1.2 for details.	
<b>6. Reporting Conditions</b>						
<b>R1 Annual return documents</b>						
R1.1	The licensee must complete and supply to the EPA an Annual Return in the approved form comprising: a) a Statement of Compliance; and b) a Monitoring and Complaints Summary. At the end of each reporting period, the EPA will provide to the licensee a copy of the form that must be completed and returned to the EPA.				CVC EPL reporting date ends 31 March each year. Annual reports have been provided to the EPA in compliance with the requirements.	EPL 1770 2011-2012 Annual Return, was completed by CVC on 28/5/12.
R1.2	An Annual Return must be prepared in respect of each reporting period, except as provided below. Note: The term "reporting period" is defined in the dictionary at the end of this licence. Do not complete the Annual Return until after the end of the reporting period.				CVC EPL reporting date ends 31 March each year, with the 2012 report signed for submission to EPA on 28/5/12.	EPL 1770 2011-2012 Annual Return, was completed by CVC on 28/5/12.

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Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliant	Non-Compliant	Not Applicable		
R1.3	Where this licence is transferred from the licensee to a new licensee: a) the transferring licensee must prepare an Annual Return for the period commencing on the first day of the reporting period and ending on the date the application for the transfer of the licence to the new licensee is granted; and b) the new licensee must prepare an Annual Return for the period commencing on the date the application for the transfer of the licence is granted and ending on the last day of the reporting period. Note: An application to transfer a licence must be made in the approved form for this purpose.				Administrative provision - compliance with this condition was not assessed.	
R1.4	Where this licence is surrendered by the licensee or revoked by the EPA or Minister, the licensee must prepare an Annual Return in respect of the period commencing on the first day of the reporting period and ending on: a) in relation to the surrender of a licence - the date when notice in writing of approval of the surrender is given; or b) in relation to the revocation of the licence - the date from which notice revoking the licence operates.				Administrative provision - compliance with this condition was not assessed.	
R1.5	The Annual Return for the reporting period must be supplied to the EPA by registered post not later than 60 days after the end of each reporting period or in the case of a transferring licence not later than 60 days after the date the transfer was granted (the 'due date').				CVC EPL reporting date ends 31 March each year. Annual reports for 2012 was signed off on 28 May 2012 for supply to the EPA.	EPL 1770 2011-2012 Annual Return, was completed by CVC on 28/5/12.
R1.6	The licensee must retain a copy of the Annual Return supplied to the EPA for a period of at least 4 years after the Annual Return was due to be supplied to the EPA.				A copy of the 2012 annual return was sighted.	EPL 1770 2011-2012 Annual Return.
R1.7	Within the Annual Return, the Statement of Compliance must be certified and the Monitoring and Complaints Summary must be signed by: a) the licence holder; or b) by a person approved in writing by the EPA to sign on behalf of the licence holder.				The 2012 annual return includes a certified Statement of Compliance and a signed Monitoring and Complaints Summary. The report was signed by two Directors of the business.	EPL 1770 2011-2012 Annual Return.
R1.8	A person who has been given written approval to certify a certificate of compliance under a licence issued under the Pollution Control Act 1970 is taken to be approved for the purpose of this condition until the date of first review of this licence.				Administrative provision - compliance with this condition was not assessed.	

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Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliant	Non-Compliant	Not Applicable		
<b>R2 Notification of environmental harm</b>						
R2.1	Note: The licensee or its employees must notify the EPA of incidents causing or threatening material harm to the environment as soon as practicable after the person becomes aware of the incident in accordance with the requirements of Part 5.7 of the Act.				This condition has not been activated.	REG-D-13444 Complaint-Incident Register (spreadsheet).
R2.2	Notifications must be made by telephoning the Environment Line service on 131 555.				This condition has not been activated.	
R2.3	The licensee must provide written details of the notification to the EPA within 7 days of the date on which the incident occurred.				This condition has not been activated.	
<b>R3 Written report</b>						
R3.1	Where an authorised officer of the EPA suspects on reasonable grounds that: a) where this licence applies to premises, an event has occurred at the premises; or b) where this licence applies to vehicles or mobile plant, an event has occurred in connection with the carrying out of the activities authorised by this licence, and the event has caused, is causing or is likely to cause material harm to the environment (whether the harm occurs on or off premises to which the licence applies), the authorised officer may request a written report of the event.				This condition has not been activated.	
R3.2	The licensee must make all reasonable inquiries in relation to the event and supply the report to the EPA within such time as may be specified in the request.				This condition has not been activated.	
R3.3	The request may require a report which includes any or all of the following information: a) the cause, time and duration of the event; b) the type, volume and concentration of every pollutant discharged as a result of the event; c) the name, address and business hours telephone number of employees or agents of the licensee, or a specified class of them, who witnessed the event; d) the name, address and business hours telephone number of every other person (of whom the licensee is aware) who witnessed the event, unless the licensee has been unable to obtain that information after making reasonable effort; e) action taken by the licensee in relation to the event, including any follow-up contact with any complainants; f) details of any measure taken or proposed to be taken to prevent or mitigate against a recurrence of such an event; and g) any other relevant matters.				This condition has not been activated.	

