



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

Dear Katrina,

**RE: Infrastructure Approval No. SSI 9687 – Independent Audit #4 & Notification of associated non-compliances**

In accordance with Schedule 4, Condition 9 Snowy Hydro has completed Independent Environmental Audit number 4 in accordance with the revised audit program. The audit was undertaken by Dickson Consulting; 12 non-compliances have been identified. Snowy Hydro has found undertaking the Post Approval audit process beneficial to providing focus for areas requiring improvement and is committed to implementing the recommended actions.

Schedule 4, Condition 7 of SSI 9687 requires that within 7 days of becoming aware of any non-compliance with the conditions of this approval, the Proponent must notify the Department via the Major Projects portal of the non-compliance.

Please see attached audit report and associated non-compliance summary table. Included in the table are details of the non-compliances, recommendations, agreed actions and close out dates, forming Snowy Hydro's response and audit action plan.

Snowy Hydro will provide an update to DPIE on the progress of the closure of the actions arising from the audit within 3 months of the issue of this report ( December 11th 2023).

Please do not hesitate to contact me if you have any questions regarding the report.

Yours sincerely,

*Ben Croome*

September 11<sup>th</sup>, 2023

Ben Croome  
Senior Environmental Advisor

Snowy 2.0 Project  
PO Box 332 Cooma NSW 2630  
m. +61 456 453 939  
e. [ben.croome@snowyhydro.com.au](mailto:ben.croome@snowyhydro.com.au)

**Snowy 2.0 IEA #4 Non-compliance table**

| No  | Condition / requirement Reference                           | Requirement   | Audit Finding  | Agreed Actions / Recommendations<br><i>(Agreed due dates for each action are in Audit Action Plan issued separately)</i>   | Rating (Non-compliant (NC), or OBS/ OFI) | History                              |
|---|---|---|--|--|--|--------------------------------------|
| 1.  | Sch 2 Cond 8<br>Sch 2 Cond 9                                | <p><b>Surrender of Approval</b><br/>Within 6 months of the commencement of construction, unless the Planning Secretary agrees otherwise, the Proponent must surrender the infrastructure approval (CSSI 9208) for the Exploratory Works in accordance with Clause 197 of the EP&amp;A Regulation.</p> <p>Prior to surrendering the infrastructure approval (CSSI 9208) for the Exploratory Works, the Proponent must update the approved management plans for the development to incorporate the approved management plans for the Exploratory Works to the satisfaction of the Planning Secretary.</p> | <p>At the time of the audit, the Exploratory Works Approval had not yet been surrendered.</p> <p>It was noted in the previous audit that a surrender request was made in August 2021, however correspondence between DPIE and NPWS indicate that the Exploratory Works approval cannot be surrendered until the Main Works Worker Recreation Management Plan has been approved.</p> <p>At the time of this and previous audits, the issue had not been resolved.</p> | <p><b>Agreed Action</b></p> <p>Once the Main Works Recreation Management Plan has been approved (a prerequisite for surrender), surrender the Exploratory Works Approval</p> <p><b>Responsibility:</b> SHL</p>   | Non-compliant<br>NC 1                    | Raised as non-compliant at IEA #2, 3 |
| <p><b>NC 2.</b> The following Management Plans have been triggered for submission and approval by DPE and DPI in the last audit period and are raised as a single non-compliance. It is noted that Snowy Hydro are providing fortnightly updates to DPE on the progress of all (except VIMP – FGJV is working with DPE) outstanding Management Plans - latest sighted dated 21 July 2023. Brief commentary is provided in the Audit Finding column on actions undertaken to date, and a detailed commentary is provided on the progress of these Plans in the Audit Tables and in the main body of this report.</p> |   |   |  |  |  |                                      |
| 2.  | Sch 3, Cond 22,<br>EPBC Cond 12, 13, 14, 15<br>EPBC Cond 31 | Within 2 years of the commencement of construction, the Proponent must prepare a Biosecurity Risk Management Plan for the development to the satisfaction of the Director-General of NSW DPI.   | The Biosecurity Risk Management Plan was submitted to the agencies later than the due date (October 2022) and had not yet been developed "to the satisfaction of the DG of NSW DPI".   | <p><b>Agreed Actions</b></p> <ul style="list-style-type: none"> <li>Continue to consult with the relevant agencies including agreement on peer reviewer and submit for final review as soon as possible, and in line with dates committed to in</li> </ul> | Non-compliant<br>NC 2                    | New                                  |

