



Department
of Industry
Resources Regulator

NSW Resources Regulator

Monthly business activity
report July 2016

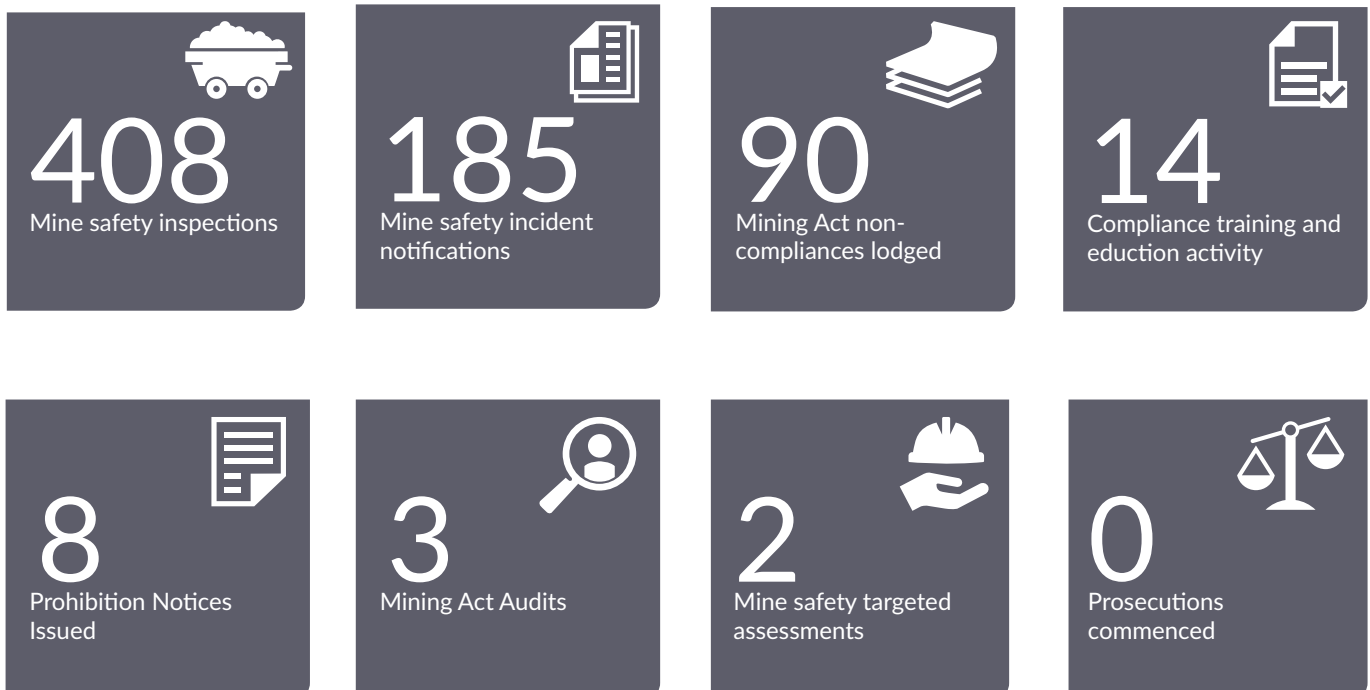


This report provides a summary of the compliance and enforcement activities of the NSW Resources Regulator.

The NSW Resources Regulator, established on 1 July 2016, is responsible for the compliance and enforcement functions across mining and energy sectors, and for driving continuous improvement across all regulatory functions of the Department of Industry. This includes working with industry, community, local councils and other state government agencies to provide a consistent and responsive regulatory approach to ensure compliance with the *Mining Act 1992* (Mining Act), *Work Health and Safety Act 2011* (WHS Act) and the *Work Health and Safety (Mines and Petroleum Sites) Act 2013* (WHS(M&PS) Act), other relevant legislation and associated regulations.

Activities

Below is a snapshot of the NSW Resources Regulator's activities for July 2016.



The Department of Industry, Skills and Regional Development has taken all care to ensure the accuracy, completeness and reliability of the information provided in this report. Nothing in this report impacts any duties held by any person under legislation administered or enforced by the department. Compliance with the legislation is a legal requirement. Some persons may have a right of internal or external review of decisions made under the legislation administered or enforced by the department.