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Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliant	Non-Compliant	Not Applicable		
R3.4	The EPA may make a written request for further details in relation to any of the above matters if it is not satisfied with the report provided by the licensee. The licensee must provide such further details to the EPA within the time specified in the request.				This condition has not been activated.	
<b>7. General Conditions</b>						
<b>G1 Copy of licence kept at the premises or plant</b>						
G1.1	A copy of this licence must be kept at the premises to which the licence applies.				Licence observed to be available on site and on the CVC website.	CVC website ( <a href="http://www.chainvalleymine.com.au">http://www.chainvalleymine.com.au</a> )
G1.2	The licence must be produced to any authorised officer of the EPA who asks to see it.				Licence observed to be available on site. Authorised Officers have visited the site in the past (e.g. September 2011), however it is not known whether they requested to sight a copy of the licence.	
G1.3	The licence must be available for inspection by any employee or agent of the licensee working at the premises.				Licence observed to be available on site and on the CVC website.	CVC website ( <a href="http://www.chainvalleymine.com.au">http://www.chainvalleymine.com.au</a> )
<b>8. Pollution Studies and Reduction Programs</b>						
<b>U1 Coal Mine Particulate Matter Control Best Practice</b>						
U1.1	The Licensee must conduct a site specific Best Management Practice (BMP) determination to identify the most practicable means to reduce particle emissions.				Best Management Practice Air Quality Assessment, EMP-D-16591, has been developed by CVC, 25 September 2012.	EMP-D-16591 - Best Management Practice Air Quality Assessment.
U1.2	The Licensee must prepare a report which includes, but is not necessarily limited to, the following: - identification, quantification and justification of existing measures that are being used to minimise particle emissions; - identification, quantification and justification of best practice measures that could be used to minimise particle emissions; - evaluation of the practicability of implementing these best practice measures; and - a proposed timeframe for implementing these best practice measures. In preparing the report, the Licensee must utilise the document entitled Coal Mine Particulate Matter Control Best Practice – Site Specific Determination Guideline – November 2011.				The Best Management Practice Air Quality Assessment addresses the identified requirement.	EMP-D-16591 - Best Management Practice Air Quality Assessment.
U1.3	All cost related information is to be included as Appendix 1 of the Report required by condition U1.2 above.				The Best Management Practice Air Quality Assessment included costs as required by Clause U1.2.	EMP-D-16591 - Best Management Practice Air Quality Assessment.

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Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliant	Non-Compliant	Not Applicable		
U1.4	The Report required by condition U1.2 must be submitted by the Licensee to the Office of Environment and Heritage's Regional Manager Hunter, at PO Box 488G, NEWCASTLE WEST 2302 by 28 September 2012.				The Best Management Practice Air Quality Assessment has been submitted to the Office of Environment and Heritage's Regional Manager on 27 September 2012.	120927 Letter to EPA re Best Management Practice Air Quality Assessment.
U1.5	The report required by condition U1.2 above, except for cost related information contained in Appendix 1 of the Report, must be made publicly available by the Licensee on the Licensee's website by 5 October 2012.				The Best Management Practice Air Quality Assessment has been made available on the CVC website by the due date.	CVC website ( <a href="http://www.chainvalleymine.com.au">http://www.chainvalleymine.com.au</a> )

