

Appin Area 9 Project

Environmental Management System



Environmental Management Strategy

Review History

Revision	Description of Changes	Date	Approved
0	Initial Document	Sept 2010	B Blunden
P1	Final Document	April 2011	B Blunden

Table of Contents

1 INTRODUCTION5

1.1 Background.....5

1.2 Scope.....5

1.3 Purpose.....6

2 OBJECTIVES.....7

3 MANAGEMENT STRATEGY REQUIREMENTS8

3.1 Internal Requirements.....8

3.1.1 BHP Billiton and Other Policies and Strategies8

3.2 External Requirements.....9

3.2.1 ISO140019

3.2.2 Environment Protection Licence10

3.2.3 Appin Vent Shaft No 6 Project Approval10

3.2.4 Appin Vent Shaft No 6 EPBC Approval.....10

3.3 Statutory Requirements10

4 ENVIRONMENTAL MANAGEMENT SYSTEM12

4.1 General Requirements12

4.2 Policy12

4.3 Planning12

4.3.1 Environmental Aspects12

4.3.2 Legal and Other Requirements12

4.3.3 Objectives and Targets13

4.4 Implementation and Operations.....13

4.4.1 Resources, Roles and Responsibilities13

4.4.2 Competence, Training and Awareness17

4.4.3 Communications18

4.4.3.1 Internal Communications.....18

4.4.3.2 External Communications18

4.4.4 Documentation19

4.4.5 Control of Documents19

4.4.6 Operational Control19

4.4.7 Emergency Preparedness and Response20

4.5 Checking20

4.5.1 Monitoring and Measurement20

4.5.2 Evaluation of Compliance20

4.5.3 Non-Conformity, Corrective Action and Preventative Action20

4.5.4	<i>Control of Records</i>	21
4.5.5	<i>Internal Audit</i>	21
4.6	Management Review	21
5	COMPLAINTS AND DISPUTE RESOLUTION	23
6	SERIOUS INCIDENT HANDLING	24
7	REPORTING	25
7.1	Significant Incident Reports	25
7.2	Annual Environmental Management Reports (AEMR)	25
7.3	Environment Protection Licence (EPL) Annual Return	25
7.4	Annual Review	26
7.5	SAP EC	26
7.6	Incident reports	26
8	REFERENCES	27
9	APPENDIX A	28
10	APPENDIX B: Map of VS#6 Monitoring Sites	29

1 INTRODUCTION

1.1 Background

BHP Billiton Illawarra Coal Pty Ltd (BHPBIC) currently operates Appin Mine. Appin West Pit Top is located off Douglas Park Drive approximately 2km east of Douglas Park. The Appin Area 9 Project is responsible for delivering the Appin Area 9 mining domains and ancillary infrastructure such as No 6 Vent Shaft and surface gas drainage.

Underground mining activities have been carried out at Appin West Mine (formally Tower Colliery) since 1978. The Mine has significant economic impact within the Illawarra region due to the employment of approximately 400 staff and contractors through work associated with mining activities.

Transportation of coal from Appin West Mine is via underground conveyer to the Appin East Pit Top. Coal is trucked along Appin and Wedderburn Roads to the CPP at West Cliff Colliery. Coal from Appin and West Cliff Collieries is processed then loaded onto trucks for transportation to Port Kembla Coal Terminal (PKCT), BlueScope Steel or other local customers.

1.2 Scope

The Appin Area 9 Project consist of a number of aspects which are covered by this Environmental Management Strategy, these aspects include:

No 6 Vent Shaft – The No 6 Vent Shaft will commence construction in 2011 following Part 3A approval. The environmental management of the site will progress through the construction stage then an operational stage.

Service Boreholes – Service boreholes from the surface to the mine will commence construction following Part 3A approval. The environmental management of the site will progress through the construction stage then an operational stage.

Surface Gas Drainage – Located above the Area 9 mining area, several surface gas drainage wells are proposed to extract gas from the coal seam or goaf above the extracted coal seam before or during mining. This gas is either reticulated via a surface network of pipes and then connected into the underground gas range for utilization by the Energy Developments Limited power plants or flared. In emergency situations, gas may be emitted to the atmosphere.

1.3 Purpose

The purpose of the Environmental Management Strategy is to provide a framework to ensure the operation of the Appin Area 9 Project is done in an environmentally responsible manner. Effective environment and community management is integral to the success of the operation.

Condition 4.1 of the Vent Shaft No 6 Project Approval requires that an Environmental Management Strategy be prepared and implemented.

Environmental Management Strategy

1. The Proponent shall prepare and implement an Environmental Management Strategy for the project to the satisfaction of the Director-General. This strategy must:
 - (a) be submitted to the Director-General for approval by the end of July 2011;
 - (b) provide the strategic framework for environmental management of the project;
 - (c) identify the statutory approvals that apply to the project;
 - (d) describe the role, responsibility, authority and accountability of key personnel involved in the environmental management of the project;
 - (e) describe the procedures that would be implemented to:
 - keep the local community and relevant agencies informed about the operation and environmental performance of the project;
 - receive, handle, respond to, and record complaints;
 - resolve any disputes that may arise during the course of the project;
 - respond to any non-compliance;
 - respond to emergencies; and
 - (f) include:
 - copies of the various strategies, plans and programs that are required under the conditions of this approval once they have been approved; and
 - a clear plan depicting all the monitoring to be carried out in relation to the project.

A map of the monitoring to be undertaken for the Appin No 6 Vent Shaft Project is provided in Appendix B.

2 OBJECTIVES

The objectives of the Environmental Management Strategy are to:

- i. Provide the strategic framework for environmental management of the Appin Area 9 Project;
- ii. Identify the legislative requirements that apply to the Project;
- iii. Describe in general how the environmental performance of the development is monitored and managed
- iv. Describe the procedures that have been implemented to:
 - a. Keep the local community and relevant agencies informed about the operation and environmental performance of the development;
 - b. Receive, handle, respond to, and record complaints;
 - c. Resolve any disputes that may arise during the course of the development;
 - d. Respond to any non-compliance;
 - e. Respond to emergencies; and
- v. Describe the role, responsibility, authority and accountability of all key personnel involved in the environmental management of the development.