| No | Condition / requirement Reference | Requirement  | Audit Finding   | Agreed Actions / Recommendations<br><i>(Agreed due dates for each action are in Audit Action Plan issued separately)</i>   | Rating (Non-compliant (NC), or OBS/OFI) | History |
|----|-----------------------------------|--|---|--|---|---------|
|    |                                   | <p><b>EPBC Cond. 12:</b> To minimise impacts to the aquatic environment, the approval holder must comply with conditions 20--25 of the NSW approval relating to biosecurity and fish management.</p> <p><b>EPBC Cond. 31:</b> The approval holder must:<br/>a) submit plans required by conditions 18, <b>22</b> and 24 of the NSW approval and conditions 18 and 22 of this approval for consultation purposes, electronically to the Department;</p> | <p>At the time of these findings, Snowy Hydro were awaiting further feedback from DPI and other agencies, and approval of a peer reviewer from DCCEEW. A revised submission date proposed by Snowy Hydro is 1 December 2023.</p> <p>As the Biosecurity Risk Management Plan has not yet been approved, non-compliances against conditions 12, 13, 14 and 15 and 31 have also been triggered.</p>                                    | <p>fortnightly meetings with DPE (1 Dec 2023)</p> <p><b>Responsibility:</b> SHL</p>  |   |         |
|    | Sch 3 Cond 26                     | Within 12 months of the commencement of construction, the Proponent must prepare a Recreational Fishing Management Plan for the development to the satisfaction of the Director-General of NSW DPI.  | <p>The Recreational Fishing Management Plan (RFMP) was overdue for submission and had not yet been developed "to the satisfaction of the DG of NSW DPI".</p> <p>The Plan was initially due for submission Oct 2021, and an extension request was made in January 2022 to DPIE/DPI. – DPI noted on 15 Sept 2021, that delaying by a few months will not increase the risk.</p> <p>The Plan was submitted to agencies 28/06/2023.</p> | <p><b>Agreed Actions</b></p> <ul style="list-style-type: none"> <li>Continue to consult with the relevant agencies and submit for final review as soon as possible, and in line with dates committed to in fortnightly meetings with DPE (1 Nov 2023)</li> </ul> <p><b>Responsibility:</b> SHL</p> |   |         |

| No | Condition / requirement Reference | Requirement  | Audit Finding   | Agreed Actions / Recommendations<br><i>(Agreed due dates for each action are in Audit Action Plan issued separately)</i>   | Rating (Non-compliant (NC), or OBS/OFI) | History |
|----|-----------------------------------|--|---|--|---|---------|
|    |                                   |  | <p>The fortnightly update to DPE noted that additional reviews have been requested by DPI to expert advisory bodies (Recreational Fishing NSW Advisory Council).</p> <p>Snowy Hydro has proposed a new submission date of 01 November 2023 in the fortnightly update 21/07/23.</p>  |  |   |         |
|    | Sch 3 Cond 10                     | <p>Within 18 months of the commencement of construction, the Proponent must prepare a Rehabilitation Management Plan for the development to the satisfaction of the Planning Secretary.<br/>(due –21 April 2022)</p> | <p>The Rehabilitation Management Plan had not yet been “developed to the satisfaction of the Planning Secretary”.</p> <p>The Rehabilitation Management Plan had been submitted for consultation to NPWS (5 versions between 22/04/2022 and 02/02/2023) and will be provided to BCD, EPA, NSW DPI, TfNSW and DPE once NPWS express satisfaction.</p> <p>SHL met with NPWS on 3 July to discuss staging rationale and this was supported in principle by the Department at the fortnightly update on 4 July 2023.</p> <p>Snowy Hydro has proposed a new submission date of 01 October 2023 in the fortnightly update.</p> | <p><b>Agreed Action</b></p> <ul style="list-style-type: none"> <li>– Continue to consult on the RMP with relevant stakeholders and make progress on the staging strategy for the RMP.</li> </ul> <p><b>Responsibility:</b> SHL</p> |   |         |
|    | Sch 3 Cond 50<br>Sch 3 Cond 51    | <b>Cond 50:</b> Within 2 years of the commencement of construction, unless the Planning Secretary agrees   | <p>Long Term Road Strategy was overdue for submission and had not yet been “developed to the satisfaction of the Planning</p>   | <p><b>Agreed Actions</b></p> <ul style="list-style-type: none"> <li>– Continue to consult with NPWS and submit for final</li> </ul>  |   |         |

| No | Condition / requirement Reference | Requirement   | Audit Finding  | Agreed Actions / Recommendations<br><i>(Agreed due dates for each action are in Audit Action Plan issued separately)</i>   | Rating (Non-compliant (NC), or OBS/OFI) | History |
|----|-----------------------------------|---|--|--|---|---------|
|    |                                   | <p>otherwise, the Proponent must prepare a Long-Term Road Strategy for the development to the satisfaction of the Planning Secretary.</p> <p>a) be prepared in consultation with the NPWS and TfNSW;</p> <p><b>Cond 51:</b> The proponent must implement the approved Long-Term Road Strategy for the development</p> | <p>Secretary". The Plan was due in October 2022.</p> <p>The fortnightly update to DPE on 5/07/2023 noted <i>"Progress was made on the staging strategy for this plan. SHL met with NPWS on 3 July 2023 to discuss staging rationale and this was supported in principle by the Department at the fortnightly update on 4 July 2023. SHL is organising a time to meet with NPWS to progress discussions on inclusions and exclusions to Stage 1 of this strategy"</i>.</p> <p>The 21/07/2023 fortnightly updated to DPE noted <i>Agreement on funding allocation of future road maintenance is the time-consuming part of this process and this was originally planned for Stage 2 of this strategy. It is now evident that this plan needs to be staged geographically and meet conditions of approval for all stages which means Stage 1 will take longer than anticipated to achieve.</i></p> <p>Snowy Hydro has proposed a new submission date of 01 November 2023 for Stage 1 in the fortnightly update.</p> | <p>review as soon as possible, and in line with dates committed to in fortnightly meetings with DPE (1 Nov 2023);</p> <ul style="list-style-type: none"> <li>– Consult with TfNSW on the development of the Long Term Road Strategy</li> </ul> <p><b>Responsibility:</b> SHL</p> |   |         |

