

29 March 2023



ARTC REF# 6-0000-260-EEC-00-LT-0284

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To Nick,

**CSSI 7474 Narrabri to North Star, Phase 1 (N2NS) Project
Independent Environmental Audit No 4 – Submission and Responses to Findings.
Minister's Condition of Approval A39**

I refer to the Ministers Conditions of Approval (**MCoA's**) issued for the Critical State Significant Infrastructure (**CSSI**) Project No 7474 Narrabri to North Star, Phase 1 on 13 August 2020 (**N2NS Planning Approval**), and specifically the requirement to submit Independent Audit Reports and the Proponents response to the audit findings to the Planning Secretary within 2 months of undertaking the audit in accordance with MCoA A39.

Following the fourth Independent Environmental Audit site inspection on 1 and 2 of February 2023, I am now pleased to be able to submit to you the fourth Independent Environmental Audit report for the N2NS Phase 1 project. Please also refer to Attachment 1 – Response to Audit Findings which outlines the proposed actions and / or current compliance status against the identified potential Non-compliance findings and suggested Opportunities for Improvement.

If you wish to discuss any of the above further, have any comments or concerns, please either contact Justin Bate, Health, Safety and Environment Superintendent on JBate@artc.com.au or 0438 952 286 or myself on PBorrelli@artc.com.au or 0407 254 363.

Yours sincerely

A handwritten signature in black ink, appearing to read "Peter Borrelli".

Peter Borrelli
ARTC Project Director N2NS
29 March 2023

Attachment 1 - Response to Audit Findings

Table 1 - Identified Non-Compliance Findings

| Condition Reference | Requirement | Independent Audit Finding | Recommendation Status | Action / Status |
|---------------------|--|---|---|-----------------------------------|
| A1 | The CSSI may only be carried out in accordance with the terms of this approval and generally in accordance with the description of the CSSI in the Inland Rail – Narrabri to North Star Environmental Impact Statement, Volumes 1-7 (prepared by GHD and dated November 2017), the Inland Rail – Narrabri to North Star Submissions Preferred Infrastructure Report (ARTC, dated December 2019) and (updated BDAR, RtS on the SPIR and RFI responses). | <p>The SEMP was prepared to support preconstruction activities associated with the delivery of the project. The CEMP replaced the SEMP as the key environmental management document for the construction of the project. The SEMP and CEMP provides a management framework to comply with condition A1 and condition A2 that require the N2NS Phase 1 project to be constructed generally in accordance with the description of the project in the SPIR, Environmental Impact Statement (EIS) and the N2NS Phase 1 Conditions of Approval and in accordance with all procedures, commitments, preventative actions, performance criteria and mitigation measures set out in these documents unless otherwise specified in, or required under, the CoAs. SEMP no longer in use.</p> <p>Refer to C2. A number of non-compliances were identified during the audit period including:</p> <ul style="list-style-type: none"> • A2 – CSSI Compliance • E80 – Erosion and sediment controls <p>Refer to the specific IEA comments and evidence for each non-compliant condition listed above.</p> | <p>No recommendation required for noncompliance.</p> <p>Refer to the specific IEA comments, evidence, and recommendations for each non-compliant condition.</p> | Refer responses to specific MCoA. |
| A2 | The CSSI must be carried out in accordance with all procedures, commitments, preventative actions, performance criteria and mitigation measures set out in in the documents listed in Condition A1 unless otherwise | Noted, as above. | As above. | As above. |

| Condition Reference | Requirement | Independent Audit Finding | Recommendation Status | Action / Status |
|---------------------|---|--|---|--|
| | specified in, or required under, this approval. | | | |
| E80 | All reasonably practicable erosion and sediment controls must be installed and appropriately maintained to minimise any water pollution. When implementing such controls, any relevant guidance in the Managing Urban Stormwater series must be considered. | <p>Mitigation measures and erosion and sediment controls are outlined in Table 7-1 of the Construction Soil and Water Management Sub-Plan (2600-0018 N2NS-SP1).</p> <p>Several drainage channels were observed with noticeable erosion and no ERSED controls provided.</p> <p>Some batters along the rail corridor works along culverts and creeks had noticeable erosion and damage, with little landscaped vegetation holding the batters in place, likely resulting from severe rainfall events.</p> <p>No additional reinforcement of these damaged batters, such as netting, sheeting, or coir logs were observed.</p> <p>While evidence of ERSED controls before and after significant rainfall events was provided during the audit period, none of these controls were observed during the audit site inspection, which occurred after a significant rainfall event (28.6mm at Moree Aerodrome on 31 Jan).</p> <p>Additionally, per SW18 of the SWMP for the project, and as per the CPESC approved Sediment and Erosion Control Plans, erosion and sediment controls shall remain in place until groundcover or stabilisation equally or exceeding 70% cover across 90% of the catchment has been achieved and all erosive processes are suitably managed. Areas, such as near Croppa Moree Road MAF and Croppa Creek, demonstrated degraded vegetation coverage with no ERSED present.</p> | <p>Ensure all reasonably practicable erosion and sediment controls must be installed and appropriately maintained to minimise any water pollution.</p> <p>Ensure regular cleaning of drainage structures and erosion and sediment control structures is undertaken prior to and following significant rain events.</p> <p>Ensure temporary batters are appropriately stabilised to reduce the risk of erosion until the final design shaping and rehabilitation is implemented.</p> | <p>ARTC and its Contractor advise that some of the evidence provided within this report, particularly of ESC and the locations depicted are believed to be incorrect and do not support the finding of this non-compliance.</p> <p>Erosion and sediment controls are installed as per the Contractor's CPESC certified ESCP's. These controls are regularly inspected by both the ARTC and T4MR project environmental teams and by the project CPESC.</p> <p>In addition to this, regular ER inspections were undertaken during the audit period. The ER has not identified in any recent reports issues with ESC.</p> <p>Controls are inspected as per the inspection schedule, including pre- & post-rainfall inspections.</p> <p>EPA inspections and stakeholder consultation have noted no issues of concern with ESC and positive feedback of compliance has been provided. Refer page 4 of Regulator Consultation Checklist – NSW Environment Protection Authority Response attached within IR IEA 4 Audit Report.</p> |

