

# LIDDELL

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## GLENCORE

24 March 2016

LCO 16/029

The Secretary  
Department of Planning and Environment  
PO Box 3145  
SINGLETON NSW 2330

Att: Mr Chris Knight

**RE: Liddell Coal Operations Pty. Limited – Development Consent 305-11-01 Independent Environmental Audit**

Dear Chris,

Please find enclosed the Liddell Coal Operation Pty Limited (LCO) Independent Environmental Audit Report (Audit Report) which has been prepared by Hansen Bailey and LAMAC Management for the period 1 July 2012 to 31 December 2015.

The Audit Report has been prepared in accordance with Schedule 5, Condition 4 and 5 of DA305-11-01 (as modified) which states:

**INDEPENDENT ENVIRONMENTAL AUDIT**

4. Within a year of the approval of modification application DA 305-11-01 MOD 5, and every 3 years thereafter, unless the Secretary directs otherwise, the Applicant shall commission and pay the full cost of an Independent Environmental Audit of the development. This audit must:
- (a) be conducted by a suitably qualified, experienced, and independent team of experts whose appointment has been endorsed by the Secretary;
  - (b) include consultation with relevant agencies;
  - (c) assess the environmental performance of the development, and its effects on the surrounding environment;
  - (d) assess whether the development is complying with the relevant standards, performance measures, and statutory requirements;
  - (e) review the adequacy of any strategy/plan/program required under this consent; and, if necessary,
  - (f) recommend measures or actions to improve the environmental performance of the development, and/or any strategy/plan/program required under this consent.

*Note: This audit team must be led by a suitably qualified auditor and include experts in the field of mine rehabilitation and mine closure.*

5. Within 6 weeks of completing this audit, or as otherwise agreed by the Secretary,, the Applicant shall submit a copy of the audit report to the Secretary with a response to any recommendations contained in the audit report.

# GLENCORE

There are a number of key actions and recommendations arising from the compliance audit. For reference these are shown in Table 7 – Audit Recommendations within the Audit Report and are reproduced in a Table attached to this letter, along with LCO's response to the matters identified.

Thank you for your consideration of this matter. If you require any further information please contact me on 6570 9947.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Ben de Somer', with a long horizontal flourish extending to the right.

Ben de Somer  
Environment and Community Manager  
Liddell Coal Operations Pty Ltd

# GLENCORE

IEA Action/Recommendation	Liddell Response / Proposed Action	Proposed Timeframe
Schedule 3, Condition 23(ci). Complete the calibration of the Site Water Balance as soon as possible in 2016.	Water balance calibration commissioned to Hydro Engineering & Consulting Pty Ltd to complete on 21 January 2016. Despite not compliant with the Water Management Plan, the delayed commencement allows for full dataset of 2015 water inputs/outputs to be included.	In progress, expect complete 30 April 2016.
Schedule 3, Condition 34. Continue to support the development of the plantings on the Old New England Highway bund to ensure that an adequate visual screen is established.	Replace failed tube stock where required and continue to monitor.	30 June 2016.
Schedule 3, Condition 37. <ul style="list-style-type: none"> <li>○ Commission a visual impact specialist to review the performance of the measures to enhance the natural appearance of the RL 195 emplacement area to ensure integration with surrounding natural landforms.</li> <li>○ Attempt to obtain greater clarification from DP&amp;E and DRE as to their expectations regarding landform integration</li> </ul>	<ul style="list-style-type: none"> <li>● Engage visual impact/landform specialist to review final landform options.</li> <li>● Communicate outcomes to DPE/DRE and seek agreement on any proposed landform option.</li> </ul>	31 December 2016
Mining Operations Plan. <ul style="list-style-type: none"> <li>○ Amend Section 3.4.3 of the MOP at the next variation to describe the use of OGM top-dressed overburden in some rehabilitation areas.</li> <li>○ Amend MOP Section 3.4.3 to ensure the</li> </ul>	Include in future MOP amendment in consultation with DRE.	Next MOP review/amendment. Timeframe unspecified.

