

17<sup>th</sup> June 2020

Katrina O'Reilly  
Team Leader Compliance  
Department of Planning, Industry and Environment  
Level 1, 11 Farrer Place  
Queanbeyan NSW 2620

Dear Katrina,

Snowy Hydro Limited (**Snowy Hydro**) is the proponent for the Snowy 2.0 Main Works project (CSSI 9687)

The Snowy 2.0 main construction works will increase the generation capacity of the Snowy Mountains Scheme by up to 2,000MW and at full capacity, will provide approximately 350,000MW/h of energy storage. Snowy 2.0 involves linking Talbingo and Tantangara reservoirs within the existing Snowy Mountains Hydro-electric Scheme and building an underground power station between the two reservoirs.

In accordance with Schedule 4, Condition 9 of the Project Approval SSI 9687 Snowy Hydro commissioned Dickson Consulting Pty Ltd (**Dickson Consulting**) to undertake an Independent Environmental Audit (**IEA**) of the Snowy 2.0 Main Works development. Given the sensitive location and scale of the Snowy 2.0 project Snowy Hydro Limited determined that a greater Independent Environmental Audit regime should be adopted than that outlined in the Conditions of Consent and as such prepared an IAP based on the Independent Audit Post Approval Requirements (PAR) (DPIE May 2020).

This audit was undertaken as the initial "construction commencement" Independent Audit of the Snowy 2.0 Main Works Project, and was conducted approximately 12 weeks after construction formally commenced. Construction commenced on 22 October 2020.

### **Assessment of Compliance**

Snowy Hydro is pleased to note that the IEA confirms that the Snowy 2.0 main works development demonstrated 'substantive compliance' with the Approval, Environmental Protection Licence (EPL), Environmental Management Strategy (EMS) and associated management plans. In particular, a high level of compliance was demonstrated in relation to:

- Flora and fauna protection: - clearing tracking; pre- and post-clearing surveys/clearing permits implementation, fauna strike mitigation; unexpected finds - threatened flora protection; vehicle speed restrictions.
- Water, erosion and sediment management: stabilisation; clean and dirty water diversion and separation; use of “plant nappies”; appropriate refuelling practices; and
- Heritage management - Engagement of Heritage and archaeological specialists and implementation of no-go zones and salvage.

In total, 3 non-compliances, 4 observations and 2 opportunities for improvement were identified by the IEA. All recommendations from these findings have been actioned by relevant personnel and logged in Snowy Hydro’s internal reporting system. In accordance with Schedule 4, Condition 9 of the Approval, this document provides Snowy Hydro’s response to each of the items and recommendations outlined in the Dickson Consulting IEA report.

### **Response to Recommendations**

Based on the non-compliance summary table provided by and in accordance with the DPIE Independent Audit Post Approval Requirements (May 2021), Snowy Hydro has provided a response and proposed actions to all findings, recommendations and observations for improvement outlined in the IEA report. These are discussed in detail in Attachment 1 of this letter.

Should you wish to contact me with regards to any of the information above, please do not hesitate to contact me on 0407 303 240.

Yours sincerely



Chris Buscall

Environment Compliance Lead

**Snowy Hydro Limited**

**Attachment 1: Independent Audit Findings and Recommendations**

	Condition Number	Compliance Requirement	Independent Audit Finding	Independent Audit Recommendations	Snowy Hydro Proposed Action / Response	Proposed Action Due Date
NC 1.	Sch 2 Cond 2 (b)	The Proponent must carry out the development: a) generally, in accordance with the Exploratory Works and Main Works; and b) in accordance with the conditions of this approval.	<b>Terms of Approval</b>  Non compliances have been raised against conditions of consent at this audit, and as such a non-compliance is triggered against part (b) of this condition.	<b>No action required</b>	<b>No action required</b>	NA
NC 2.	Schedule 3, Cond 30 (n) & (p)  Water Management Plan  Surface Water Management Plan	<b>30 (n):</b> minimise the risk of spills or leaks on site, and clean up any spills or leaks as quickly as possible  <b>30 (p):</b> store chemicals and hydrocarbon products in bunded areas in accordance with the relevant Australian Standards"	<b>Risk of spill or leaks</b>  The site inspection at, and en-route to Lobs Hole identified three (3) instances of inadequate controls to prevent leaks or spills. Refer to report for photos.  <b>a) Storage of liquid substances</b> The site inspection found that a bunded pallet containing "Class A Foam Liquid Concentrate" at Lobs Hole was overloaded and stored outside without shelter. The end row of containers was overhanging the edge of the pallet increasing the risk of spillage. The pallet was also positioned where it could be struck by reversing vehicles. (Refer to photo LH45).	<ul style="list-style-type: none"> <li>Remove overhanging containers</li> <li>Re-position pallet away from areas of vehicle movement or put barrier in place</li> <li>SHL to complete a targeted Chemical Handling and Management audit and implement specific actions accordingly</li> <li>Provide specific direction to site supervisors that all chemicals need to be stored in a bunded location in accordance with approved Management Plans and Australian Standards</li> </ul>	<ul style="list-style-type: none"> <li>Overhanging containers have been removed</li> <li>Barrier put in place to prevent vehicle collision</li> <li>Chemical management Audit completed</li> <li>Storage and bunding has been discussed at prestart / toolbox meetings and is reiterated in future communications as part of ongoing HSSE communications to keep it front of mind.</li> </ul>	Complete  Complete  Complete  Complete