3 MANAGEMENT STRATEGY REQUIREMENTS

The Environmental Management Strategy has been developed in accordance with both internal and external requirements as detailed in

Figure 1. These requirements are outlined in more detail in the following sub-sections.

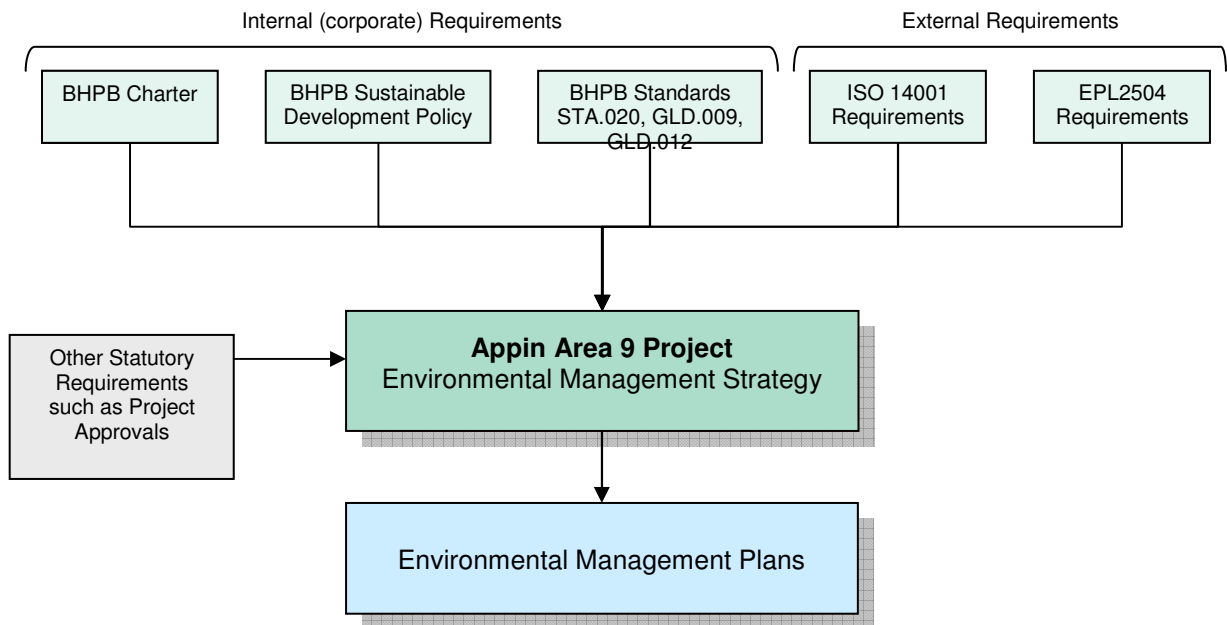


Figure 1: Internal and External Requirements

3.1 Internal Requirements

3.1.1 BHP Billiton and Other Policies and Strategies

BHP Billiton assets operate in accordance with the BHPB Charter and the BHPB Sustainable Development Policy. The Health, Safety, Environment and Community (HSEC) Management Standard (STA.009) covers all operational aspects and activities of its business and the Group Level Document (GLD) for Environment (GLD.009) prescribes the mandatory environmental performance requirements that support the goal of zero harm across BHP Billiton, the environment and the communities we operate in..

The HSEC Management System framework is consistent with internationally recognised standards. It aims to set benchmarks for the company’s diverse range of businesses to develop and implement their own HSEC Management Systems, to provide auditable criteria for these systems and to provide a basis from which to drive continuous improvement.

The Appin Area 9 Project Environmental Management Strategy has been developed consistent with the principles of the HSEC Management Standard, the Environment and Community GLDs.

3.2 External Requirements

3.2.1 ISO14001

The Environmental Management Strategy provides an overview of the Environmental Management System (EMS) for the Appin Area 9 Project and provides guidance and reference to the specific components of the EMS required to be followed and implemented in accordance with ISO14001 requirements. The ISO 14001 Environmental Management System model is shown in Figure 2.