| No  | Condition / requirement Reference             | Requirement  | Audit Finding  | Agreed Actions / Recommendations<br><i>(Agreed due dates for each action are in Audit Action Plan issued separately)</i>   | Rating (Non-compliant (NC), or OBS/ OFI) | History                                  |
|---|---|--|--|--|--|--|
|   |   |  |  |  |  |  |
| <b>NC 3:</b> The following Management Plans were triggered for submission to and approval by the relevant agencies and were therefore previously raised as non-compliant). Brief commentary is provided in the Audit Finding column on actions undertaken to date, and a detailed commentary is provided on the progress of these Plans in the Audit Tables and main body of this report. |   |  |  |  |  |  |
| 3.  | Sch 3 Cond 24<br>EPBC Cond 12<br>EPBC Cond 31 | <p>Within 12 months of the commencement of construction, the Proponent must prepare a Threatened Fish Management Plan for the development to the satisfaction of the Director-General of NSW DPI.<br/>(due for submission October 2021)</p> <p><b>EPBC Cond. 12:</b> To minimise impacts to the aquatic environment, the approval holder must comply with conditions 20--25 of the NSW approval relating to biosecurity and fish management.</p> <p><b>EPBC Cond. 31:</b> The approval holder must:<br/>a) submit plans required by conditions 18, 22 and <b>24</b> of the NSW approval and conditions 18 and 22 of this approval for consultation purposes, electronically to the Department;</p> | <p>The Threatened Fish Management Plan was overdue for submission and has not yet been “developed to the satisfaction of the Director-General of NSW DPI”.</p> <p>The fortnightly update from SHL to DPE on 21/7/2023 noted “<i>Additional stakeholder consultation requested by DPI to expert advisory bodies (NSW Fisheries Scientific Committee (FSC))</i>”..</p> <p>The Peer review required under Condition 14 of the EPBC approval of the project has been uploaded to the Snowy Hydro website”, however may need to be repeated if feedback from DPE or the FSC requires a revision of the Plan.</p> <p>Snowy Hydro has proposed a new submission date of 01 November 2023 in the fortnightly update.</p> | <p><b>Agreed Actions</b></p> <ul style="list-style-type: none"> <li>– Continue to work with DPE and other agencies to finalise and submit these Management Plans in line with dates committed to in fortnightly meetings with DPE (1 Nov 2023).</li> <li>– Continue to provide regular updates to DPE on progress</li> </ul> <p><b>Responsibility:</b> SHL</p> | Non-compliant<br>NC 3                    | Raised as non-compliant at previous IEAs |
|   | Sch 3 Cond 2                                  | Within 6 months of the commencement of construction, the Proponent   | The Digital Strategy is overdue for submission and is not yet  | <p><b>Agreed Action</b></p> <ul style="list-style-type: none"> <li>– Continue to consult with NPWS and submit the Digital</li> </ul>   |  |  |

| No | Condition / requirement Reference | Requirement   | Audit Finding  | Agreed Actions / Recommendations<br><i>(Agreed due dates for each action are in Audit Action Plan issued separately)</i>   | Rating (Non-compliant (NC), or OBS/ OFI) | History |
|----|-----------------------------------|---|--|--|--|---------|
|    |                                   | must prepare a Digital Strategy for the development to the satisfaction of the Planning Secretary. (due for submission April 2021)  | <p>developed "to the satisfaction of the Planning Secretary".</p> <p>At Audit #3, it was noted that the Digital Strategy was submitted by Snowy Hydro to DPIE on 4 June 2021 requesting endorsement of the Planning Secretary to submit this plan on a staged basis.</p> <p>On 15 Nov 2021, an extension was received from DPE until April 2022 for management plans including the Digital Strategy.</p> <p>In the fortnightly update to DPE (5 July 2023) it was noted that <i>"The draft plan is almost complete and will be provided to NPWS for review within the next week. SHL is organising a time to meet with NPWS to present this plan."</i></p> <p>Snowy Hydro has proposed a new submission date of 01 November 2023 in the fortnightly update 21/07/2023.</p> | <p>Strategy on 01 November 2023 as per the DPE fortnightly update 21/07/2023.</p> <p><b>Responsibility:</b> SHL</p>  |  |         |
|    | Sch 3 Cond 39                     | Within 12 months of the commencement of construction, the Proponent must prepare a Recreation Management Plan for the development to the satisfaction of the Planning Secretary. (due Oct 2021) | <p>The Recreation Management Plan was overdue for submission and is not yet developed "to the satisfaction of the Planning Secretary". The Recreation Management Plan was due for submission October 2021.</p> <p>The fortnightly update to DPE on 5/07/2023 noted that <i>"Some progress was made on the staging"</i></p>   | <p><b>Agreed Actions</b></p> <ul style="list-style-type: none"> <li>Continue to consult with NPWS and submit the Stage 1 of the Recreation Management Plan on 01 October 2023 as per the DPE fortnightly update 21/07/2023.</li> </ul> <p><b>Responsibility:</b> SHL</p> |  |         |

