

Chain Valley Colliery IEA – Response to Audit Recommendations

Reference Item	Condition Description	Audit Finding	Audit Recommendation	LakeCoal Response / Action to be Taken	Target Date for Completion
SSD-5465 (MOD 2)					
1. Schedule 2, Condition 2A	The Applicant shall carry out the development in accordance with the: (a) Statement of Commitments; and (b) conditions of this consent.	A number of non-compliances with the conditions of SSD_5465 and two with regard to the statement of commitments have been identified by the IEA.	See recommendations below.	Noted.	n/a
2. Schedule 2, Condition 11	Within 12 months of the date of this consent, unless otherwise agreed by the Secretary, the Applicant shall enter into a planning agreement with the WSC in accordance with Division 6 of Part 4 of the EP&A Act that provides for payment to the WSC for community enhancement purposes. The agreement must include provision for those matters set out in condition 12 below. If there is any dispute between the Applicant and WSC relating to the preparation or implementation of the planning agreement, then either party may refer the matter to the Secretary for resolution.	VPA not executed with WSC within 12 months of the date of SSD-5465 (i.e. 23/12/14).	Continue consultation with WSC to finalise the required Voluntary Planning Agreement as soon as possible.	LakeCoal has undertaken significant consultation with Central Coast Council (previously Wyong Council) since 2012 in an attempt to establish the VPA. LakeCoal sought and subsequently received approval in 2015 for an extension of the VPA establishment timeframe until 31 December 2016. The establishment of the VPA has been substantially progressed since the audit and LakeCoal is confident that the VPA will be established by the revised due date.	31 December 2016
3. Schedule 2, Condition 12	The Applicant shall pay WSC \$0.035 for each tonne of product coal produced by the development for the purposes of improving public infrastructure and providing community projects for the communities of Summerland Point, Gwandalan, Chain Valley Bay and Mannering Park. Payments from the approval date of project approval 10_0161 must be: (a) made by the end of March, for coal produced in the previous calendar year; (b) made for each year that coal is produced by the colliery; and (c) subject to indexation in accordance with the Australian Bureau of Statistics Consumer Price Index.	Required annual community enhancement payments not made by the end of March of each calendar year during the audit period.	Progress payment of the annual Community Enhancement contributions once the WSC VPA is executed.	LakeCoal has accrued the required VPA funding in accordance with this condition. To date approximately \$190,000 has been accrued by LakeCoal which will be transferred to the VPA fund once it has been established by Central Coast Council.	Within 1 month of the VPA documentation being executed.

Reference Item	Condition Description	Audit Finding	Audit Recommendation	LakeCoal Response / Action to be Taken	Target Date for Completion
4. Schedule 2, Condition 15	<p>alterations or additions to existing buildings and structure, that are part of the development are constructed in accordance with:</p> <p>(a) the relevant requirements of the BCA; and</p> <p>(b) any additional requirements of the MSB where the building or structure is located on land within declared Mine Subsidence Districts.</p> <p><i>Notes:</i></p> <ul style="list-style-type: none"> • Under Part 4A of the EP&A Act, the Applicant is required to obtain construction and occupation certificates for the proposed building works; • Part 8 of the EP&A Regulation sets out the requirements for the certification of the development; and • Under Section 15 of the Mine Subsidence Compensation Act 1961, the Applicant is required to obtain the MSB's approval before constructing any improvements in a Mine Subsidence District. 	No evidence available at the time of audit to confirm that the new stacker conveyor constructed during the audit period was constructed in accordance with BCA and MSB requirements.	Obtain relevant BCA and MSB certification/approvals for the stacker conveyor which was constructed during the audit period.	LakeCoal has commenced the process to obtain the required certification documentation for the stacker conveyor in consultation with the Central Coast Council and MSB which was constructed during the audit period.	30 March 2017
5. Schedule 2, Condition 17	<p>The Applicant shall ensure that all plant and equipment used at the site is:</p> <p>(a) maintained in a proper and efficient condition; and</p> <p>(b) operated in a proper and efficient manner.</p>	Hydrocarbon containment structures at the CVC pit-top backset shed found to not be maintained in a proper and efficient manner during an EPA inspection on 4 March 2014.	During the site inspection the Backset Shed was visited and the corrective actions to address this non-compliance were confirmed to be in place. No further remedial action required.	Noted. No action required.	n/a
6. Schedule 2, Condition 19	The Applicant must pay Road Maintenance Fees to WSC in accordance with its Road Maintenance Agreement with WSC.	Road Maintenance Fee payments to WSC for 2014 and 2015 were made outside of the agreed period required under the Road Maintenance Agreement with WSC.	Ensure that future payments of the required Annual Road Maintenance Contribution are paid within the nominated timeframes required under the agreement.	LakeCoal has added the requirement for the Annual Road Maintenance Contributions into the sites work order system. Future payments will be made to Central Coast Council in accordance with the timeframes in the Road Maintenance Agreement.	Annually by 31 March