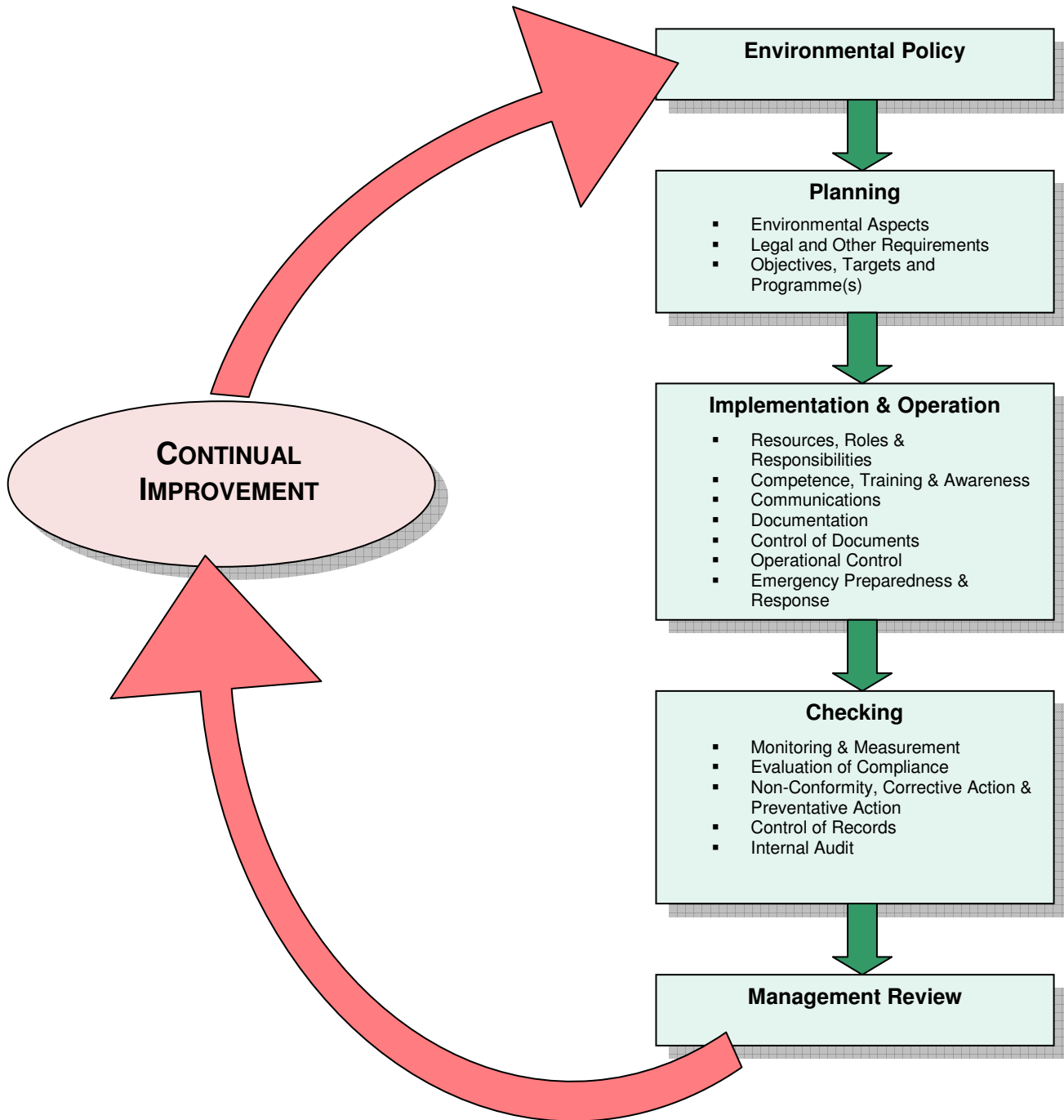


Figure 2: ISO 14001 Environmental Management System Requirements

As shown in Figure 2, the EMS structure consists of 18 elements, which are utilised as headings within this document to describe the activities and processes which Illawarra Coal (including the Appin Area 9 Project) implements to meet the requirements of ISO14001.

3.2.2 Environment Protection Licence

Licence 2504 applies to all Illawarra Coal operations that mine the Bulli Seam, including Appin and West Cliff Mines. A copy of the licence can be accessed at the EPA website via the following link

<http://www.environment.nsw.gov.au/poee>

3.2.3 Appin Vent Shaft No 6 Project Approval

A Project Approval for the Appin Vent Shaft No 6 was granted by the Department of Planning on 4 May 2011. A copy of the Project Approval can be accessed at the DoP website via the following link:

<http://www.planning.nsw.gov.au>

3.2.4 Appin Vent Shaft No 6 EPBC Approval

An Approval (EPBC 2010/5722) under the Environmental Protection and Biodiversity Conservation Act was granted by the Department of Sustainability, Environment, Water, Population and Communities for the Appin Vent Shaft No 6 on 1 April 2011. A copy of the EPBC Approval can be accessed at the EPA website via the following link:

<http://www.environment.gov.au>

3.3 Statutory Requirements

All statutory obligations applicable to the Appin Area 9 Project and Appin West Mine operations have been identified and are managed via an online compliance management system (TICKIT). The online system can be accessed from the following link <https://illawarracoal.tod.net.au/login>. The obligations are allocated to relevant managers and other responsible site personnel.

Obligations are allocated a review period and each month the obligations that are due to be reviewed are displayed. The relevant personnel are required to review the obligations that are due and provide a comment regarding how the obligation has been met and whether or not the site is compliant with the obligation. If the site is non-compliant, an action is required to be generated and put into FPe, where it will be tracked to completion.

Links are provided to the relevant document (licence, lease conditions, development consent, legislation) for further review where required.

The process is managed in accordance with the following Illawarra Coal procedures:

- *Identification of Legal and other Requirements (ICHP0105)*
- *Compliance Evaluation (ICHP0100).*

4 ENVIRONMENTAL MANAGEMENT SYSTEM

This section outlines the EMS for the Appin Area 9 Project, which has been developed in accordance with ISO14001 requirements (refer to Section 3.2.1).

4.1 General Requirements

The EMS forms one part of a hierarchy of systems and documents to enable Appin Area 9 Project to develop and sustain a high level of environmental performance in all facets of its business.

4.2 Policy

BHP Billiton has a corporate Sustainable Development Policy (POL.004), which states the direction of the company with regards to environmental matters. The BHP Billiton Sustainable Development Policy is available to the public via the BHP Billiton web site (www.bhpbilliton.com) and is available to employees via the BHP Billiton intranet site.

The policy states that all BHP Billiton operations are to develop, implement and maintain management systems for sustainable development that drive continual improvement.

4.3 Planning

4.3.1 Environmental Aspects

The environmental aspects associated with the Appin Area 9 Project operations are identified and assessed in accordance with the Illawarra Coal *Environmental Aspects and Impacts Assessment procedure (ICHP0104)*.

Appin West Mine maintains a database of Environmental Aspects and Impacts. The register is reviewed and updated on an annual basis. Appin Area 9 Project Environmental Aspects and Impacts will be incorporated to the Appin West database.

Significant environmental aspects (i.e. air, water, GHG etc) are managed in accordance with specific environmental management plans as described in Section 4.5.1 of this strategy.

4.3.2 Legal and Other Requirements

The legal and other requirements associated with the Appin Area 9 Project and Appin West Mine Operations are identified and documented in accordance with the Illawarra Coal *Identification of Legal and Other Requirements Procedure (ICHP0105)*. This procedure describes the process for identifying legal and other requirements associated with all Illawarra Coal Operations.