			<p><b>b) Storage of chemicals (Ad Blue) without bunding</b></p> <p>Ad Blue containers (mostly empty, however some contained product) were stored on a timber (non-bunded) pallet at a Ravine Road site office/stockpile area (refer to Photo LH12).</p>	<ul style="list-style-type: none"> <li>Ad Blue containers are now stored in a bunded container at R5.</li> </ul>	Verify AdBlue containers stored in suitable storage locations	01/08/21
			<p><b>c) Spill prevention / portable bunding</b></p> <p>The portable bund around the generator on the shore of Talbingo Reservoir at Lobs Hole was not adequately supported (sides falling down) leading to reduced capacity to contain a leak or spill (refer to Photo LH29).</p>	<ul style="list-style-type: none"> <li>As above</li> </ul>	Verify portable bund siding is adequately supported to prevent collapse	01/08/21
NC 3.	Sch 4 Cond 6	The Proponent must notify the Department and NPWS via the Major Projects Portal	<p><b>Incident Reporting</b></p> <p>The following incidents were not notified to the Department or NPWS within the required</p>	SHL to implement a system to ensure that all incidents are reported to DPIE via the Major Projects Portal	SHL will continue to work with the principal contractor to ensure timely reporting of incidents to DPIE via the Major Projects Portal.	Underway

		immediately after it becomes aware of an incident on site. This notice must set out the location and nature of the incident.	<p>timeframes in accordance to Condition 6 of Schedule 4:</p> <ul style="list-style-type: none"> <li>– Incident on 1 January 2021 in relation to the stonewall discharge at Kelly Plain, Tantangara was notified to the Department on 20 January 2021</li> <li>– Incident on 13 January in relation of a spill at the Ravine Road Communication Tower was notified to the Department on 27 January 2021</li> </ul> <p>In a letter from the Department dated 8 February 2021, the proponent was reminded to ensure all incidents and non-compliances are reported to all relevant agencies within required timeframes.</p>	within the required time frames.	Improvements to the initial incident reporting form have been made to enable identification of externally reportable incidents	
OBS 1	Sch 2, Cond 13(c) Sch 3, Cond 17 (i) Biodiversity Management Plan Section 5.1	The Proponent must ensure that all plant and equipment used on site, or in connection with the development, is:  (c) kept free of weeds, seeds and pathogens when entering or leaving the site	<p><b>Weed mitigation – light vehicles and plant</b></p> <p>Whilst weed mitigation measures are generally implemented in accordance with the Biodiversity Management Plan, it is considered that improvements to the effectiveness of the controls for the movement of vehicles are required.</p> <p>At the Tantangara site, the prevalence of Ox-eye Daisy (see photo TM 15) is a key issue of concern and strict hygiene protocols are required to avoid spreading this highly invasive species during construction activities.</p> <p>Current practices for light vehicle washing involved drivers washing down the vehicle with a high-pressure spray in accordance with instructions and completing a Hygiene checklist / declaration form when leaving site. If persons undertaking the washdown are inadequately trained or not knowledgeable</p>	<p>– Actions to be considered include (but are not limited to):</p> <ul style="list-style-type: none"> <li>• Appoint dedicated, trained and competent wash-down person / inspector (potentially gatehouse staff);</li> <li>• Implement more robust process to review hygiene declarations;</li> <li>• Consider risk profile of different vehicle / plant types and their related activities (e.g. - heavy plant located in one place for duration vs light vehicles frequently moving to other sites);</li> </ul>	<p>FGJV are in the process of installing the permanent wash down facilities at Lobs Hole with the crews to be assigned to install the wash down facilities at Tantangara following this work.</p> <p>Operational procedure including training to be provided for washbays</p> <p>Weed hygiene declaration to be reviewed that is aligned with the installation of the permanent washbays</p>	<p>30/07/21</p> <p>30/07/21</p> <p>01/07/21</p>

			<p>enough regarding technique or the reason for the cleaning process, there is some potential for cleaning to be inadequate (refer to Photos TM17 to TM19).</p> <p>It is recognised that a permanent wash-down facility will be installed in future, however it should be noted that the early clearance activities pose a higher level of risk regarding weed spread than later stages due to a higher likelihood of encountering uncleared/ partially cleared land infested with weed seeds.</p> <p>It was also noted that a sample hygiene declaration (to minimise spread of weeds) was not adequately completed, with part of the “Body and Engine Bay” section not completed.</p>	<ul style="list-style-type: none"> <li>Install permanent wash-down / wheel wash facilities ASAP.</li> </ul>		
OBS 2	Biodiversity Management Plan Table 5-1 BM08	Clearing limits/ disturbance footprint will be delineated using highly visible, durable, continuous barrier such as safety flagging, UV stabilised rope, or other similarly robust and durable material. Delineation will be installed consistently where possible to reduce the risk of error or misinterpretation of boundaries.	<p><b>Clearing limit / disturbance footprint delineation</b></p> <p>Various types / colours of flagging / fencing delineating no-go areas were installed at Lobs Hole, particularly in relation to exploratory works and main works the flagging colours are different.</p>	Review of coloring and type of flagging / boundary delineation to ensure there is consistency wherever possible. This will minimise potential for misunderstanding on-site.	Any further actions for delineation will ensure consistency in application	
OBS 3	Management System (ISO	ISO 14001 cl. 10.2 When a non-conformity occurs, the organisation shall:	<p><b>Internal / Contractor audits</b></p> <p>Whilst it was positive that the internal / Contractor audits had been conducted by Snowy Hydro early in the construction process,</p>	<ul style="list-style-type: none"> <li>Implement a formal corrective action process for items</li> </ul>	An Internal Audit and inspection procedure has been written which includes the process for raising and	