Reference Item	Condition Description	Audit Finding	Audit Recommendation	LakeCoal Response / Action to be Taken	Target Date for Completion
7. Schedule 3, Condition 2	<p>The Applicant shall upgrade the Ruttleys Road and Construction Road intersection within 6 months of the date of this consent, unless the Secretary directs otherwise, by:</p> <p>(a) installing additional signage on and adjacent to Construction Road prior to the intersection;</p> <p>(b) repairing the surface of Construction Road as required and ensuring the edge seal of the left turn lane is of sufficient width to accommodate coal trucks;</p> <p>(c) installing or replacing "Stop" signs in accordance with Austroads guidelines;</p> <p>(d) repainting road line markings and raised pavements associated with this intersection; and</p> <p>(e) 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.</p> <p>The design and construction of these works must be undertaken in consultation with, and to the relevant satisfaction of, WSC, RMS and Delta Electricity and to the satisfaction of the Secretary.</p>	No evidence of RMS and DP&E approval of the proposed Ruttleys Road/Construction Road intersection upgrade available at the time of audit. Approval from WSC was noted.	Consult with RMS and DP&E and gain written confirmation that the Ruttleys Road and Construction Road intersection works are to their satisfaction.	LakeCoal completed the upgrade of the Ruttleys Road / Construction Road intersection to the satisfaction of Wyong Shire Council in mid 2014. LakeCoal will consult with RMS and DP&E regarding the Ruttleys Road and Construction Road intersection upgrades to confirm that the intersection is to their satisfaction.	31 December 2016
8. Schedule 3, Condition 2	See condition in Reference 7 above.	Construction works for the Ruttley's Road/Construction Road intersection upgrade were completed on 14/08/14, outside of 6 months of the date of approval of SSD-5465 (i.e. 23/06/14).	As above.	Noted. No action required.	n/a
9. Schedule 3, Condition 7	The Applicant shall ensure that the noise generated by the development at any residence on privately-owned land does not exceed the criteria for the location in Table 1 nearest to that residence.	Two 1dB noise exceedances were recorded at location ATN007 during attended monitoring in March 2013 and November 2013.	Monitoring exceedances were reported as required under SSD-5465 (as modified). No further action required.	Noted. No action required.	n/a

Reference Item	Condition Description	Audit Finding	Audit Recommendation	LakeCoal Response / Action to be Taken	Target Date for Completion
10. Schedule 3, Condition 8	The Applicant shall: (a) implement best management practice, including all reasonable and feasible noise mitigation measures, to minimise the construction, operational and transport noise generated by the development; (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 consent; (c) minimise the noise impacts of the development during meteorological conditions under which the noise limits in this consent do not apply (see Appendix 8); (d) use its best endeavours to achieve the long-term noise goals in Table 2, where reasonable and feasible, and report on progress towards achieving these goals in each Annual Review; (e) carry out a comprehensive noise audit of the development in conjunction with each independent environmental audit; and (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 Secretary.	No evidence available that CVC are using its best endeavours to achieve the long-term noise goals in Table 2 of SSD_5465 with monitoring results showing intermittent exceedances of the long term noise goals during the audit period.	Report progress on achieving the long term noise goals in each Annual Review (as required by SSD-5465 Schedule 3, Condition 8d).	LakeCoal undertook a significant upgrade of the Chain Valley Colliery ventilation fan site in 2013 which is adjacent to receiver R22. Noise attenuation measures were included in the design for the new fans which included inlet and outlets silencers as well as acoustic panelling in the motor houses. LakeCoal has engaged an acoustic specialist to review the noise audit findings and the effectiveness of the current noise mitigation measures that have been installed at the fan site. The assessment will also investigate feasible options to further reduce noise from this site. LakeCoal is not intending to pursue any noise mitigation options for it's pit top facilities at Chain Valley Colliery following the business decision to link both Mannering Colliery and Chain Valley Colliery underground. This business decision has meant that all coal produced from Chain Valley Colliery will now be handled through Mannering Colliery's coal clearance system which is subject to separate noise mitigation requirements under Mannering's Project Approval (PA 06_0311). A summary of LakeCoal's investigations and any noise mitigation works undertaken as a result of these investigations will be reported in future Annual Reviews as recommended by the auditor.	Annually by End March.
11. Schedule 3, Condition 8(d)	See condition in Reference 10 above.	-	Investigate the noise levels from the vent fan site which have, on average, over the last three years increased and implement any corrective measures such as replacement or repair of silencers or other noise attenuation components, if required.	Refer to action above. Findings to be reported in the CVC Annual Review.	n/a
12. Schedule 3, Condition 8(e)	See condition in Reference 10 above.	-	Update this condition at the next Modification of SSD-5465 to include the requirement for a noise review as part of the relevant condition under SSD-5465 for the IEA (currently Schedule 6, Condition 9).	Noted. LakeCoal will seek to have this condition removed and added as a requirement to the independent environmental audit condition at the next modification to the conditions of SSD-5465.	At next Modification