Illawarra Coal maintains a legal compliance register which contains details, including reporting requirements, for the key legal documents relation to the operations.

All statutory obligations applicable to the Appin Area 9 Project and Appin West Mine operations are managed via an online compliance management system (TICKIT) as detailed in Section 3.3 of this document.

4.3.3 Objectives and Targets

Targets and specific improvement projects associated with the Appin Area 9 Project are established through the Business Planning and Business Strategy processes. The progress against these targets and projects is tracked by senior management via the business performance review process.

Illawarra Coal also maintains an Environmental Improvement Plan (ICHGD0029) for the Illawarra Coal operations, this plan contains high level projects for the Illawarra Coal group.

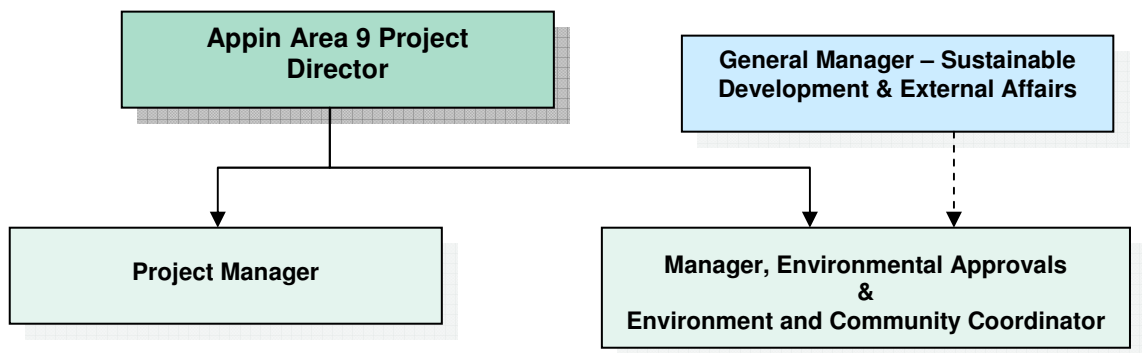
These documents, which support the overall site targets and projects, are reviewed and updated on an annual basis.

4.4 Implementation and Operations

4.4.1 Resources, Roles and Responsibilities

The roles and responsibilities of key site personnel with respect to the environmental management for the Appin Area 9 Project, as shown in Figure 3, are detailed in the following paragraphs.

Figure 3: Key Personnel – Environmental Management



Appin Area 9 Project Director

The role of the Appin Area 9 Project Director is to provide leadership to the project management team. The Director has the following responsibilities and accountabilities with respect to environmental management:

- Approval of adequate resources to implement the Environmental Management System in accordance with the Sustainable Development Policy.

- Ensure Environmental Management Plans and programs are implemented and maintained.
- Ensure accurate and timely reporting of environmental performance is undertaken as per requirements of the Project Approval(s) and EPL 2504.

The Director is authorised to:

- Make changes to, stop or suspend activities as required to meet environmental obligations; and
- Make changes to accommodate community concerns.

Manager Environmental Approvals

The Environmental Approvals Manager, reporting to the Director, is responsible for gaining relevant environmental and planning approvals, and developing relevant management plans to ensure environmental and community standards are implemented. Advise on interpretation of and approval of design/actions to ensure conformity with the minimum requirements and intent of the respect approvals

Environment and Community Coordinator

The Environment and Community Coordinator, reporting the Environmental Approvals Manager, is responsible for ensuring that a high standard of environmental performance is achieved for surface activities undertaken by the Area 9 Project.

The Area 9 Project Environment and Community Coordinator has the following responsibilities and accountabilities with respect to environmental management:

- Develop and maintain environmental procedures and systems that are consistent with the BHP Billiton and Illawarra Coal Environmental Management Systems.
- Provide guidance, co-ordination and management on environmental issues to management, the workforce and contractors.
- Ensure the licensing aspects of the mine are clearly defined and communicated to the workforce.
- In conjunction with the General Manager Sustainable Development and External Affairs and site management ensure appropriate applications are made to Federal, State and Local authorities as required.
- Liaise with the General Manager Sustainable Development and External Affairs regarding community and regulatory authorities, as required.

- Work with site staff to ensure that emissions to atmosphere, water and land comply with environmental requirements.
- Overview the progress and development of monitoring methods and procedures for environmental compliance and control.
- Co-ordinate the collection and regular review of environmental performance and community data. Communicate performance information to the local site workforce and community.
- Develop and conduct environmental training programmes for the workforce and contractors.
- Investigate and resolve community concerns and complaints quickly and effectively.
- Work closely with all contractors to ensure that appropriate environmental controls are in place.
- Maintain close contact with local community and proactively understanding and addressing any concerns raised.
- Attend meetings and presentations as required.

The Environment and Community Coordinator is authorised to:

- Liaise with the community and respond to complaints; and
- Institute any additional environmental controls as necessary to meet environmental obligations.

General Manager (GM) – Sustainable Development and External Affairs

The Illawarra Coal General Manager Sustainable Development and External Affairs, reporting to the President of Illawarra Coal, is responsible for environmental management across all BHPBIC operations. The GM Sustainable Development and External Affairs has the following responsibilities and accountabilities with respect to environmental management at West Cliff CPP:

- Implementation of the Environmental Management System including facilitating the commitments outlined in BHP Billiton's Sustainable Development Policy for the BHPBIC operations.
- In consultation with the Operations Manager and Environment and Community Coordinator, undertaking liaison with relevant stakeholders on behalf of BHPBIC.
- Provide adequate support and resources for the Environment and Community Coordinator
- Review and endorse corrective actions associated with significant or potentially significant environmental issues.

The GM Sustainable Development and External Affairs is authorised to:

- Speak to Government Authorities on behalf of the operation, and
- Institute any additional environmental controls as necessary to meet environmental obligations, in consultation with Environment and Community Coordinator.