| No | Condition / requirement Reference              | Requirement   | Audit Finding  | Agreed Actions / Recommendations<br><i>(Agreed due dates for each action are in Audit Action Plan issued separately)</i>   | Rating (Non-compliant (NC), or OBS/OFI) | History                                  |
|----|--|---|--|--|---|--|
|    |  |   | <p><i>strategy for this plan. SHL met with NPWS on 3 July to discuss staging rationale with feedback and agreement that the preference for both groups was to stage by level of design if possible.</i></p> <p>The fortnightly update on 21/07/2023 noted that <i>the plan requires ongoing consultation with NPWS to satisfy their requirements. NPWS would like to see final landforms and visualizations of the areas and views, before then can commit to a design.</i></p> <p>Snowy Hydro has proposed a new submission date of 01 October 2023 for Stage 1 in the fortnightly update 21/07/2023.</p> |  |   |  |
|    | Sch 3 Cond 54                                  | Within 12 months of the commencement of construction, the Proponent must prepare a Visual Impact Management Plan for the development to the satisfaction of the Planning Secretary. | Whilst the Visual Impact Management Plan has been submitted to DPE and consultation has occurred with NPWS (initially submitted for review 23/12/2021), it is not yet developed "to the satisfaction of the Planning Secretary". The Plan was due October 2021.  | <p><b>Completed Action:</b></p> <p>The VIMP was submitted to DPE on 13 July 2023 by FGJV for approval following consultation with agencies and the incorporation of comments by NPWS and DPE.</p> <p>No further action required.</p> |   |  |
| 4. | Sch 2, Cond 13(c)<br>Sch 3, Cond 17 (i) and 19 | Sch 2 Cond 13 (c): The Proponent must ensure that all plant and equipment used on site, or in connection with the development, is:  | Findings were raised at IEA#1, 2 & 3 regarding adequacy of processes to ensure plant, equipment and vehicles are free of   | <p><b>Agreed Actions:</b></p> <ul style="list-style-type: none"> <li>Review the effectiveness of the current weed, seed and pathogen protocols and</li> </ul>  | Non-compliant NC 4                      | Raised as non-compliant at IEAs 1, 2 & 3 |



| No | Condition / requirement Reference           | Requirement  | Audit Finding   | Agreed Actions / Recommendations<br><i>(Agreed due dates for each action are in Audit Action Plan issued separately)</i>   | Rating (Non-compliant (NC), or OBS/ OFI) | History |
|----|---|--|---|--|--|---------|
|    | Biodiversity Management Plan<br>Section 5.1 | (c) kept free of weeds, seeds and pathogens when entering or leaving the site. | <p>weeds, seeds and pathogens when leaving site.</p> <p>Various actions had been agreed and documented in the Action Plan. Whilst some actions are now closed, other agreed actions still remain open.</p> <p>Closed actions include installation of wheel washes at all areas (most now permanent), toolbox talks delivered and Wheel Wash Operating and Management Procedure prepared and distributed for consultation with relevant departments (not yet formally issued at time of the audit).</p> <p>The current wheel wash procedure states that "Where vehicles are unable to pass through the automated wheel wash, the completed hygiene certificates will be provided to security staff at the gate. Security staff will note in the Entry Checklist if hygiene certificates have been provided and that these are completed.</p> <p>The procedure also notes responsibilities of the Environment Team include reviewing compliance by checking Security staff are ensuring hygiene certificates are completed.</p> | <p>facilities once the other corrective actions have been undertaken (by and ecologist with input by SHL).</p> <p>Depending on the outcome of the risk assessment the following will be conducted</p> <p><b>Close out:</b> 1st November 2023</p> <ul style="list-style-type: none"> <li>– Fully implement the Wheel Wash Operating and Management Procedure;</li> <li>– Implement the recommendations from the previous audit – namely:</li> <li>– Investigate the root causes of this failure including the potential consequences and take relevant action to address root causes;</li> <li>– Undertake a risk assessment on the operation of the wheel washes – implement outcomes;</li> <li>– Review the Biodiversity Management Plan and update to reflect any changes / improvements.</li> </ul> <p><b>Completed Actions:</b></p> <ul style="list-style-type: none"> <li>– Formal communication of latest version of Wheel Wash Operation Procedure (done 4 Aug 23)</li> </ul> |  |         |

| No | Condition / requirement Reference                               | Requirement  | Audit Finding   | Agreed Actions / Recommendations<br><i>(Agreed due dates for each action are in Audit Action Plan issued separately)</i>   | Rating (Non-compliant (NC), or OBS/OFI) | History  |
|----|---|--|---|--|---|--|
|    |   |  | <p>Insufficient evidence was provided to demonstrate Entry Checklists are completed prior to entry to sites as per the procedure, or that the Environmental Team review the completed certificates.</p> <p>Other key actions not yet adequately completed from the previous audit recommendations include:</p> <ul style="list-style-type: none"> <li>Investigate the root causes of this failure including the potential consequences;</li> <li>Undertake a risk assessment on the operation of the wheel washes;</li> <li>Review of the effectiveness of the current weed, seed and pathogen protocols and facilities once the other corrective actions have been undertaken (by and ecologist with input by SHL).</li> </ul> | <b>Responsibility:</b> FGJV  |   |  |
| 5. | Sch 3 Cond 19<br><br>Biodiversity Management Plan – Section 6.5 | <p><b>Sch 3 Cond: 19:</b> Proponent must implement the approved Biodiversity Management Plan for the development</p> <p><b>Section 6.5 – BMP:</b> Reporting and Incidents – Annual Report on Biodiversity Matters.<br/>a) An annual report will be prepared to report on the variety of biodiversity</p> | <p>Annual Reports addressing the biodiversity matters listed in Section 6.5 of the Biodiversity Management Plan (BMP) and in Appendix F of the BMP had not been completed / undertaken.</p> <p>Whilst the EMM Year 1 and Year 2 reports were prepared to report on the Biodiversity Monitoring program documented in Appendix</p>   | <p><b>Agreed Actions</b></p> <ul style="list-style-type: none"> <li>Finalise Annual Report for the 2020-2021 period;</li> </ul> <p><b>Close out:</b> Dec 2023</p> <ul style="list-style-type: none"> <li>Prepare Annual Report of the 2021-2022 period;</li> </ul> | Non-compliant NC 5                      | <p>OBS raised Audit #3</p> <p>Escalated to NC this audit</p> |