Reference Item	Condition Description	Audit Finding	Audit Recommendation	LakeCoal Response / Action to be Taken	Target Date for Completion
13. Schedule 3, Condition 11	The Applicant shall ensure that all reasonable and feasible avoidance and mitigation measures are employed so that particulate matter emissions generated by the development do not cause exceedance of the criteria listed in Tables 3, 4 and 5 at any residence on privately-owned land.	-	Report on the findings of the proposed chemical dust suppression trial in the Annual Review.	LakeCoal employees a full time contract water cart operator on site to manage dust generation from haul routes and trafficable areas. In addition to the existing controls in place LakeCoal is investigating the potential for the use of chemical dust suppression technology on site to further improve dust management at the site. LakeCoal will report on the proposed chemical dust suppression trial in the 2016 Annual Review report.	30 March 2017
14. Schedule 3, Condition 16	Unless an EPL authorises otherwise, the Applicant shall comply with Section 120 of the POEO Act.	During the audit period there were two non-compliances related to the exceedance of discharge water quality criteria, resulting in non-compliance with the requirements of Section 120 of the POEO Act.	No action required.	Noted. LakeCoal will continue to manage and monitor the water quality from it's discharge point in accordance with it's approved water management plan and the requirements of EPL1770.	Ongoing
15. Schedule 3, Condition 17	The Applicant shall manage on-site sewage in accordance with <i>NSW Environmental Guidelines: Use of Effluent by Irrigation</i> (DEC 2004) and the <i>National Guidelines for Sewerage Systems - Effluent Management (ANZECC 1997)</i> or its latest version, to the satisfaction of EPA.	Evidence not available at the time of audit to confirm that the septic system for the bathhouse is managed to the satisfaction of the EPA. There was also an exceedance of the faecal coliform criteria in April 2014, with a result of 540 CFU recorded (in exceedance of the 200 CFU criteria).	LC should continue to consult with EPA regarding the management of on-site sewage to ensure the system is managed satisfactorily.	The onsite sewage management systems at CVC are maintained and serviced by a licenced wastewater contractor. It should be noted that there have been no exceedances of the faecal coliform criteria since the licenced discharge point was upgraded in 2015 to better reflect the actual discharge from the site. The previous location of the sampling point was subject to influences from the surrounding environment. Extensive consultation has been undertaken with the EPA over the last 18 months regarding the adequacy of the onsite sewage management system at CVC. The EPA have issued Pollution Reduction Programs on EPL 1770 to address this matter. LakeCoal will continue to liaise with the EPA and undertake all works required by the site PRP's on EPL1770 to improve sewage management on site.	Ongoing via PRP's on EPL 1770.
16. Schedule 3, Condition 19	The Applicant shall implement a Biodiversity Enhancement Strategy as described in the EIS and summarised in Table 6, in consultation with OEHL, and to the satisfaction of the Secretary.	-	Report on the progress of enhancement works in the Biodiversity Enhancement Area in the Annual Review.	LakeCoal will report on the status of the enhancement works undertaken in the Biodiversity Enhancement Area in the 2016 Annual Review report.	30 March 2017
17. Schedule 3, Condition 23	The Applicant shall: (a) minimise and monitor the waste generated by the development; (b) ensure that the waste generated by the development is appropriately stored, handled and disposed of; and (c) report on waste management and minimisation in the Annual Review, to the satisfaction of the Secretary.	-	LakeCoal (LC) should continue its wash bay maintenance regime to ensure that adequate capacity is available for the system to operate effectively. LC should continue to consult with DP&E regarding the findings of the hydrocarbon management trial and document the preferred management strategy for the management of hydrocarbon contaminated waste from this area for DP&E approval.	LakeCoal will continue to undertake regular inspections and maintenance of the existing wash bay infrastructure. LakeCoal will consult with the DP&E over the findings of the washbay waste trial and finalise the hydrocarbon contaminated materials management standard.	Ongoing 31 December 2016