Project Manager

The Project Manager is responsible for managing the design and construction of various surface infrastructure developments for the Appin Area 9 Project. This role works closely with the manager Environmental Approvals and Environmental and Community Coordinator to ensure compliance with relevant statutory approvals and to ensure a high level of environmental performance is achieved.

The Project Manager has the following responsibilities and accountabilities with respect to environmental management:

- Develop and maintain environmental procedures and systems that are consistent with the BHP Billiton and Illawarra Coal Environmental Management Systems.
- Provide guidance, co-ordination and management on environmental issues to management, the workforce and contractors.
- Ensure the environmental and community aspects of the site are clearly defined and communicated to the workforce.
- Liaise with the General Manager Sustainable Development and External Affairs regarding community and regulatory authorities, as required.
- Work with site staff to ensure that emissions to atmosphere, water and land comply with environmental requirements.
- Overview the progress and development of monitoring methods and procedures for environmental compliance and control.
- Co-ordinate the collection and regular review of environmental performance and community data. Communicate performance information to the local site workforce and community.
- Investigate and resolve community concerns and complaints quickly and effectively.
- Work closely with all contractors to ensure that appropriate environmental controls are in place.

- Maintain close contact with local community and proactively understanding and addressing any concerns raised.
- Attend meetings and presentations as required.

The Project Manager is authorised to:

- Institute any additional environmental controls as necessary to meet environmental obligations.

4.4.2 Competence, Training and Awareness

Training is an essential component of the Environmental Management System. The Environmental Management Strategy and associated Management Plans cannot be implemented and complied with unless appropriate training is given to those undertaking the work to which the Strategy and Management Plans apply. This is also consistent with requirements under ISO14001.

The training program includes:

- i. An initial site induction;
- ii. Distribution of environmental awareness material; and
- iii. On-going job specific training and re-training (where required).

The introductory training is undertaken in site inductions, which includes all relevant aspects of environment, safety and community. The induction-training package is undertaken by all employees and contractors working on the Appin Area 9 Project.

To supplement the site induction process, environmental awareness material is also distributed periodically throughout the year to ensure that the workforce is reminded of their environmental responsibilities. This material is distributed through a variety of mechanisms including:

- Preparation of Safe Work Methods Statements and Job Safety Analyses
- Toolbox Talks and Pre-shift communications; and
- Awareness Posters.

Specific training of key site personnel is undertaken on an 'as required' basis. This training, which focuses on a specific aspect (e.g. hazardous substance handling), is targeted at personnel that are routinely exposed to the aspect during their daily tasks (i.e. movement and use of water quality treatment products such as Alum or PAC).

All training records are kept in the Safety and Training Department in the STAX database system, which can be accessed via the iPick system (refer to Section 4.4.4 of this document).

4.4.3 Communications

4.4.3.1 Internal Communications

Internal communications are performed to disseminate essential information to all employees and contractors engaged on the Project. Typical internal communications may include:

- Contract documentation
- Project & contract meetings
- Inductions
- Tool box talks
- Posted notice board etc info flyers

4.4.3.2 External Communications

External consultation is undertaken on an Illawarra Coal group basis and is managed by the implementation of a *Social Management Program (ICHMP0016)*. The plan identifies key stakeholders and appropriate communication and consultation processes.

Key regional stakeholders include:

- The local community.
- Local and state government agencies and authorities including – DoP, DECCW, I&I NSW, SCA, MSB and local shire councils.
- Employees and contractors.
- Local and regional business groups.
- Community groups.
- Residents potentially impacted by subsidence.
- The indigenous community
- Local schools and volunteer groups.
- The general community.

Community information is provided through the following mechanisms:

- Newsletters such as the Appin Village News – a free publication of the Appin Village Community.
- Community information sheets and letter box drops.
- Door knocks.
- Media releases and other media activities.
- The Illawarra Coal 'Appin Community Office' based in Appin Township.
- General community surveys and reports.
- Coal News – an Illawarra Coal publication for employees.

- Coalition News – a six-monthly Illawarra Coal publication.
- Internet site
(<http://www.bhpbilliton.com/bb/ourBusinesses/metallurgicalCoal/illawarraCoal.jsp>)
- Stakeholder group presentations and information sessions.
- Open days.

Illawarra Coal is represented at the following stakeholder committees and working groups:

- Appin Area Community Working Group.
- Community Partnership Board.
- Appin Chamber of Commerce.
- Douglas Park Advisory Panel

4.4.4 Documentation

The Appin Area 9 Project Environmental Management Strategy (i.e. this document) is a documented standard that describes the core elements of the projects management systems and their interaction. Key documents relating to the EMS are located in the document control system, iPick (<http://ipick.bhpbilliton.net/>).

4.4.5 Control of Documents

The Illawarra Coal *Document Control procedure (ICHPO103)* outlines the method for control of defined 'business critical' documentation for all Illawarra Coal operations. The system has been designed in such a manner to ensure that:

- Documents are approved for adequacy by authorised personnel prior to use;
- Obsolete documents are promptly removed from circulation; and
- Documents are reissued, or made available, to relevant persons in a timely fashion after changes have been made and the authorization process is complete.

4.4.6 Operational Control

Operational control of areas identified as having significant Environmental Aspects for the Area 9 Project are covered in dedicated Management Plans. The management plans have been developed in accordance with the key regulatory documents such as Project Approvals, Environmental Protection Licence 2504 and BHPB Corporate requirements.

The Environmental Management Plans are regularly reviewed. If deficiencies in the EMS and Environmental Management Plans are identified in the interim period, the plans will be modified as required. The review process is to ensure the EMS continues to meet current environmental

requirements, including changes in technology and operational practice, and the expectations and awareness of stakeholders.