# APPENDIX 3: COMPLIANCE WITH ML 1051

CVC Independent Environmental Audit Findings - ML 1051

Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliant	Non-Compliant	Not Applicable		
<b>Notice to Landholders</b>						
1	<p>1. Within a period of three months from the date of grant/renewal 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/renewed 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/renewed; state whether the lease includes the surface and must contain an adequate plan and description of the lease area.</p>				It was reported that compliance with this clause was achieved by way of notice in the Newcastle Herald and Sydney Morning Herald. This was not verified during the audit.	
<b>Environmental Harm</b>						
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.				A site environmental risk assessment- Environmental Aspects has been undertaken, and the results are used to inform environmental management practices on site. Specific control measures are detailed throughout this audit report.	RSK-D-16017 – Environmental Aspects, 3rd April & 17th April 2012, CVC
<b>Mining Operations Plan</b>						
3	<p>(a) Mining operations must not be carried out otherwise than in accordance with a Mining Operations Plan (MOP) which has been approved by the Director-General of the Department of Primary Industries - Mineral Resources.</p> <p>(b) The MOP must:</p> <ul style="list-style-type: none"> <li>o identify areas that will be disturbed by mining operations;</li> <li>o detail the staging of specific mining operations;</li> <li>o identify how the mine will be managed to allow mine closure;</li> <li>• identify how mining operations will be carried out on site in order to prevent and/or minimise harm to the environment;</li> <li>• reflect the conditions of approval under: <ul style="list-style-type: none"> <li>- the Environmental Planning and Assessment Act 1979</li> <li>- the Protection of the Environment Operations Act 1997</li> <li>- and any other approvals relevant to the development including the conditions of this lease; and</li> <li>• have regard to any relevant guidelines adopted by the Director- General.</li> </ul> </li> </ul>				The MOP has been reviewed by the Auditor and Director-General responsible for mineral resources. It has been found to cover the requirements specified by this clause and related references.	Mine Operation Plan, Chain Valley Colliery, 2008 - 2015. Lakecoal Pty Ltd.

CVC Independent Environmental Audit Findings - ML 1051

Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliant	Non-Compliant	Not Applicable		
3 (cont')	<p>(c) The titleholder may apply to the Director-General to amend an approved MOP at any time.</p> <p>(d) 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> <p>(e) 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.</p>				See Above	See Above
<b>Environment Management Reporting</b>						
4	The lease holder must lodge Environmental Management Reports (EMR) with The Director-General annually or at dates otherwise directed by the Director- General.				CVC lodged a Annual Environmental Management Plan with the Director General for the year ending 31 June 2011. An Annual Report will be provided by CVC for a revised annual anniversary date based on group reporting approval provided by NSW Department of Resources and Energy on 14/11/12.	Letter from DRE Re: Approval for Group Reporting for CCI706, CCI707, MI1051, MI 1052 and MI1308 (14/12/11).
5	<p>The EMR must:</p> <ul style="list-style-type: none"> <li>- report against compliance with the MOP;</li> <li>- report on progress in respect of rehabilitation completion criteria;</li> <li>- report on the extent of compliance with regulatory requirements; and</li> <li>- have regard to any relevant guidelines adopted by the Director-General.</li> </ul>				The Annual Environmental Management Report (or annual report) addresses the required criteria.	2010/2011 Annual Environmental Management Report for Chain Valley Colliery, LakeCoal Pty Ltd, Year Ending 30 June 2011.
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.				A Construction Environmental Management Plan was developed for the replacement of the air vent.	MSP-D-15701 - Environmental Management Plan-Ventilation Shaft Site -fan upgrade (inc Construction Soil and Water Management Plan).
<b>Rehabilitation</b>						
7	Disturbed land must be rehabilitated to a sustainable/agreed end land use to the satisfaction of the Director-General.				Administrative provision - compliance with this condition was not assessed.	

CVC Independent Environmental Audit Findings - ML 1051

Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliant	Non-Compliant	Not Applicable		
<b>Subsidence Management</b>						
8	<p>(a) 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> <p>(b) 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 (EDGI 7)</p> <p>(c) 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 (EDPO9).</p> <p>(d) Subsidence Management Plans are to be prepared in accordance with the Guideline for Applications for Subsidence Management Approvals.</p> <p>(e) 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>				<p>The current SMP is Plan No. C4P0152 titled "Chain Valley Colliery - Fassifern Seam - "Domain No 2" SMP Approved Plan - Miniwall Secondary Extraction". The subsidence management plan was varied by approval given by DRE on 27 July 2011.</p>	<p>Chain Valley Colliery - Fassifern Seam - "Domain No 2" SMP Approved Plan - Miniwall Secondary Extraction.</p>
<b>Working Requirement</b>						
9	<p>The lease holder must:</p> <p>(a) ensure that at least 11 competent people are efficiently employed on the lease area on each week day except Sunday or any week day that is a public holiday, 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 \$192,500 per annum whilst the lease is in force.</p> <p>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>				<p>Compliance with this clause was not verified, however it was reported that current rosters and production arrangements meet these requirements. Site inspection conducted during the audit confirmed this.</p>	