# GLENCORE

IEA Action/Recommendation	Liddell Response / Proposed Action	Proposed Timeframe
<p>commitment that “LCO propose to re-spread 100 mm of topsoil on all rehabilitation areas”, is subject to the LCO Soil Distribution Plan.</p> <ul style="list-style-type: none"> <li>○ Amend MOP Section 7.3.4 at the next variation to provide clarity regarding the source of seed used in LCO rehabilitation.</li> <li>○ In future MOPs or MOP amendments, consider linking rehabilitation commitments with milestones other than calendar years, such as production or disturbance progress, to ensure rehabilitation commitments match operational progress. Rehabilitation commitments would then reflect fluctuations in operational tempo.</li> </ul>		
<p>Mining Operations Plan, Section 9.2 Assess the ecological and rehabilitation monitoring results against the relevant rehabilitation completion criteria in future Annual Reviews. If required, monitoring results should trigger a management response as described in the MOP TARP. LCO should ensure that there is a clear decision making pathway between monitoring results, completion criteria, the TARP and resulting management measures.</p>	<p>2015 Annual Review prepared to address this requirement.</p>	<p>31 March 2016.</p>

# GLENCORE

IEA Action/Recommendation	Liddell Response / Proposed Action	Proposed Timeframe
Mining Operations Plan, Appendix F. Continue with investigations under Mountain Block Remedial Strategy, as outlined in the 2015 MOP, Appendix F.	LCO supports this recommendation.	Ongoing throughout 2016/2017.
Singleton Council Sewerage Management System Approval, Condition 3. Review contractor reporting procedures to confirm monitoring results are provided to SC within 7 days of testing as required under the approval condition.	LCO to consult further with Singleton Council regarding reporting requirements with aim to consolidate to monthly reporting similar to other approval reporting requirements e.g. Environmental Protection Licence.	30 September 2016.
20BL172588 Middle Liddell Bore, Condition 12. The water licence audit was not completed within the five year period required under Condition 12. It is recommended that LCO address this issue with DPI-Water and seek to undertake the required audit as soon as possible in 2016.	LCO to gain clarification from DPI-Water as to audit scope /requirements and complete.	31 December 2016.
Biodiversity Management Plan, Section 6. Recommend updating Section 6 of the plan at the next revision to include options for weed control in advance of topsoil stripping in addition to just spraying to align with practices being undertaken.	To be included at next review. DA305-11-01 Schedule 5 Condition 6 requires any review to management plans/procedures required by the audit be completed within 3 months of submitting the audit report.	24 June 2016 based on submission.
LCO SD PRO 0079 Bioremediation Area. Review remediation actions and responsibility for the bioremediation area to ensure that the site and emplaced materials are adequately maintained.	To be included at next review. DA305-11-01 Schedule 5 Condition 6 requires any review to relevant management plans/procedures required by the audit be completed within 3 months of submitting the audit report. Update to include information relating to pre & post rainfall inspections, and record keeping	24 June 2016 based on submission.

# GLENCORE

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	requirements.	
<p>Aboriginal Cultural Heritage Management. Remove any residual fencing and signage of Aboriginal heritage sites collected during the 2015 archaeological salvage to minimise any future uncertainty in the management of remaining sites.</p>	LCO supports this recommendation.	31 May 2016.
<p>General Rehabilitation</p> <ul style="list-style-type: none"> <li>○ Review areas of bare patches on the ridges of contour banks in the Railway Block rehabilitation and remediate these areas if required.</li> <li>○ Reinstate cover on the disturbed face of the topsoil stockpile on the RL 192 overburden emplacement if the dump is not planned for modification during 2016.</li> <li>○ Implement a formal review process to assess the immediate and long term success of grazing and slashing trials as a control measure for Rhodes grass dominated pasture, to determine the value of these activities as a long term controls (for biodiversity and woodland corridor areas).</li> <li>○ Based on those areas with specific biodiversity objectives (such as proposed</li> </ul>	<ul style="list-style-type: none"> <li>• LCO to schedule with 2016 rehabilitation program and complete.</li> <li>• LCO has completed this action during recent rehabilitation activities.</li> <li>• LCO to include in annual mine rehabilitation planning and document within 2017 plan.</li> <li>• LCO to include in annual mine rehabilitation planning and document within 2017 plan.</li> </ul>	<p>30 November 2016.</p> <p>Complete.</p> <p>31 December 2016.</p> <p>31 December 2016.</p>

# GLENCORE

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<p>habitat features or woodland corridors) identified in the 2015 MOP, priorities for the slashing and/or grazing control of Rhodes grass should be documented, and a schedule determined to ensure sufficient time and resources are allocated to achieve the required outcomes.</p> <ul style="list-style-type: none"> <li>○ Continue to review the performance of the Weed Action Plan to reflect corrective actions for high risk locations and the weed species present on site.</li> </ul>	<ul style="list-style-type: none"> <li>• LCO considers there are already sufficient processes in place to address this recommendation as follows: monthly site inspections by E&amp;C staff, 2-monthly weed inspections as required by approved Biodiversity Management Plan (BMP), annual ecological monitoring of remnant and rehabilitation areas as required by BMP, and annual weed action plan site survey.</li> </ul>	<p>Complete.</p>