Reference Item	Condition Description	Audit Finding	Audit Recommendation	LakeCoal Response / Action to be Taken	Target Date for Completion
18. Schedule 3, Condition 23	See condition in Reference 17 above.	-	<p>LC should regularly review waste minimisation and recycling opportunities to continue improvement towards maintaining and improving the target recycling rate of 60%.</p> <p>LC should continue the process of regular internal inspections of the pit top area providing actions to relevant personnel to support the positive efforts made during the audit period to maintain a high level housekeeping at the pit top area.</p>	<p>LakeCoal will continue the review waste minimisation and recycling opportunities in consultation with the site waste management contractor and report progress towards target recycling rates in future Annual Reviews.</p> <p>LakeCoal will continue to undertake the program of regular inspections of the pit top area to identify actions and any areas for ongoing improvement.</p>	Ongoing
19. Schedule 5, Condition 1	<p>As soon as practicable after obtaining monitoring results showing:</p> <p>(a) an exceedance of any relevant criteria in Schedule 3, the Applicant shall notify affected landowners in writing of the exceedance, and provide regular monitoring results to each affected landowner until the development is again complying with the relevant criteria; and</p> <p>(b) an exceedance of any relevant air quality criteria in Schedule 3, the Applicant shall send a copy of the NSW Health fact sheet entitled "Mine Dust and You" (as may be updated from time to time) to the affected landowners and/or existing tenants of the land (including the tenants of any mine-owned land).</p>	The landholder located at R22 was not notified 'as soon as practical' following the receipt of the November 2014 attended noise monitoring results showing an exceedance of the relevant noise criteria.	n/a	Noted. LakeCoal will ensure that any future affected residences will be notified as soon as practical following the receipt of any monitoring results showing an exceedance of the relevant performance criteria in the Development Consent.	Ongoing

Reference Item	Condition Description	Audit Finding	Audit Recommendation	LakeCoal Response / Action to be Taken	Target Date for Completion
20. Schedule 6, Condition 1	<p>The Applicant shall prepare an Environmental Management Strategy for the development to the satisfaction of the Secretary. This strategy must:</p> <p>(a) be submitted to the Secretary for approval within 7 months of the date of this consent;</p> <p>(b) provide the strategic framework for environmental management of the development;</p> <p>(c) identify the statutory approvals that apply to the development;</p> <p>(d) describe the role, responsibility, authority and accountability of all key personnel involved in the environmental management of the development;</p> <p>(e) describe the procedures that would be implemented to:</p> <ul style="list-style-type: none"> • keep the local community and relevant agencies informed about the operation and environmental performance of the development; • receive, handle, respond to, and record complaints; • resolve any disputes that may arise during the course of the development; • respond to any non-compliance; • respond to emergencies; and <p>(f) include:</p> <ul style="list-style-type: none"> • copies of any strategies, plans and programs approved under the conditions of this consent; and • a clear plan depicting all the monitoring required to be carried out under the conditions of this consent. <p>The Applicant shall implement the approved management strategy as approved from time to time by the Secretary.</p>	<p>The EMS was prepared following the initial approval and submitted to DPE on 23 July 2013. No evidence was available to confirm that it has been approved as required by this condition or that any follow up has been undertaken. Further it has not been updated or resubmitted following the approval of MOD 1 (approved 24/11/14) or MOD 2 (approved 16/12/15).</p>	<p>The EMS should be updated to reflect the current status of CVC activities approved under SSD-5465 (MOD2) and seek to have the revised EMS approved by DPE.</p>	<p>LakeCoal is currently in the process of updating the Chain Valley Colliery EMS document to reflect current operations. A copy of the updated document will be provided to the Department for review and approval in accordance with the 2016 management plan review schedule which was provided to the Department on 28 July 2016.</p>	31 December 2016