4.4.7 Emergency Preparedness and Response

All incidents relating to the environment are reported through First Priority Enterprise (FPe) and related records are maintained in accordance with the Records Management Procedure (refer to Section 4.5.4 of this document)

4.5 Checking

4.5.1 Monitoring and Measurement

A series of detailed Environmental Management Plans for the No 6 Vent Shaft and Surface Gas Drainage projects have been developed for each of the key aspects in accordance with the relevant project Approvals and meet the requirements of the BHP Billiton Environment GLD (GLD.009).

The management plans document the management strategies and monitoring programs that have been implemented to ensure that each of the key environmental aspects are managed effectively and hence minimising the environmental impact of the operations.

The management plans also describe the requirements with regards to responding to and reporting of non-compliances where applicable.

4.5.2 Evaluation of Compliance

The *Compliance Evaluation Procedure (ICHP0100)* describes the various processes in place to evaluate compliance with applicable legal and other requirements for the Illawarra Coal operations.

4.5.3 Non-Conformity, Corrective Action and Preventative Action

Non-conformities, corrective actions and preventative actions are managed in accordance with *Non-Conformance, Preventative and Corrective Action Procedure (ICHP0107)*. This procedure, which relates to all Illawarra Coal operations, details the processes to be utilised with respect to the identification of non-conformances, the application of appropriate corrective actions(s) to address non-conformances and the establishment of preventative actions to avoid non-conformances. The key elements of the process include:

- i. Identification of Non-Conformance and/or Non-Compliances;
- ii. Recording of Non-Conformance and/or Non-Compliance in FPe;
- iii. Evaluation of the Non-Conformance and/or Non-Compliance to determine specific corrective and preventative actions;
- iv. Corrective and preventative to be assigned to responsible person and entered into Fpe; and

- v. Management Review of corrective actions to ensure the status and effectiveness of the actions.

The procedure for dealing with community complaints is detailed in Section 6 of this document whilst the procedure for investigating and reporting serious/significant incidents is detailed in Section 7.

4.5.4 Control of Records

Environmental Records are maintained in accordance with the Illawarra Coal procedure *Records Management (ICHP0108)*. This procedure, which applies to all Illawarra Coal operations, defines the roles and responsibilities and processes for the control of key records.

4.5.5 Internal Audit

A system of HSEC auditing is undertaken at all Illawarra Coal facilities and includes the use of trained internal and external auditors. In addition, auditing is undertaken to ensure compliance with the ISO14001 standard.

As part of Illawarra Coal's operations, Appin Collieries 'Environmental Management System' is inclusively recognised and certified to ISO14001. The Illawarra Coal EMS team meets on a regular basis to develop, implement and improve the EMS. An ongoing ISO4001/EMS audit program is implemented in accordance with the following schedule:

Table 1: Audit Program

Audit Type	Frequency
Internal – from other IC site	Every 6 months
External - independent	Every 12 months
ISO14001 re-Certification - independent	Every 3 years

Illawarra Coal utilises internal auditors who are trained and certified as competent EMS auditors by an independent and external standards organisation.

The results of monitoring and auditing are regularly reported through the senior management team to ensure that action items are addressed.

4.6 Management Review

A comprehensive review of the objectives and targets associated with the Appin Area 9 Project is undertaken on an annual basis via the business planning (1 year outlook) and business strategy (5 year outlook) processes. These reviews, which include involvement from the senior site

management and other key site personnel, assess the performance of the mine over the previous year and develop goals and targets for the following period.

5 COMPLAINTS AND DISPUTE RESOLUTION

Illawarra Coal has a 24 hour, free call community hotline number (1800 102 210) through which all complaints and general enquiries regarding environmental or community issues associated with the site can be reported.

All complaints (whether received via the hotline or directly to Appin Area 9 Project Environment and Community Coordinator) are documented and entered into First Priority (a system used for the recording of events, the outcomes of investigations and corrective actions). Documentation includes the date and time of the complaint, the complainant's name and contact phone number, who received the complaint, the initial response to the complainant, any necessary further actions, and feedback from the complainant. Each complaint is also assigned a reference number.

The complaints handling process is outlined in Figure 4.