CVC Independent Environmental Audit Findings - ML 1051

Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliant	Non-Compliant	Not Applicable		
<b>Control of Operations</b>						
10	(a) 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: (i) cease working the lease; or (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. (b) The lease holder must comply with any direction given. The Director-General may confirm, vary or revoke any such direction. (c) A direction referred to in this condition may be served on the Mine Manager.				The colliery has not received direction from an Environmental Officer of the Department resulting from a non-compliance with any provisions of the Act or any condition of the lease.	
<b>Reports</b>						
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: (a) Full particulars, including results, interpretation and conclusions, of all exploration conducted during the twelve months period; (b) Details of expenditure incurred in conducting that exploration; (c) A summary of all geological findings acquired through mining or development evaluation activities; (d) Particulars of exploration proposed to be conducted in the next twelve months period; (e) All plans, maps, sections and other data necessary to satisfactorily interpret the report.				An exploration report has been provided annually to satisfy this condition.	2012 Group Exploration Report 04052012.
<b>Licence to Use Reports</b>						
12	(a) 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. (b) The non-exclusive licence will operate as a consent for the purposes of section 365 of the Mining Act 1992.				Administrative provision - compliance with this condition was not assessed.	

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Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliant	Non-Compliant	Not Applicable		
<b>Confidentiality</b>						
13	<p>(a) 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:</p> <p>(i) the lease holder has agreed that specified reports may be made non-confidential.</p> <p>(ii) reports deal with exploration conducted exclusively on areas that have ceased to be part of the lease.</p> <p>(b) 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.</p> <p>(c) The Director-General may extend the period of confidentiality.</p>				Administrative provision - compliance with this condition was not assessed.	
<b>Terms of the non-exclusive licence</b>						
14	<p>The terms of the non-exclusive copyright licence granted under condition 8 (a) 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>				Administrative provision - compliance with this condition was not assessed.	
15	There is no Clause 15.				There is no Clause 15.	

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Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliant	Non-Compliant	Not Applicable		
<b>Safety</b>						
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.				The CVC operations are fenced and livestock and public access is restricted. Access to the vent shaft site at Summerland Point is via locked gate. The vent shaft facility itself is fenced, locked and patrolled by security personnel.	
<b>Exploratory Drilling</b>						
17	<p>(1) At least twenty eight days prior to commencement of drilling operations the lease holder must notify the relevant Department of Climate Change and Environment regional hydrogeologist of the intention to drill exploratory drill holes together with information on the location of the proposed holes.</p> <p>(2) 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>				It is understood that no exploration drilling has been undertaken under this approval.	Pers comm Michael Callan, Technical Services Manager, CVC.

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Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliant	Non-Compliant	Not Applicable		
<b>Prevention of Soil Erosion and Pollution</b>						
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.				Site inspection and audit evidence from the audit indicates that CVC generally carries out its activities in conformance with this requirement. Water and air quality sampling results largely support this however, soil has been contaminated with hydrocarbons in several areas (e.g. near wash down bay and winder house), and is not conforming to the requirements set out in the EPL for the water discharge point (see Appendix 2 for details).  <b>Refer to Recommendation No. 1.</b>	
<b>Transmission lines, Communication lines and Pipelines</b>						
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.				The operations were observed to not interfere with the transmission line, communication line, pipeline or any other utility.	
20	There is no Clause 20.				There is no Clause 20.	
<b>Roads and Tracks</b>						
21	(a) 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. (b) 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.				Operations impacting on public roads are managed as per the CVC Coal Haulage Traffic Management Plan. Site inspection during the audit indicated that CVC complies with this clause. CVC is in the process of upgrading the intersection with Ruttleys Road.	CVC - Independent Traffic Audit 28September2012. Road Transport Protocol. Amendment Approval to Road Protocol. 121005 Draft road maintenance agreement (msg). 121002 Letter to Planning re Independent Traffic Audit 1. 120529 Approval of Ind Traffic Auditor.
22-24	There is no Clause 22-24.				There is no Clause 22-24.	