An important role for the NSW Resources Regulator is to ensure that all operators and titleholders are aware of their obligations and how they can be met. This can be achieved through the publication of information and guidelines that assist in identifying and managing obligations. Training workshops and information sessions also provide a valuable way to engage with industry to assist them to maximise their compliance.



Training workshops and information sessions are a valuable way to engage with industry

Workshops and information sessions held in July

Date	What	Where	Detail
7 July	Information session	Gunnedah	Mine Safety Regulatory Reform information session
8 July	Workshop	Cadia Valley Operations	Electrical high risk activities and proposed main electrical earthing changes.
11 July - 15 July	Compliance operation	Lightning Ridge	Compliance education and awareness operation.
12 July	Information session	Broken Hill	Mine Safety Regulatory Reform information session
13 July	Information session	Cobar	Mine Safety Regulatory Reform information session
15 July	Workshop	Maitland	Mining-induced horizontal movements - 'state-of-the-art' in subsidence engineering.
19 July	Meeting	Ulladulla	Illawarra South Coast Regional Emergency Management Committee (REMC).
19 July	Training program	Lightning Ridge	Safety awareness course for new workers entering the opal mining industry.
20 July	Training program	Lightning Ridge	Mine operators' workshop for new operators in the opal mining industry.
20 July	Meeting	Bowral	Pro-active exercise planning meeting at Bowral Police Station.
25 July	Meeting	Austar coal mine	Industry Assistance Unit and Mine Safety Operations review of roof bolting incident at Austar coal mine to consider human and organisational factors.
26 July	Meeting	Bulga coal mine	Industry Assistance Unit planning meeting with Bulga coal mine to implement participatory ergonomics program at site.
27 July	Information session	Thornton	Safety investigation presentation to the Mining Equipment/Personnel Interaction Advisory Group.
29 July	Information session	Maitland	Presentation from Wilsons Mining Service on self-drilling bolts for the task of roof bolting.

Lightning Ridge

From 11-15 July 2016 a proactive compliance operation was carried out in Lightning Ridge, involving officers from across the NSW Resources Regulator. Before the operation, considerable effort was made to advise mineral claim holders in the area about the campaign, including media releases, promotion on radio, and contact by mail to all claim holders. These engagements resulted in more than 500 inquiries and visible efforts to improve compliance on many of the claims.

Over the course of the operation, 282 mineral claims in the district were inspected, with a total of 264 non-compliance issues detected on 179 claims. These issues ranged from failures to tag and mark out mineral claims, to poor rehabilitation, and security issues with shafts or auger holes.



Targeted assessments and audits

The Mine Safety Targeted assessment program (TAP) involves an in-depth assessment of a safety aspect at a mine site, and is undertaken by a team of Mine Safety Inspectors, including specialist inspectors as required.

The NSW Resources Regulator also undertakes a program of compliance audits to assess compliance with the obligations of the Mining Act.

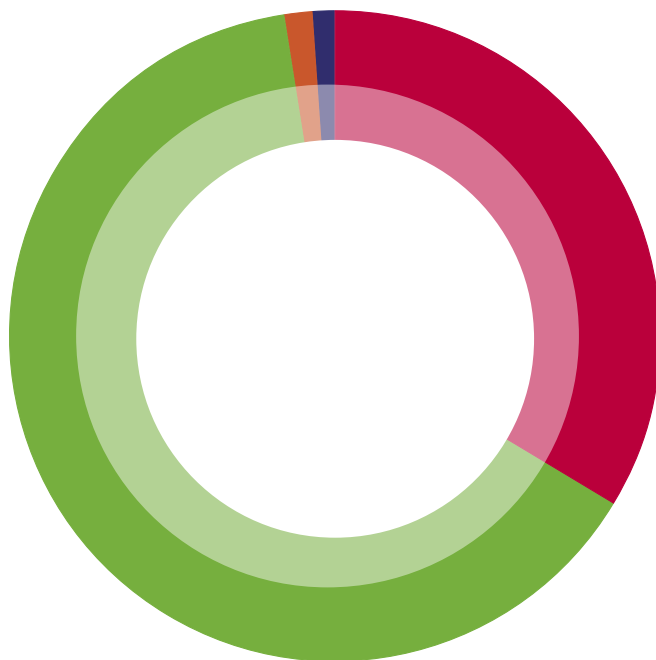
A detailed report on the outcomes of Targeted assessments and audits undertaken will be published on the regulator's website at the conclusion of the program.