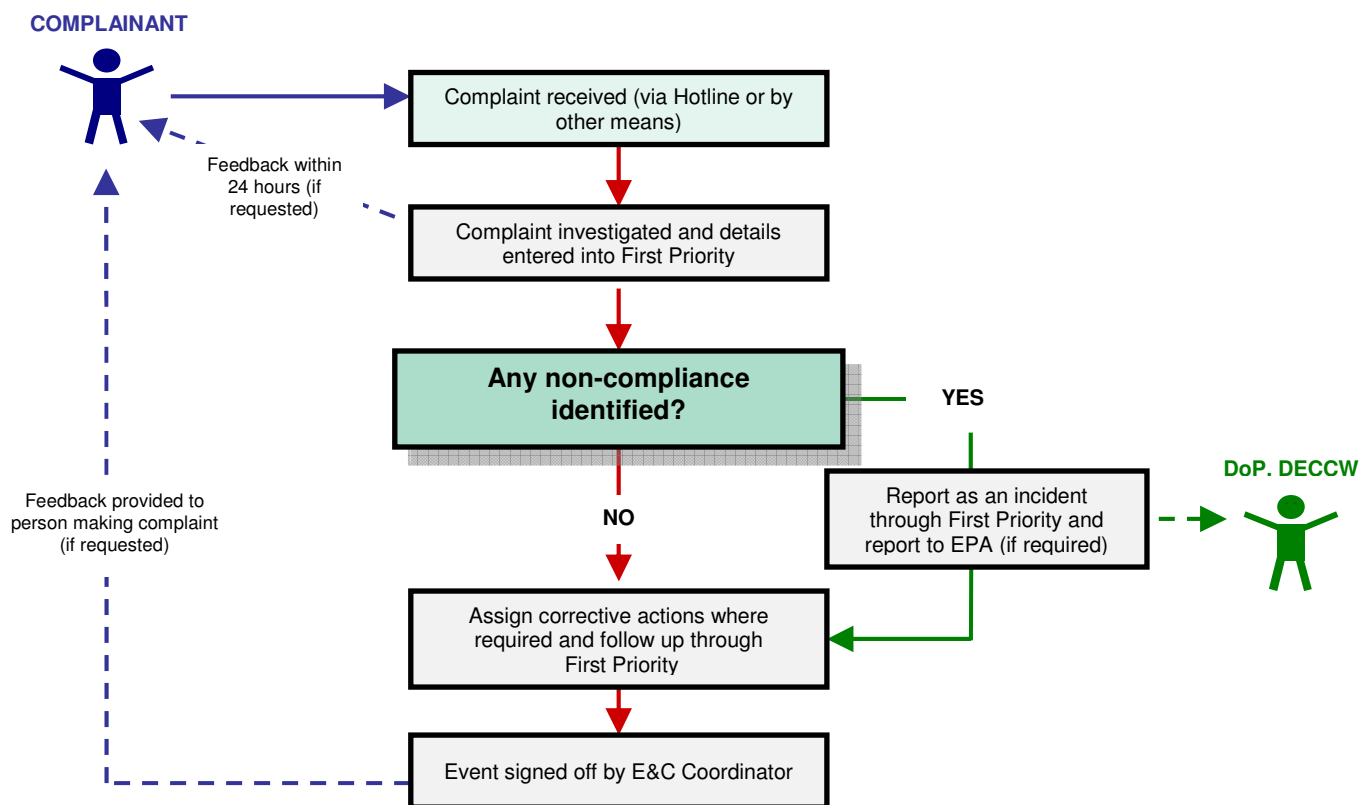


Figure 4: Complaints Handling Process – Appin Area 9 Project

Complaints are reported to the Appin Area Community Working Group on a regular basis whilst the number and category (noise, dust, traffic, etc) of complaints are reported daily to senior management. A summary of complaints is provided in the Annual Environmental Management Report.

6 SERIOUS INCIDENT HANDLING

Events and incidents are handled in accordance with the BHPBIC procedure *HSEC Event/Incident Management (ICHP0098)*. The procedure outlines the requirements for the investigation, reporting and management of HSEC events/incidents with the intent of preventing a recurrence. The potential severity rating of the outcomes of the event/incident (see Appendix A for the HSEC Consequence Severity Table) determines the appropriate level of investigation and reporting.

Environmental incidents that have a potential severity rating of 3 or higher (i.e. considered to be a significant incident) are required to be investigated in accordance with the BHP Billiton Incident Cause Analysis Method (ICAM). This process is outlined in Figure 5.

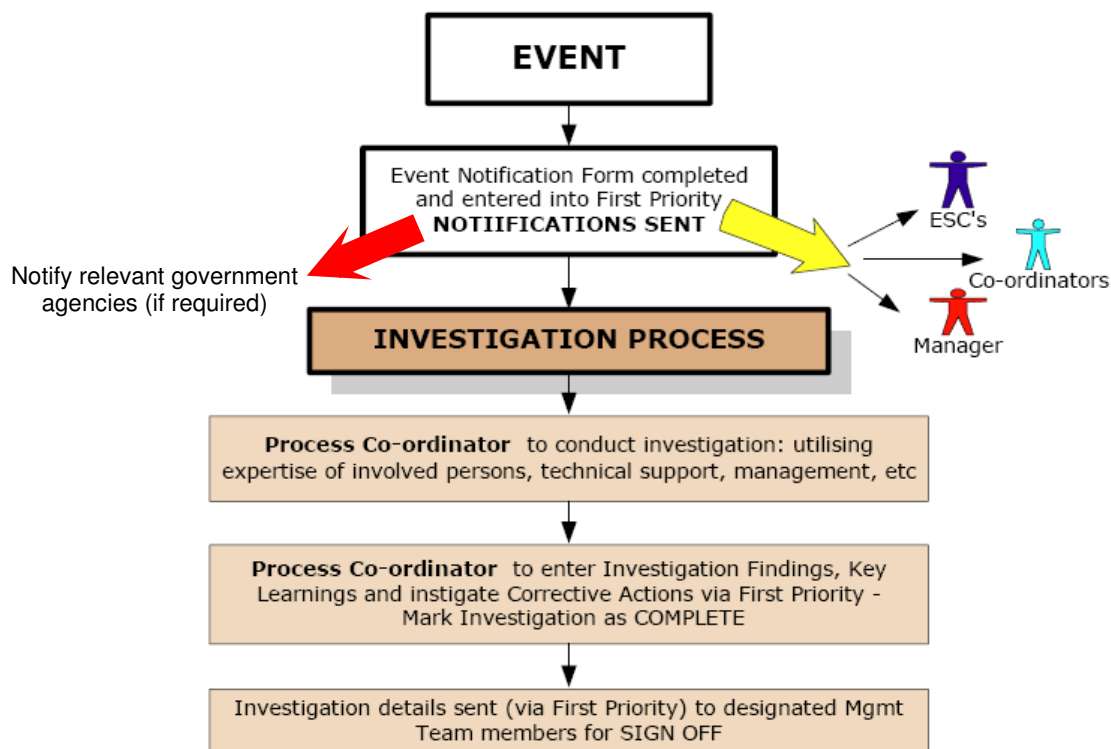


Figure 5: ICAM process

All ICAM reports are communicated to the Senior Leadership Team at Illawarra Coal. Relevant findings from the investigations are communicated to other BHPB assets as required via a Significant Incident Report (SIR) to minimise the likelihood of a similar incident occurring.

The investigations associated with significant events may be undertaken under Legal Privilege.

7 REPORTING

Reporting is undertaken in accordance with the BHP Billiton 'Health, Safety, Environment and Community (HSEC) Reporting' (GLD.012).