Reference Item	Condition Description	Audit Finding	Audit Recommendation	LakeCoal Response / Action to be Taken	Target Date for Completion
21. Schedule 6, Condition 2	<p>The Applicant must assess and manage development-related risks to ensure that there are no exceedances of the criteria and/or performance measures in Schedules 3 and 4. Any exceedance of these criteria and/or performance measures constitutes a breach of this consent and may be subject to penalty or offence provisions under the EP&A Act or EP&A Regulation.</p> <p>Where any exceedance of these criteria and/or performance measures has occurred, the Applicant must, at the earliest opportunity:</p> <p>(a) take all reasonable and feasible steps to ensure that the exceedance ceases and does not recur;</p> <p>(b) consider all reasonable and feasible options for remediation (where relevant) and submit a report to the Department describing those options and any preferred remediation measures or other course of action; and</p> <p>(c) implement remediation measures as directed by the Secretary, to the satisfaction of the Secretary.</p>	<p>The following exceedances of criteria were recorded:</p> <ul style="list-style-type: none">) Two 1dB noise exceedances were recorded at location ATN007 during attended monitoring in March 2013 and November 2013; and) Hydrocarbon containment structures at the CVC pit-top backset shed found to not be maintained in a proper and efficient manner during an EPA inspection. 	<p>Responses are included under:</p> <ul style="list-style-type: none">) See Schedule 3, Condition 7; and) See response to Schedule 2, Condition 17 	<p>Action was taken by LakeCoal at the time of the exceedances to address these issues. No further action required.</p>	n/a

Reference Item	Condition Description	Audit Finding	Audit Recommendation	LakeCoal Response / Action to be Taken	Target Date for Completion
22. Schedule 6, Condition 4	By the end of March each year, or other timing as may be agreed by the Secretary, the Applicant shall review the environmental performance of the development to the satisfaction of the Secretary. This review must: (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 current calendar year; (b) include a comprehensive review of the monitoring results and complaints records of the development over the past calendar year, which includes a comparison of these results against the: • relevant statutory requirements, limits or performance measures/criteria; • requirements of any plan or program required under this consent; • monitoring results of previous years; and • relevant predictions in the documents listed in condition 2 of Schedule 2; (c) identify any non-compliance over the past calendar year, and describe what actions were (or are being) taken to ensure compliance; (d) identify any trends in the monitoring data over the life of the development; (e) identify any discrepancies between the predicted and actual impacts of the development, and analyse the potential cause of any significant discrepancies; and (f) describe what measures will be implemented over the current financial year to improve the environmental performance of the development.	2013 and 2014 Annual Review reports not submitted by the end of March of the respective reporting periods.	n/a	Noted. LakeCoal submitted the 2015 Annual Review within the approved timeframes agreed by the Department. LakeCoal will submit future Annual Reviews by the end of March each year or within a timeframe agreed to by the Secretary.	Ongoing
23. Schedule 6, Condition 4	See condition in Reference Item 22 above.	-	Include both the attended noise monitoring location (e.g. ATN002) and receptor identification (e.g. R12) in the results tables in the Annual Review to assist readers in interpreting the results.	Noted. LakeCoal will include this information in the summary of attended noise monitoring results in the 2016 Annual Review.	30 March 2017
24. Schedule 6, Condition 4	See condition in Reference Item 22 above.	-	Ensure the investigation into noise mitigation options mentioned in the 2015 Annual Review includes noise emissions from the pit top area to Receptors R11-13, as attended noise monitoring indicates noise levels do not always meet the SSD-5465 long term noise goals at these receptors.	See response to Reference Item 10.	30 March 2017

Reference Item	Condition Description	Audit Finding	Audit Recommendation	LakeCoal Response / Action to be Taken	Target Date for Completion
25. Schedule 6, Condition 4	See condition in Reference item 22 above.	-	Future Annual Reviews should be prepared to meet the requirements of the DP&E Annual Review Guidelines.	LakeCoal will update the structure and content of the 2016 Annual Review to ensure the document is prepared in accordance with the most recent DP&E guidelines.	30 March 2017
26. Schedule 6, Condition 6	<p>The Applicant shall continue to operate a Community Consultative Committee (CCC) for the development to the satisfaction of the Secretary. This CCC must be operated in accordance with the Guidelines for Establishing and Operating Community Consultative Committees for Mining Developments (Department of Planning, 2007, or its latest version).</p> <p>Notes:</p> <ul style="list-style-type: none"> • The CCC is an advisory committee. The Department and other relevant agencies are responsible for ensuring that the Applicant complies with this consent. • In accordance with the guideline, the Committee should be comprised of an independent chair and appropriate representation from the Applicant, Council, recognised environmental groups and the local community. • In operating the CCC, the Department will accept the continued representation from existing CCC members. 	-	Consult with DP&E and existing community representatives regarding the consolidation of the two CCC's for CVC and Mannering Colliery into a single body.	Complete. LakeCoal has received approval from DP&E for the consolidation of the Mannering and Chain Valley CCC's. The first combined CCC meeting was held on 2 August 2016.	Complete
27. Schedule 6, Condition 7	The Applicant shall immediately notify the Secretary and any other relevant agencies of any incident that has caused, or threatens to cause, material harm to the environment. For any other incident associated with the development, the Applicant shall notify the Secretary and any other relevant agencies as soon as practicable after the Applicant becomes aware of the incident. Within 7 days of the date of the incident, the Applicant shall provide the Secretary and any relevant agencies with a detailed report on the incident, and such further reports as may be requested.	No evidence available at the time of audit to confirm that TSS (water quality) exceedance incident recorded in May 2015 was reported to DP&E within 7 days from the date they occurred.	Develop a procedure/checklist that outlines the respective regulatory agencies and (if relevant) landholders to be notified in the event of an environmental incident on site.	LakeCoal has commenced the development of a system document that outlines the relevant regulatory and community stakeholders to be notified in the event of environmental incidents that occur on site.	31 December 2016
SSD-5465 Statement of Commitments					
28. Economic	LakeCoal will contribute \$0.035/t of coal from the Colliery into a dedicated community fund to improve public infrastructure and for the provision of community projects in the surrounding communities of Chain Valley Bay, Mannering Park, Summerland Point and Gwandalan.	Payment of annual contributions and execution of the LC VPA with WSC not executed within the required timeframes.	See recommendation under Schedule 2, Condition 11 of SSD-5465 (MOD2)	Refer to Reference Item 2 response.	n/a