	14001) Non-Conformity and Corrective Action.	a) react to the non-conformity and, as applicable: 1) take action to control and correct it; 2) deal with the consequences, including mitigating adverse environmental impacts; b) evaluate the need for action to eliminate the causes.... c) implement any action needed.	there was limited evidence provided to demonstrate that the findings from the following three audits conducted to date were formally communicated to the Contractors, FGJV: – (Bushfire Preparedness (Lobs Hole) documenting 21 negative findings; – Biodiversity Management Plan - Clearing and Grubbing (at ECVT – Lobs Hole) documenting one negative finding; and – Spoil Management Plan - Topsoil Management (Tantangara) documenting fourteen (14) “Actions” and nine (9) “Recommendations”  Limited evidence was provided to demonstrate that a formal corrective action system had been implemented to ensure appropriate corrective actions had been implemented and closed out.  It was noted that a “Site Instruction” was sent to FGJV regarding the Biodiversity Management Plan, however no evidence of a response from FGJV was provided.	raised in internal and Contractor Environmental Audits; • Provide training / instruction to SHL audit team on the correct processes for raising corrective actions out of internal and contractor audits; • Monitor the effectiveness of the process and ensure corrective actions taken by SHL and the Contractors are appropriate, effective and prevent or minimise potential for recurrence.	tracking corrective actions. Actions raised during inspections and audits are tracked in the project document control system. Personnel conducting compliance assurance activities to be trained on this procedure. Action tracking utilising the project document control system has been in use for inspections for the duration of main works.  Monitoring of the effectiveness of the process to be undertaken after 6 months	23/07/21
OBS 4	REMM CONTAM-08  EMS Sect 33 EMS Table 3-2	An unexpected finds procedure will be included in the CEMP. Workers will be trained to identify potential contamination that may be encountered during construction	<b>Unexpected Finds Procedure – Contamination</b> Whilst the induction training material refers to “signs of contamination” and a brief summary of what to do if contamination is encountered, there was no reference to the Unexpected Finds Procedure – Contamination.	• Induction training material to be revised and updated to include reference to the Unexpected Finds Procedure • Copies of the Unexpected Finds Procedure - Contamination to be	The project induction is currently under review for implementation as an on line system of delivery. Slides shall be included within the modules that encompass the unexpected find protocol.  Unexpected finds procedure to be made available to	30/06/21  01/07/21



			At the time of the audit, a copy of the Unexpected Finds Procedure – Contamination could not initially be located.	made available to all relevant workers (examples could include: display on Notice Boards, handouts, discussed at toolbox talks, as Appendix or attachment to training material).	relevant workers in work packs	
OFI 1	Schedule 3 Condition 17 (k)	The Proponent must: (k) Minimise the light spill from night works, including directional and LED lighting	<b>Light spill mitigation</b> Whilst evidence was provided that measures are in place to minimise light spill at the “long term” work sites such as the Tantangara Adit and TBM site, the inspection checklist used for nightworks lighting (individual sites such as pipeline road) only partially addresses the implementation requirements documented in BM 23 from the Biodiversity Management Plan.  Questions that partially address the requirement are: Question 12 - “Lighting is adjusted so as not to be a hazard to others?” and; Question 13 - “White lights are not in use or directed towards marine environments?”	It is recommended that the nightworks lighting checklist (or other tools) be revised to include reference to the requirements of this condition and the commitments in the Biodiversity Management Plan (i.e. - lighting directed downwards and away from known locations of sensitive habitat).	Future Generation JV To Cross reference BM23 to the Checklist to ensure requirements are clearly identified.	18/06/21
OFI 2	Sch 3 Cond 52  EMS Section 5.8	The proponent must: (a) minimise the waste generated by the development	<b>Resource wastage / plastic pollution</b> It was observed that plastic water bottles are provided extensively to workers due to lack of bulk water supplies at work sites.	Consideration should be given to providing bulk water supplies / water coolers / reusable bottles as an alternative to single use water bottles in the future.	The opportunity to refine provision of water (in addition to other services and consumables) to the workforce is an ongoing item for the senior management team. Where opportunities to do so are identified, it is done subject to project constraints.	Underway

					Provision / procurement of reusable drink bottles has been implemented at some project sites	
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