Mine Safety TAPs and Mining Act audits for July

Mine	Program
Metropolitan Mine	Mine Safety TAP for gas and ventilation management
Appin Mine	Mine Safety TAP for gas and ventilation management
Peak Gold Mine (New Gold Inc)	Mining Act Audit
Scandium21 Pty Ltd	Mining Act Audit
Rimfire Pacific Mining Ltd	Mining Act Audit

In addition to the detailed TAPs and Mining Act audits outlined above, NSW Mine Safety also undertakes a variety of inspections, audits and desktop assessments. In July, this included:

Number	Assessment type
408	Inspection
76	Desktop assessment
16	Safety Audit
13	Explosion suppression analysis
513	TOTAL

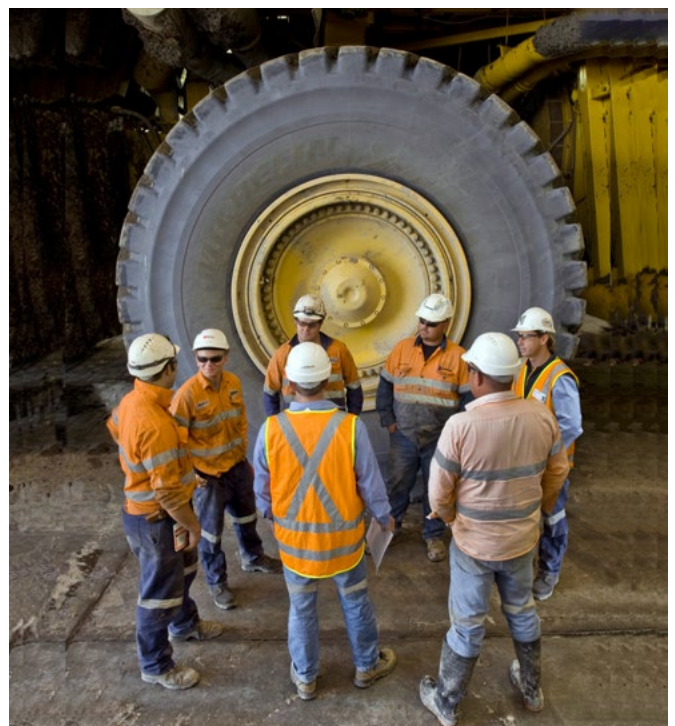


Other initiatives

From 4 July 2016 all mine and petroleum site operators were required to report any on-site work health and safety incidents to a new statewide telephone number - 1300 814 609.

Under the WHS(M&PS)Act, mine and petroleum site operators are required to immediately notify Mine Safety if a serious injury, illness or dangerous incident occurs at their mine or petroleum site.

The new 1300 814 609 number is staffed by a Mine Safety inspector 24 hours a day, seven days a week. The new incident notification process allows incidents to be appropriately documented, responded to and investigated as well as proactive safety measures to be incorporated into mine operations.

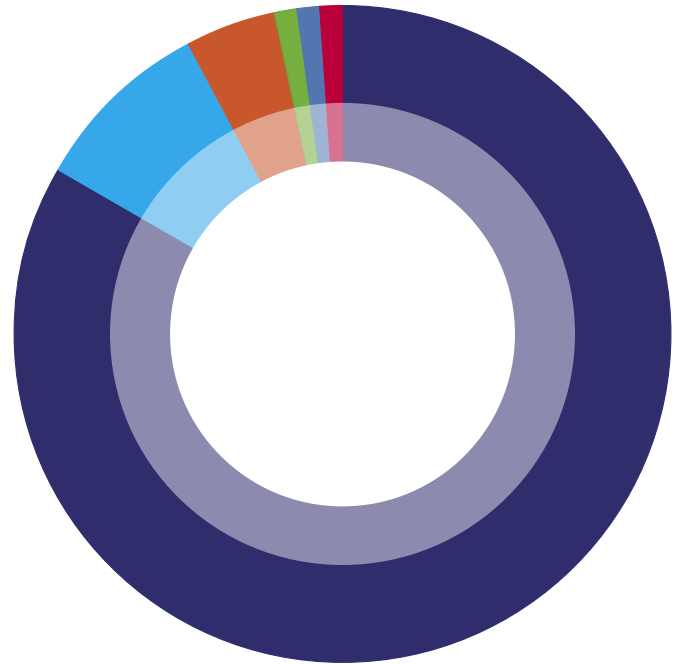


The NSW Resources Regulator responds to incidents of non-compliance identified through proactive compliance programs (for example inspections and audits), complaints and notifications received, and as a result of investigations.