Reference Item	Condition Description	Audit Finding	Audit Recommendation	LakeCoal Response / Action to be Taken	Target Date for Completion
EPL 1770					
29. Condition A2.1	A2.1 The licence applies to the following premises... Note: An updated plan of the premises must be provided to the EPA by the licensee, to the EPA's specifications.	EPL plan requires updating	Provide an updated 'EPL Premises Plan' to the EPA, including the addition of a location for LDP27 as approved in 2015.	LakeCoal is currently updating the premises plan for EPL 1770. The updated plan will be provided to the EPA.	30 October 2016
30. Condition L2.4	Water and/or Land Concentration Limits	The following exceedances were identified against this condition: <ul style="list-style-type: none">) One exceedance of the faecal coliform criteria was recorded in April 2014 monitoring, with a result of 540 CFU recorded (in exceedance of the EPL criteria of 200 CFU); and) Water quality sampling on 12/05/15 at the LDP recorded a TSS result of 114 mg/L (in exceedance of the EPL 1770 criteria of 50 mg/L). 	LC should continue to consult with EPA regarding the management of on-site sewage to ensure the system is managed satisfactorily.	Noted. See response to Reference Item 15	n/a
31. Condition L3.1	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.	Exceedances of the daily discharge limit of water from site identified on 27/01/13, 4/04/15 and 21/05/15.	LC to review procedures and alarms (as updated during the audit period) to ensure that they remain appropriate to manage discharge volumes for current operations.	Complete. LakeCoal has reviewed its approved water management plan. As outlined in the plan, LakeCoal completed significant upgrades to its water management system to improve the sites ability to handle heavy rainfall events in 2015. In accordance with the sites approved water management plan, LakeCoal has also installed remote monitoring on the licenced discharge point and proactively reduces underground dewatering rates when significant rainfall is predicted. The underground dewatering pumps are also controlled via the site Citect system which ensures that the underground dewatering rates do not exceed the 10.5ML per day limit as outlined in the WMP. LakeCoal will continue to implement the sites approved water management plan to manage discharges from the operation.	Complete
32. Condition L5	Noise generated at the premises that is measured at each noise monitoring point established under this licence must not exceed the noise levels specified in Column 4 of the table below for that point during the corresponding time periods specified in Column 1 when measured using the corresponding measurement parameters listed in Column 2.	Two 1dB noise exceedances were recorded at location ATN007 during attended monitoring in March 2013 and November 2013.	See response under Schedule 3, Condition 7.	Noted. These exceedances were reported in the sites Annual Review and Annual Returns accordingly.	n/a
33. Condition L5	See condition in Reference 32 above.	A comparison of noise criteria in Schedule 3 Condition 7 of SSD-5465 and Conditions L5.1 and L5.2 of EPL 1770 shows a substantial difference in the night noise criteria for Receptor R22.	Consult with the EPA regarding the noise limits inconsistency at location R22 and vary EPL1770 to be consistent with the NMP to ensure compliance with Condition M4.1.	LakeCoal notes the inconsistency that has been identified. LakeCoal has commenced a variation to EPL1770 which will be submitted to the EPA to rectify this matter.	31 October 2016