| No | Condition / requirement Reference  | Requirement  | Audit Finding   | Agreed Actions / Recommendations<br><i>(Agreed due dates for each action are in Audit Action Plan issued separately)</i>   | Rating (Non-compliant (NC), or OBS/ OFI) | History |
|----|--|--|---|--|--|---------|
|    | Biodiversity Management Program - App B Sect 10 to Biodiversity Management Plan) | <p>matters addressed in this plan. This report, which will be made available to NPWS, DAWE and BCD will include the following matters:</p> <p>In summary (see full list in audit tables) will include: Weed and vertebrate pest control; clearing activities against clearing limits; post-clearing ecology reports; results of threatened species, GDE, weed and pest monitoring; account of fauna strike mitigation strategy, relevant incidents and non-compliances; and efficacy of implemented biodiversity management measures detailed in Table 6.2.</p> <p>Where adaptive management other than feral animal control or weed control has been triggered this will be reported to DPIE and DAWE (for MNES), with liaison around adaptive management proposed.</p> | <p>B of the BMP, they did not address all the information on biodiversity matters required by the BMP.</p> <p>Section 6.5 (Reporting of Incidents) of the Biodiversity Management Plan (BMP), requires an Annual Report to be prepared and made available to SHL, NPWS, DAWE (now DCCEEW) and BCD on a variety of Biodiversity matters including (but not limited to) weed and pest control activities, clearing activities, post clearing ecology reports, results of threatened species, GDE, weed and pest monitoring, fauna strike mitigation and efficacy of management measures.</p> <p>Section 6.1 Appendix F of the BMP also requires that details of the weed control actions, vertebrate pest control activities and the efficacy of other control measures are included in an annual report (and made available to the agencies listed above) and integrated into the broader biodiversity management Plan required by Appendix B.</p> <p>As the biodiversity matters listed in Section 6.5 and Appendix F had not been integrated into the Annual Reports by EMM, FGJV had started to prepare a separate Year</p> | <ul style="list-style-type: none"> <li>– Ensure these reports are prepared and submitted annually on an ongoing basis.</li> <li>– Submit reports to Snowy Hydro,</li> </ul> <p><b>Close out:</b> Jan 2024</p> <p><b>Responsibility:</b> FGJV</p> <ul style="list-style-type: none"> <li>– Make the 2020-2021 report available to NPWS, DCCEEW and BCD;</li> </ul> <p><b>Close out:</b> Jan 2024</p> <ul style="list-style-type: none"> <li>– Make report 2021-2022 and all future reports available to NPWS, DCCEEW and BCD</li> </ul> <p><b>Responsibility:</b> SHL</p> <p><b>Close out:</b> Feb 2024</p> |  |         |

| No | Condition / requirement Reference                  | Requirement   | Audit Finding   | Agreed Actions / Recommendations<br><i>(Agreed due dates for each action are in Audit Action Plan issued separately)</i>                        | Rating (Non-compliant (NC), or OBS/ OFI) | History |
|----|--|---|---|---|--|---------|
|    |  |   | <p>1 draft report to include these matters, however it was noted as incomplete at the previous audit (raised as an Observation).</p> <p>The Year 1 and Year 2 reports had not yet been prepared.</p>  |   |  |         |
| 6. | Sch 3 Cond 29, 30(f)<br><br>EPL 20266 - cond. L1.1 | <p>Unless an environment protection licence authorises otherwise, the Proponent must comply with Section 120 of the POEO Act.</p> <p>EPL 20266 - cond. L1.1 (pollution of waters)</p> | <p>Water pollution incidents have been recorded over the audit period and reported in the Environment Protection Licence Annual Return. Key incidents included:</p> <ul style="list-style-type: none"> <li>– Sediment laden water discharged to the Yarrangobilly River 16/06/2022. An Official Caution letter (3504699) was issued by EPA on 29/03/2023;</li> <li>– Surface water discharge at Tantangara Road Nungar Creek 27/09/23. A Show Cause letter was issued by EPA on 19/12/2022, and a \$15k Penalty Notices was issued by EPA on 29/03/2023;</li> <li>– Diluted leachate water mixed with sediment laden water leak from spoil emplacement area at Lobs Hole on 30/01/2023 (Cond O1.1). An Official Caution letter (3505349) was issued by EPA to SHL on 23/05/2023;</li> </ul> | <p>No specific actions detailed in this report. Agreed actions to be determined in consultation with EPA.</p> <p><b>Responsibility:</b> SHL</p> | Non-compliant NC 6                       | New     |