As a result of the different legislation and their reporting requirements, the issues of non-compliance can be identified as being those associated with the obligations under the Mining Act, or those relating to mine safety.

Mining Act non-compliances

Incidents of non-compliance with the Mining Act may vary from a failure to submit a report on time or in accordance with a condition on title, to undertaking mining without authorisation.



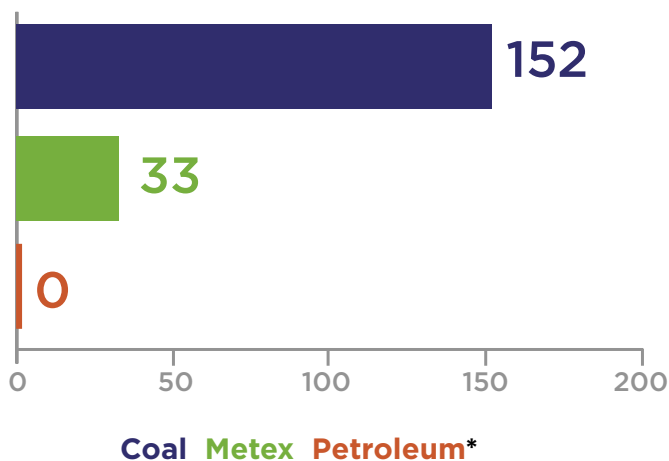
Number of incidents	Alleged non-compliance type
75	Failure to comply with conditions
8	Failure to report
4	Failure to comply with a direction*
1	Illegal mining or prospecting
1	Environmental incident
1	Other



* Directions are issued under section 240 of the Mining Act and direct a responsible person to undertake or cease a particular activity.

Mine Safety incident notifications

The WHS (M&PS) Act requires duty holders to inform the regulator of the occurrence of certain incidents. This includes the death of a person, a serious injury or illness or other prescribed incidents. Notifications received in July related to:



High risk notifications

Under clause 33 of the Work Health and Safety (Mines and Petroleum Sites) Regulation 2014, operators of a mine or petroleum site are required to give notice of the intent to carry out an activity identified under schedule 3 of that regulation. High risk activities cover a variety of activities such as electrical work on energised electrical equipment, the development of a new entry for an underground mine, driving or widening an underground roadway in a coal mine beyond 5.5 m or suspending a petroleum well.

The regulator does not have an approval function but must be given notification of the intent to undertake the activity, with a mandated period in which to respond to the notification.

A list of high risk notifications received in July can be found on the page 8.

Significant safety incidents

Date	Location	Incident
13 July	Duralie Mine	Suspected fluid injection – a fitter was changing dozer tracks and using an Energpac tool to torque up the bolts on the idler roller. It was reported that a leak of fluid from an elbow joint struck the fitter’s glove and dented it.



Further information on safety incidents can be obtained by subscribing to NSW Mine Safety News via the [NSW Resources Regulator’s website](#)

* Mine Safety are organised into teams specialising in coal, metalliferous and extractive industry (metex) and petroleum. The Environment Protection Authority are the lead regulator for all matters related to petroleum, with the exception of safety matters.