Reference Item	Condition Description	Audit Finding	Audit Recommendation	LakeCoal Response / Action to be Taken	Target Date for Completion
34. Condition M4.1	<p>M4.1 To determine compliance with condition L5.1, attended noise monitoring must be undertaken in accordance with conditions L5.7 and L5.8, and</p> <p>(a) at each one of the locations listed in condition L5.1;</p> <p>(b) occur quarterly within the reporting period of the Environment Protection Licence with at least 2 months between monitoring periods;</p> <p>(c) occur during each day, evening and night period as defined in the NSW Industrial Noise Policy (EPA 2000) for a minimum of 15 minutes for three of the quarters;</p> <p>(d) the night time 15 minute attended monitoring in accordance with c) must be undertaken between the hours of 1am and 4am;</p> <p>(e) the night time LA1 (1 min) attended monitoring in accordance with c) must be undertaken between the hours of 1am and 4am;</p> <p>(f) one quarterly monitoring must occur during each day, evening and night period as defined in the NSW Industrial Noise Policy (EPA 2000) for a minimum of 1.5 hours during the day; 30 minutes during the evening; and 1 hours during the night, and</p> <p>(g) each quarterly monitoring must be undertaken on a different day(s) of the week not including Saturdays, Sundays and public holidays; and</p> <p>(h) these monitoring conditions take effect in the 2015 Reporting period.</p>	The locations approved for noise monitoring in the NMP are inconsistent with the locations required under the EPL 1770.	Consult with the EPA regarding the noise limits inconsistency at location R22 and vary EPL1770 to be consistent with the NMP to ensure compliance with Condition M4.1.	LakeCoal notes the inconsistency that has been identified and will address this matter through the EPL variation as identified in Reference Item 33 above.	31 October 2016
35. Condition M4.1	See condition in Reference 34 above.	-	Ensure attended noise surveys are undertaken at least 2 months apart.	Complete. LakeCoal has notified it's principle noise monitoring consultant of this requirement. This should ensure that future surveys are undertaken within the approved periods.	Complete
36. Condition M4.1	See condition in Reference 34 above.	-	Ensure one noise survey per year complies with Condition M4.1(f, h)	Noted. LakeCoal will ensure that one noise survey per year is conducted in accordance with Condition M4.1(f, h) of EPL 1770.	Annually

Reference Item	Condition Description	Audit Finding	Audit Recommendation	LakeCoal Response / Action to be Taken	Target Date for Completion
37. Condition M8	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.	Exceedance of daily volume discharge limits from the sites licenced discharge point on 12/06/13, 13/06/13 and 26/06/13 due to a failure to respond to alarms that dewatering pumps should be disabled.	LC to review procedures and alarms (as updated during the audit period) to ensure that they remain appropriate to manage discharge volumes for current operations.	Complete. Refer to response for Reference Item 31.	Complete
38. Conditions O.1.1, O2.1	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. 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.	Hydrocarbon containment structures at the CVC pit-top Backset shed found to not be maintained in a proper and efficient manner during an EPA inspection.	During the site inspection the Backset Shed was visited and the corrective actions to address this non-compliance were confirmed to be in place. No further remedial action required.	Noted. No further action required.	n/a
39. Condition R2	Note: The licensee or its employees must notify all relevant authorities of incidents causing or threatening material harm to the environment immediately after the person becomes aware of the incident in accordance with the requirements of Part 5.7 of the Act.	LC provided a written incident report to EPA on the 27/05/15 regarding a TSS water quality criteria exceedance on 12/05/15. LC was notified of the exceedance on 19/05/15. The report was submitted outside of the 7 day response period required under the condition.	Administrative non-compliance. No further action required.	Noted. No further action required.	n/a