The results of environmental monitoring and auditing are compiled and reported to internal management, the community and to regulatory agency. The reports to each of these recipients will be different based on their requirements. The reports include:

- i. Significant Incident Reports
- ii. Annual Environmental Management Reports
- iii. EPA Annual Return
- iv. Project Approval - Annual Review

The content of these reports are discussed in more detail in the following paragraphs.

7.1 Significant Incident Reports

As detailed in Section 8, Significant Incident Reports (SIRs) are prepared following a serious incident (i.e. Level 3 or above according to the BHPB risk ranking system) on site. The purpose of the SIRs is to ensure that similar incidents do not occur in the future via the sharing of key learnings across the BHPB operations.

7.2 Annual Environmental Management Reports (AEMR)

The AEMR is the main mechanism for reporting performance for each of the key environmental aspects of the mine (refer to Section 4 of this plan). The report also details operational aspects and provides details on any construction works or rehabilitation works that were carried out during the reporting year.

The AEMR is submitted to the NSW Government Department of Industry and Investment (I&I) NSW in accordance with mining lease conditions.

Copies of AEMR's are also made available to relevant agencies and stakeholders.

The AEMR is also available to the public via I&I NSW.

7.3 Environment Protection Licence (EPL) Annual Return

The EPL Annual Return is submitted to the DECCW on an annual basis. The annual return includes monitoring data and compliance statements in relation to EPL prescribed conditions.

Annual Return compliance information is available on the Department of Environmental, Climate Change and Water website

(<http://www.environment.nsw.gov.au/prpoeoapp/searchregister.aspx>)

7.4 Annual Review

An Annual Review is submitted to the DoP on an annual basis. The annual review includes a comprehensive review of the monitoring results and complaints record over the past year, and any non-compliances that were identified over the year and what actions are being undertaken to ensure compliance.

7.5 SAP EC

SAP EC is a portal-based web application designed to record and process sustainability data for all BHP Billiton reporting entities (facilities). It is the source for corporate sustainability reporting. Key data reported via SAPEC on a monthly basis includes energy consumption, Greenhouse Gas emissions and water use.

7.6 Incident reports

In response to any incident where material harm to the environment may have occurred, Illawarra Coal will notify the EPA and DoP as soon as practicable after becoming aware of the incident.

8 REFERENCES

Department of Environment and Climate Change, *Environment Protection Licence 5204*

BHP Billiton, Sustainable Development Policy (POL.004)

BHP Billiton, HSEC Management Standard (STA.009)

BHP Billiton, Environment Group Level Document (GLD.009)

Illawarra Coal, *Identification of Legal and other Requirements (ICHP0105)*

Illawarra Coal, *Compliance Evaluation (ICHP0100)*

Illawarra Coal, *Environmental Aspects and Impacts Assessment procedure (ICHP0104)*

Illawarra Coal, *HSEC Event/Incident Management (ICHP0098)*

Illawarra Coal, *Records Management (ICHP0108)*

Illawarra Coal, *Non-Conformance, Preventative and Corrective Action Procedure (ICHP0107)*

Illawarra Coal, *Compliance Evaluation Procedure (ICHP0100)*

Illawarra Coal, *Identification of Legal and Other Requirements Procedure (ICHP0105)*

Illawarra Coal, *GHG and Energy Management Plan (ICHMP0018)*


BHP Billiton 'Health, Safety, Environment and Community (HSEC) Reporting' (GLD.012).

9 APPENDIX A

HSEC Consequence Severity Table

Low Level 1	Minor Level 2	Moderate Level 3	Major Level 4	Critical Level 5
Injury and Illness				
Low level short term subjective inconvenience or symptoms. No measurable physical effects. No medical treatment	Objective but reversible disability / impairment and/or medical treatment injuries requiring hospitalisation	Moderate irreversible disability or impairment (<30%) to one or more persons	Single fatality and/or severe irreversible disability or impairment (>30%) to one or more persons	Short or long term effects leading to multiple fatalities, or significant irreversible human health effects to >50 persons
Environmental effects				
No lasting effect. Low-level impacts on biological or physical environment. Limited damage to minimal area of low significance	Minor effects on biological or physical environment. Minor short-term damage to small area of limited significance	Moderate effects on biological or physical environment but not affecting ecosystem function. Moderate short-medium term widespread impacts (eg. Oil spill causing impacts on shoreline)	Serious environmental effects with some impairment of ecosystem function (eg. Displacement of species). Relatively widespread medium-long term impacts.	Very serious environmental effects with impairment of ecosystem function. Long term, widespread effects on significant environment (eg. Unique habitat, National Park).
Social / cultural heritage				
Low-level social or cultural impacts. Low-level repairable damage to commonplace structures.	Minor medium-term social impacts on local population. Minor damage to structures / items of some significance. Minor infringement of cultural heritage. Mostly repairable.	Ongoing social issues. Permanent damage to structures / items of cultural significance, or significant infringement of cultural heritage / sacred locations.	On-going serious social issues. Significant damage to structures / items of cultural significance, or significant infringement and disregard of cultural heritage.	Very serious widespread social impacts. Irreparable damage to highly valued structures/items/ locations of cultural significance. Highly offensive infringements of cultural heritage.
Community / government / media / reputation				
Public concern restricted to local complaints. Ongoing scrutiny / attention from regulator.	Minor, adverse local public or media attention and complaints. Significant hardship from regulator. Reputation is adversely affected with a small number of site focused people.	Attention from media and/or heightened concern by local community. Criticism by NGO's. Significant difficulties in gaining approvals. Environment credentials moderately affected.	Significant adverse national media / public NGO attention. May lose licence to operate or not gain approval. Environment / management credentials are significantly tarnished.	Serious public or media outcry (international coverage). Damaging NGO campaign. Licence to operate threatened. Reputation severely tarnished. Share price may be affected.

 Actual or potential rating requires ICAM (Corporate reporting manual)

 Actual Level 3 – ICAM discretionary, Illawarra Coal

10 APPENDIX B: MAP OF VS#6 MONITORING SITES