| No | Condition / requirement Reference   | Requirement   | Audit Finding  | Agreed Actions / Recommendations<br><i>(Agreed due dates for each action are in Audit Action Plan issued separately)</i>   | Rating (Non-compliant (NC), or OBS/ OFI) | History                                    |
|----|---|---|--|--|--|--|
|    |   |   | <ul style="list-style-type: none"> <li>Sediment laden water discharged to Gooandra Creek (23/03/23). An Official Caution (3505611) was issued by EPA to SHL 06/06/2023.</li> </ul>   |  |  |  |
| 7. | <p>Schedule 3, Cond 30 (p)</p> <p>EPBC Cond 17</p> <p>EPL 20266 Cond O1 (a)</p> | <p><b>30 (p):</b> store chemicals and hydrocarbon products in bunded areas in accordance with the relevant Australian Standards”</p> <p>EPL Cond O1.1 Licensed activities must be carried out in a competent manner. This includes a) the processing, handling, movement and <b>storage of materials and substances</b> used to carry out the activity; and</p> | <p>Whilst various actions have been undertaken to address inadequate / inappropriate / incompatible chemicals management since the last audit, the site inspection again identified issues at various sites including:</p> <p><b>General:</b></p> <ul style="list-style-type: none"> <li>Bunds and bunded pallets were not always covered allowing ingress of water, leading to the need to pump out potentially contaminated water;</li> </ul> <p><b>Lobs Hole</b></p> <ul style="list-style-type: none"> <li>Water Treatment Plant – Sodium Hydroxide, Hypochlorite, sulphuric acid, hydrochloric acid all stored within same bund – incompatible chemicals – need full segregation (it was believed that they just needed to be 5m apart)</li> <li>Sewage Treatment Plant STP – Citric acid in bund (half and IBC) in bund with Sodium Hydroxide</li> </ul> | <p><b>Proposed Actions:</b></p> <ul style="list-style-type: none"> <li>Further strategies need to be determined and implemented to address this issue, particularly in regard to storage of bulk liquids with potential incompatibilities as it appears that previous strategies have not been effective. Given the large quantities of chemicals involved, this issue needs to be urgently addressed, as it is a safety as well as environmental issue;</li> <li>Review the content of the chemical training and the personnel who receive it to ensure training is appropriately targeted;</li> <li>Review may include a high-level review with potential engagement of an SME to develop and implement.</li> </ul> <p><b>Close out 1 December 2023</b></p> <p><b>Auditor Note:</b> Previously implemented actions included:</p> | Non-compliant NC 7                       | Raised as non-compliant at IEA's #1, 2 & 3 |

| No | Condition / requirement Reference | Requirement   | Audit Finding   | Agreed Actions / Recommendations<br><i>(Agreed due dates for each action are in Audit Action Plan issued separately)</i>   | Rating (Non-compliant (NC), or OBS/ OFI) | History        |
|----|-----------------------------------|---|---|--|--|----------------|
|    |                                   |   | <ul style="list-style-type: none"> <li>Minor storage cabinet – Class 3 (flammable liquids) and Class 2 (flammable gases) stored in same cabinet (not compatible for storage).</li> </ul> <p><b>Tantangara:</b></p> <ul style="list-style-type: none"> <li>Some spill kit materials not suitable for the material in the area (e.g. – organic absorbent in Sewage TP for hazardous chemicals (can be reactive). Need to supply Hazchem type. Spill kits should be labelled with the correct type.</li> <li>The “bunded” area containing Sodium Hydroxide IBCs was only bunded on 3 sides – open on one side (said to slope inwards).</li> </ul> <p><b>Marica:</b></p> <ul style="list-style-type: none"> <li>No spill kits located in the surge shaft area;</li> <li>Unbunded 200 litre drums of oil stored in unbunded workshop;</li> <li>Oil drums (200 litre) (recently delivered to site) not stored in a bunded area.</li> </ul> <p>As condition 30 (p) is non-compliant, this also triggers a non-compliance to EPBC Condition 17.</p> | <p>reviews of sites, inspections, toolbox talks, training courses developed and delivered. The effectiveness of these actions requires review as the same issues continue to recur.</p> <p><b>Responsibility:</b> FGJV</p> |  |                |
| 8. | Sch 4 Cond 6                      | The Proponent must notify the Department and NPWS via the Major Projects Portal | <b>Incident Reporting / Notification to Authorities</b>   | <b>Proposed Actions:</b>   | Non-compliant NC 8                       | Raised as non- |