Reference Item	Condition Description	Audit Finding	Audit Recommendation	LakeCoal Response / Action to be Taken	Target Date for Completion
40. Condition U1.1	<p>By 07 July 2017 the licensee must construct a pump station, rising main and other infrastructure in order to connect the sewage from Chain Valley Colliery to Wyong Shire Council's sewerage system. The construction must be undertaken by an appropriately qualified an experienced person. The Licensee must:</p> <p>a) obtain the appropriate approvals and permits required for the development;</p> <p>b) construct option A or option B in accordance with the document titled "Concept Design Report for Sewage Treatment System Upgrade Chain Valley Colliery" dated 1 February 2016 and prepared by RGH Consulting Group;</p> <p>c) include connection of sewage from the administration building to the rising main;</p> <p>c) notify the EPA in writing at hunter.region@epa.nsw.gov.au within 2 weeks of the pump station and rising main being commissioned; and</p> <p>d) provide the EPA with a report on commissioning of the pump station and rising main which details the final option constructed within 2 weeks of the pump station and rising main being commissioned.</p>	LC provided the required PRP4 outcomes report to the EPA after the required submission date of 30/12/14.	Administrative non-compliance. No further action required.	Noted. PRP4 has been completed. No further action required.	Complete.
Water Licence 20BL173107					
41. Condition 4	The licence holder must develop and implement a methodology to estimate the annual volume of alluvial groundwater intercepted (water budget), approved by the Office of Water. Water budgets must be set and approved one month prior to the beginning of each water year to enable implementation.	No evidence could be found to indicate that NOW approval of water budgets at least one month prior to the commencement of each water year had been obtained at the time of audit.	Consult with NOW regarding their expectations regarding the annual approval of water budgets and LC compliance reporting against licenced activities	<p>LakeCoal provides an overview of it's water balance in the sites Annual Review. A copy of this document is provided to DPI Water.</p> <p>LakeCoal will consult with NOW (now DPI-Water) to determine its preferred method of water budget reporting and request DPI-Water's comments or agreement in relation to annual reporting of water budgets and compliance with this water licence condition going forward.</p>	31 December 2016
42. Condition 5	The licence holder must develop and implement a groundwater monitoring and contingency plan, with its reporting schedule, and approved by the Office of Water. The groundwater monitoring and contingency plan is to be prepared and submitted to the Office of Water within six months of issuing the licence using the template provided by the Office of Water.	NOW approval of a Groundwater Monitoring and Contingency Plan within six months of the date of issue of 20BL173107 was not able to be verified at the time of audit.	Obtain evidence to confirm NOW approval of a Groundwater Monitoring and Contingency Plan.	LakeCoal will consult with NOW (now DPI-Water) to determine its requirements to address this outstanding matter.	31 December 2016

Reference Item	Condition Description	Audit Finding	Audit Recommendation	LakeCoal Response / Action to be Taken	Target Date for Completion
43. Condition 12	An extraction measurement device must be installed and maintained on each bore used for extraction of water under this licence, and such devices must be of a type and standard, and must be maintained in a manner, which is acceptable to the Office of Water.	No evidence available at the time of the audit to confirm NOW approval of the U/G dewatering measurement devices (flow meters) utilised by CVC.	Consult with NOW and obtain written advice that the methods used to monitor groundwater extraction from the operation are to their satisfaction.	Noted. LakeCoal will consult with DPI-Water to seek confirmation that the methods used to monitor groundwater extraction at Chain Valley Colliery are to their satisfaction.	31 December 2016
44. Condition 13	The licence holder will provide the Office of Water with an Annual Compliance Report, to report on the results of the groundwater monitoring and contingency plan, within one month of the end of the water year being reported on. The Annual Compliance Report must: a) Assess compliance with the licence; b) provide a summary of new bores of pits constructed during that year; c) provide statistics for the monitoring data collated for each bore for the last water year; d) summarise contingency events that impacted on groundwater during the last water year, including actions taken to remedy the situation and extra monitoring results; e) any recommendations for improvements for the new water year.	No evidence could be found to indicate that a stand-alone Annual Compliance Report on licenced activities had been completed by LC during the audit period.	Consult with NOW regarding their expectations regarding the annual approval of water budgets and LC compliance reporting against licenced activities	LakeCoal provides an overview of it's water balance in the sites Annual Review. A copy of this report is provided to DPI Water annually. LakeCoal will consult with DPI-Water to confirm that the annual review process sufficiently satisfies this condition.	31 December 2016
General Recommendations					
45. General Observation	n/a	n/a	It is recommended that the areas found to have weed infestations during the site inspection be added to the Environmental Inspection process and treated to minimise the potential for the spread of weeds from the site into adjacent areas.	Complete. LakeCoal has updated its internal environmental inspection checklist to include consideration/identification of invasive weeds. In addition, LakeCoal has also engaged a weed management consultant to undertake a detailed weed survey of the operation. The outcomes from this assessment will be used to develop a weed action plan for the 2017 reporting period.	Complete.
46. General Observation	n/a	n/a	Calculate the maximum harvestable right for CVC under the <i>Water Management Act 2000</i> to determine if excess water is being captured on site. LC should consult with DPI-Water regarding the findings of this review, once completed.	LakeCoal has commenced this review as recommended by the auditors. LakeCoal will consult with DPI Water once the review has been completed.	31 December 2016
47. General Observation	n/a	n/a	With the completion of upgrade works for the final dam, it is recommended that the remaining sections of sediment fencing left in place post-construction are removed.	Complete. The redundant sections of the sediment fencing that remain in place post-construction of the upgraded final dam have been removed.	Complete.