| Condition Reference | Requirement | Independent Audit Finding | Recommendation Status | Action / Status |
|---------------------|-------------|---------------------------|-----------------------|---|
| | | | | <p>Temporary stockpiles are located away from waterways and drainage channels in accordance with the MCoA requirements and stabilised with binder where appropriate. Where not under active construction, temporary batters have also been treated with binder application by the Contractor's site environmental team.</p> <p>Drainage and ESC structures have been designed and installed to replicate a natural ecosystem and to allow for sediment movement as per natural functioning of a watercourse. Bridges and culverts have a specific design capacity to allow for this. It is also noted that the surrounding landscape is highly disturbed upstream of construction activities and several high intensity rainfall events prior to and during the audit period have occurred within the construction vicinity with sediment movement being introduced from beyond the construction area.</p> <p>ARTC have engaged several mechanisms to enhance better ESC outcomes and implementation to better assist and support the Contractor in ensuring they are aware of requirements and employ effective implementation. These include increasing ARTC site team resources by one and increased ARTC inspection and assurance frequency. Environmental personnel attendance at site since August 2022</p> |

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|---------------------|-------------|---------------------------|-----------------------|---|
| | | | | <p>has been increased, regular communications specifying requirements and expectations of the Contractors to implement and maintain required ESC's have been issued to the contractor including formal contract correspondence and escalation of issues to senior management / executives for all parties and discussions at Project Leadership Group meetings. These have been regularly discussed and minutes documented during the onsite Weekly Environmental Meeting with the project ER and Contractor in attendance.</p> |

Table 2 – Opportunities for Improvement

| OFI Reference | Condition Reference | Context | Opportunity for Improvement | Action / Status |
|---------------|---------------------|--|--|--|
| OFI01 | A6 | Not all documents sighted had relevant approval letters appended to their publicly exhibited version. | Recommended that approval letters for all management plans and reports be attached as appendix items to demonstrate compliance status. | Approval letters are available upon request. Whilst not a requirement of the Conditions of Approval, new revisions of documents have included approval letters as Appendices except for the most recent update of the CEMP in January 2023. This has now been actioned with the ARTC Communications Team updating the document in the IR website. |
| OFI02 | A16 | Appendix A of the Bobbiwaa Ballast MAF Checklist was blank. | Recommended to revise the MAF Checklists to ensure all appendix items are attached or justification provided if not deemed required. | Noted. |
| OFI03 | E23 | Next issue of BMP to contain updated values for koala habitat. | Ensure next revision of BMP contains updated values for Table E4 – noted that this was previously a recommendation from Audit 3. | Revision 5 has been submitted to DPE March 2023 and accepted on 16 March 2023. Table E4 update was included as part this revision. |
| OFI04 | E28 | Flood Design Verification Report to have evidence of Department approval. | Attach the Department approval letter of the FDVR in the appendix. | FDVR does not receive approval. It is submitted for information to DPE and DPE acknowledged on 3 August 2022 that FDVR contains the information required by the conditions of approval. The FDVR is available publicly for information on the Project website. |
| OFI05 | E87 | General housekeeping, waste storage, and waste segregation at the Pad 4 area requires attention, with several temporary stockpiles contaminated with foreign materials, rubbish not segregated, and waste streams not separated. | Ensure waste segregation is followed on site to limit cross contamination of bins and stockpiles. Ensure HAZDG stores are correctly segregated to avoid storage of conflicting Hazardous Classes. | Waste segregation requirements on site are regularly communicated to site personnel via the daily brief. |

| OFI Reference | Condition Reference | Context | Opportunity for Improvement | Action / Status |
|---------------|---------------------|---------|--|---|
| | | | <p>Ensure regular inspections are undertaken following completion of milestones on all areas of the project.</p> | <p>Waste management is captured in daily & weekly site inspections by both ARTC and the Contractor.</p> <p>Waste tracking by the projects waste contractor is ongoing.</p> <p>The waste management strategy as works near end of construction phase, is to relocate all waste to a central location, sort appropriately and manage accordingly. This end of the construction phase sees an increase in waste streams in preparation for site demobilisation.</p> <p>The strategy allows for storage, sorting efficiency and more concise transport management of different waste streams.</p> <p>A standalone Waste Management Plan was developed by the Contractor. Rev 0 was issued to ARTC for review 14/11/22. Revision 1 is currently being finalised by the Contractor.</p> |