| No | Condition / requirement Reference   | Requirement  | Audit Finding   | Agreed Actions / Recommendations<br><i>(Agreed due dates for each action are in Audit Action Plan issued separately)</i>   | Rating (Non-compliant (NC), or OBS/ OFI) | History                    |
|----|---|--|---|--|--|----------------------------|
|    | EMS Sect 7.2.1<br><br>EMS App A5 – Environmental Incident Process / “Guideline Document to improve external incident classification and reporting” (Feb 2023 version) | immediately after it becomes aware of an incident on site. This notice must set out the location and nature of the incident. | <p>Adequate evidence was not provided to demonstrate that <b>all</b> incidents are reported to the appropriate authority with required timeframes.</p> <p>Various reports were reviewed in detail, and found that whilst nine of the reports reviewed were verified as having been notified to the relevant agencies, three could not be verified as notified:</p> <ul style="list-style-type: none"> <li>– (INC 2660 -disturbance outside the boundary),</li> <li>– INC 2896 – breach of water quality discharge to Talbingo Reservoir – also see NC9)</li> <li>– INC 2935 – sediment laden water to creek)</li> </ul> <p>One was notified late (INC 1641), and it was not clear whether some of the other incidents required notification under the current definitions (e.g. wheel wash failure for 2 days (INC 2387), and treated water tank overflow (INC 2390) sink hole formation at Tantangara).</p> <p>There were inconsistencies between the information provided in the FGJV Event and Incident Register; the notification requirements / status documented within the Incident / Investigation reports and the actual incidents notified to the agencies.</p> | <ul style="list-style-type: none"> <li>– A joint incident / event register to be developed and shared by SHL and FGJV to ensure that the actual notification details can be entered accurately into the register. (was in early phase of development at the time of the audit)</li> <li>– Additional fields in the register need to be developed to capture whether event is an Incident, a Non-compliance or both, and to which agency it was reported.</li> <li>– Maintain records of all notifications to the relevant agencies in a dedicated file to provide evidence of ongoing compliance to notification requirements.</li> <li>– Provide resources / specific role responsibilities to ensure all relevant events are appropriately notified, and accurate records are maintained to reflect the status of reports and notifications;</li> <li>– It is recommended that the EMS be further reviewed and revised to clearly define the circumstances in which incidents are to be notified to DCCEEW;</li> </ul> |  | compliant at IEA's # 2 & 3 |

| No | Condition / requirement Reference                  | Requirement   | Audit Finding   | Agreed Actions / Recommendations<br><i>(Agreed due dates for each action are in Audit Action Plan issued separately)</i>  | Rating (Non-compliant (NC), or OBS/OFI) | History |
|----|--|---|---|---|---|---------|
|    |  |   | <p>It was noted that the Environmental Management Strategy (EMS) has been revised and updated in response to a direction from DPE, which provides greater clarity on reporting of incidents / non-compliances, however is not yet approved or implemented.</p> <p>It is not clear whether there have been any incidents which have triggered a notification to DAWE / DCCEE. See OBS No 2</p>     | <ul style="list-style-type: none"> <li>– Ensure incident / non-compliance reporting in future is in accordance with the approved, updated EMS</li> </ul> <p><b>Close out:</b> 1 Jan 2024</p> <p><b>Responsibility:</b> SHL</p> <ul style="list-style-type: none"> <li>– Incident report forms may need to be revised to capture the same information as the register.</li> </ul> <p><b>Responsibility:</b> FGJV</p> <p><b>Close out:</b> 1 Jan 2024</p> |   |         |
| 9. | EPL 20266 Cond L2.1-2.4<br><br>EPL Cond R2.2, R4.1 | <p>For each monitoring/discharge point or utilisation area specified in the table below (by a point number), the concentration of a pollutant discharged at that point, or applied to that area, must not exceed the concentration limits specified for that pollutant in the table.</p> <p>R2.2: The licensee must provide written details of the notification to the EPA within 7 days of the date on which they became aware of the incident.</p> <p>R4.1: The licensee must notify the EPA within 24 hours by</p> | <p>There have been discharges of treated water from the reverse osmosis treatment plant into Talbingo reservoir over a period between January and May 2023 that exceeded water quality discharge parameters (non-compliant to EPL conditions).</p> <p>The incident (INC 2896) was reported internally on 19 June 2023 and was not formally notified to EPA until 28 June 2023. (Late report).</p> | <p><b>Agreed Actions</b></p> <ul style="list-style-type: none"> <li>– Ensure all non-compliances with the EPL are reported to the EPA in a timely manner;</li> <li>– Include non-compliance in the next Annual Return;</li> </ul> <p><b>Close out:</b> ongoing and next annual return</p>   | Non-compliant NC 9                      | New     |



| No  | Condition / requirement Reference                        | Requirement   | Audit Finding  | Agreed Actions / Recommendations<br><i>(Agreed due dates for each action are in Audit Action Plan issued separately)</i>   | Rating (Non-compliant (NC), or OBS/ OFI) | History                                  |
|-----|--|---|--|--|--|--|
|     |  | phone or in writing of any results from monitoring required by condition M2 that exceed the Australian and New Zealand Environment Conservation Council Guidelines and NSW Water Quality Objectives and caused by activities carried out by or on behalf of the Licensee  |  |  |  |  |
| 10. | Sch 4 Cond 7   | <p>Within 7 days of becoming aware of any non-compliance with the conditions of this approval, the Proponent must notify the Department via the Major Projects portal of the non-compliance.</p> <p>This notice must set out the non-compliance, the reasons for the non-compliance (if known) and what actions have been taken, or will be taken, to address the non-compliance.</p> | <p>A review of FGJV incident reports raised since the last audit found that whilst most of the incidents that were non-compliant to the approval were notified to DPE, evidence was not provided that a disturbance outside the boundary at Marica was notified (INC 2660).</p> <p>It is also considered that significant failures of wheel wash facilities would be non-compliant to the conditions of approval and should be notified. (See OBS under Sch 4 Cond 7)</p> <p>Also refer to NC under Sch 4 Cond 6</p> | Same actions as NC on Sch 4 Cond 6 above and OBS under Sch 4 Cond 7.:  | Non-compliant NC 10                      | Raised as non-compliant at IEA's # 2 & 3 |
| 11. | Sch 4 Cond 8<br>Sch 3 Cond 7(f) & 8<br>Sch 3 Cond 12 (a) | <b>Sch 4 Cond 8:</b> The Proponent must provide regular reporting on the environmental performance of the development on its website in accordance with the requirements in any approved strategies, plans or programs.   | <b>Sch 4 Cond 8:</b> Six (6) monthly Spoil specific reports have not been provided on the Project website as required by Table 9-4 of the Spoil Management Plan, however have been developed by FGJV (? How many – awaiting evidence):   | <b>Agreed Actions</b> <ul style="list-style-type: none"> <li>Finalise 6-monthly Summary Spoil reports to meet the requirements of Table 9-4 of the Spoil Management Plan based on the information provided in the Quarterly Spoil Management Reports.</li> </ul> | Non-complaint NC 11                      | New                                      |