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Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliant	Non-Compliant	Not Applicable		
<b>Resource Recovery</b>						
25	<p>(a) 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.</p> <p>(b) 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.</p>				There is no evidence that the Director-General has notified or otherwise required CVC to recover specified minerals.	
26 (cont')	<p>(c) 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.</p> <p>(d) 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.</p> <p>(e) 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.</p> <p>(f) 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.</p>				See Above.	
<b>Indemnity</b>						
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.				CVC appears to have provided suitable commitments to the Crown to enable mining operations to continue.	
27	There is no Clause 27.				There is no Clause 27.	

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Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
		Compliant	Non-Compliant	Not Applicable		
<b>Single Security (extended)</b>						
28	(a) The single security given and maintained with the Minister by the lease holder for the purpose of ensuring the fulfilment by the lease holder of obligations under Mineral Lease 1052 (Act 1906), Mineral Lease 1308 (Act 1906), Mining Purposes Lease 211 (Act 1906), Mining Purposes Lease 1349 (Act 1906), Mining Purposes Lease 1389 (Act 1906), Mining Purposes Lease 1400 (Act 1906), Consolidated Coal Lease 707 (Act 1973), Mining Purposes Lease 337 (Act 1973) and Mining Lease 1369 (Act 1992) is extended to apply to this lease. (b) If the lease holder fails to fulfil any one or more of the obligations under this lease, then the security held 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 the 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.				No compliance conditions.	C1B0002 lease plan Nov2011.
29-30	There is no Clause 29-30.				There is no Clause 29-30.	
<b>Special Conditions</b>						
31	Unless with the consent of the Minister and subject to such conditions as he may stipulate, the leaseholder shall not transport any export coal, won from or conveyed through or over the subject area, by public road to Port Waratah Coal Services, Newcastle otherwise than in accordance with the document entitled 'Chain Valley Colliery, Road Transport Protocol' prepared by Planning NSW and dated 25 February 2003.  <i>Note. The Road Transport Protocol prepared by Planning NSW dated 25 February 2003 as referenced in the lease conditions has been superceded by the current Road Transport Protocol (2012) approved by the Department of Planning and Infrastructure.</i>				The route for coal haulage is specified in the current Road Transport Protocol and appended plans, and this is provided to the haulage contractor and drivers as part of the induction process. Additionally an Independent Traffic Audit was completed in September 2012. The audit report states that the auditors "did not observe any behavioural problems or impacts to the travelling public or road network functionality as a result of the increased coal haulage operation". Some minor stakeholder concerns were, however identified in the audit.  In addition, interviews with the Logistics Coordinator revealed that there are a small number of drivers who make convenience/lunch stops at their homes where they are located close to the designated transport route. Refer to Clause 19-26 of Schedule 3 of the Project Approval (Appendix 1) for further details.  <b>Refer to Recommendation No. 2.</b>	CVC - Independent Traffic Audit 28 September 2012. Road Transport Protocol. Amendment Approval to Road Protocol. 121002 Letter to Planning re Independent Traffic Audit 1. 120529 Approval of Independent Traffic Auditor. Tonnages by Truck Movement 2012 spreadsheet.

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Clause Number	Compliance Condition	Compliance			Comment/Finding	Documentation/Records Reviewed
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32	The most complete accurate and trustworthy information shall be obtained at all times by the registered holder and made available on request to any officer of the Department of the depth of water of Lake Macquarie and of the depth and character of the bed of the same and the deposit thereon (if any) and of the strata lying between the coal seam and the bed or the lake. Such information and any additional information required shall be to the satisfaction of the Chief Inspector.				Information about the depth and substrate of Lake Macquarie in the area of the mine are provided in the Bathymetric Survey Report undertaken by Astute Surveying in April 2012.	LDO Lake Coal Pty Benthos sampling Sept 2012. 20120411 Astute Surveying Survey Report - Lake Macquarie.
33	In all workings under Lake Macquarie no coal shall be won or worked without a barrier being maintained between the bed of the lake and the coal seam thickness specified in the Inrush Management Plan developed in accordance with the Coal Mine Health and Safety Regulations 2006.				CVC works to the approved MOP, Subsidence Management Plan and in accordance with the Inrush Management Plan and related mining plans and controls.	CVC MOP 2008-2015.
34	Unless with the consent of the Minister and subject to such conditions as he may stipulate, the registered holder shall not mine for, work, win or remove any coal from within the highwater level subsidence control zone defined in the seam by a line defined by an angle of draw of 35° drawn lakewards from the line drawn vertically beneath the highwater level of Lake Macquarie.				The controls on work area with regard to the angle of draw are specified in the SMP.	Chain Valley - Domain No 2 MW3-5 Variation Approved Plan (drawing).