| No  | Condition / requirement Reference   | Requirement  | Audit Finding  | Agreed Actions / Recommendations<br><i>(Agreed due dates for each action are in Audit Action Plan issued separately)</i>   | Rating (Non-compliant (NC), or OBS/ OFI) | History                                |
|-----|---|--|--|--|--|--|
|     | Spoil Mgmt Plan (SMP) Section 9.5 and Table 9-4                                     | <p><b>Spoil Management Plan – Section 9.5</b>, -Spoil specific reporting is presented in Table 9-4 and will be completed and made publicly available in accordance with schedule 3 condition 7 (f) and EPL 21266.</p> <p><b>Table 9-4</b> requires (in summary) 6 monthly reporting for the duration of construction of:</p> <ul style="list-style-type: none"> <li>– volume of spoil excavated from tunnelling,</li> <li>– volume placed at each emplacement area with a brief summary of progress towards design objectives listed in Table 7-1</li> <li>– Volume disposed of off-site, reused elsewhere in KNP, volume of AMD treated and volume of NOA excavated and placed in encapsulation (if any)</li> </ul> | <p>Detailed Quarterly Spoil Monitoring Reports are prepared to satisfy the reporting requirements of the Environmental Protection Licence 21266 (5 October 2022), Condition R4.5. The EPL does not require the Spoil Monitoring Reports to be made publicly available.</p> <p>The quarterly reports provide detailed information relating to the location, quantities and characteristics of the spoil generated and emplaced, which may not be appropriate for provision on a public website.</p> | <ul style="list-style-type: none"> <li>– The 6 monthly Spoil Reports are to cover the period from the commencement of tunnel spoil generation / emplacement.</li> </ul> <p><b>Close out:</b> Oct 1 2023</p> <p><b>Responsibility:</b> FGJV</p> <ul style="list-style-type: none"> <li>– Upload Summary Spoil Reports to the project website</li> </ul> <p><b>Responsibility:</b> SHL</p> <p><b>Close out:</b> Nov 1 2023</p> |  |  |
| 12. | Biodiversity Management Plan App F; 5.2.2 BM32 BM33<br><br>Yr 1 & Yr 2 Biodiversity | <p>A routine pest predator control program will be implemented throughout construction of the project.</p> <p>An experienced and suitably qualified pest control contractor will be employed to manage feral predators including wild dogs, foxes and</p>  | Evidence of a pest predator control program or the engagement of a suitable pest control contractor could not be provided. It was advised that discussions have occurred between NPWS and Snowy Hydro regarding the use of a "felixer" and AI to control predators, however no evidence was provided of these discussions.   | <p><b>Agreed Actions</b></p> <ul style="list-style-type: none"> <li>– Review options for suitable professionals or programs for engagement</li> <li>– Consult with NPWS as part of the development of the program.</li> </ul> <p><b>Close out:</b> Feb 2023</p>  | Non-compliant NC 12                      | Raised as OBS Audit #3 Escalated to NC |

| No | Condition / requirement Reference         | Requirement   | Audit Finding  | Agreed Actions / Recommendations<br><i>(Agreed due dates for each action are in Audit Action Plan issued separately)</i>  | Rating (Non-compliant (NC), or OBS/OFI) | History |
|----|---|---|--|---|---|---------|
|    | Monitoring Report<br><br>Appendix F 5.3.2 | cats. This program will be prepared in conjunction with the NPWS activities occurring in the broader area.<br><br>The Year 1 and Year 2 Annual Biodiversity Monitoring Reports noted: "The sighting of feral animals within proximity to known Smoky Mouse habitat or project infrastructure is a trigger for adaptive management. Adaptive management actions have been triggered as a result of the monitoring.<br><br>In addition to the routine pest predator control program, cage trapping will be carried out to capture feral predators which are incidentally observed frequenting areas of human habitation such as camps and construction compounds. | A review of the trapping tab of the Fauna Encounter Register managed by FGJV indicated that no feral predator pests have been trapped over the audit period (only mice and rats), and the last time a trap was set was in April 2021 | <ul style="list-style-type: none"> <li>Implement a feral predator control program using an experienced and qualified pest control contractor as required by the BMP and the adaptive management trigger.</li> </ul> <p><b>Close out:</b> May 2023</p> <p><b>Responsibility:</b> Snowy Hydro</p> <ul style="list-style-type: none"> <li>Recommence the trapping program at sites</li> </ul> <p><b>Close out:</b> Mar 2024</p> <p><b>Responsibility:</b> FGJV</p> |   |         |