High risk notifications received in July

Mine	WHS (M&PS) Regs provision	Activity
Appin Colliery	Schedule 3, clause 20	Use of explosives designed for use in coal mines.
Appin Colliery	Schedule 3, clause 13	Widening underground roadway to more than 5.5 m.
Ashton coal mine	Schedule 3, clause 10	Sealing.
Austar underground coal mine	Schedule 3, clause 15	Formation of non-conforming pillars.
Cadia Hill gold mine	Schedule 3, clause 2	Electrical work on energised electrical equipment.
Chain Valley Colliery	Schedule 3, clause 9	Shotfiring.
Clarence Colliery	Schedule 3, clause 7	Working in an inrush control zone.
Clarence Colliery	Schedule 3, clause 27	Emplacement areas.
Clarence Colliery	Schedule 3, clause 27	Emplacement areas.
Moolarben Coal Operations	Schedule 3, clause 13	Widening underground roadway to more than 5.5 metres.
Moolarben Coal Operations underground	Schedule 3, clause 4	Development of new mine entry.
North Wambo underground coal mine	Schedule 3, clause 13	Widening underground roadway to more than 5.5 metres.
Springvale underground coal mine	Schedule 3, clause 13	Widening underground roadway to more than 5.5 m.
Tahmoor Colliery	Schedule 3, clause 13	Widening underground roadway to more than 5.5 m.
Ulan underground coal mine	Schedule 3, clause 15	Formation of non-conforming pillars.
Ulan West Operations	Schedule 3, clause 13	Widening underground roadway to more than 5.5 m.
Ulan West Operations	Schedule 3, clause 12	Driving underground roadway that is wider than 5.5 m.
Wongawilli Colliery	Schedule 3, clause 16	Secondary extraction or pillar extraction, splitting or reduction

Exemptions granted

Mine operators are able to apply for exemptions from provisions of the regulations, under clause 684 of the Work Health and Safety Regulation 2011. The following exemptions were granted in July:

Mine or PCBU	WHS (M&PS) Regs provision	Activity
Austar Coal Mine	Clause 96	Emergency exits - longwall 2B
Ulan West Operations	Clause 96	Emergency exits - longwall 03 Maingate
Sandvik Mining & Construction Australia Pty Ltd	Clause 152	Licensed activities at coal mines - any overhauling, repairing or modifying activities that may affect the explosion protection properties of explosion protected plant - exemption from licensing requirements

Investigations into major accidents and incidents

The Mine Safety Investigation Unit initiated an investigation into the circumstances surrounding an acid-leaching process at Manuka Silver Mine, Cobar NSW. Workers may have been exposed to hazardous chemicals such as lead and mercury during improvised attempts to extract gold using a manual acid-leaching process.

Further information on the incident can be obtained from [Information Release IIR16-04](#) and anyone with information that may assist the investigation is urged to contact the Mine Safety Investigation Unit on 02 4931 6567.



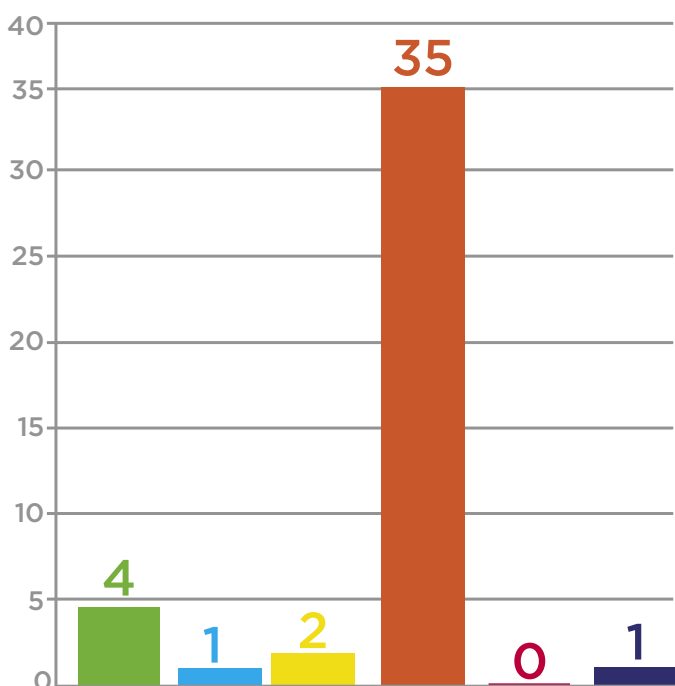
When a duty holder fails to achieve compliance with the requirements of the legislation, the NSW Resources Regulator seeks to force them to comply with the obligations. The approach taken to do this will depend on the significance and impacts of the breach, the tools available under the relevant legislation, and any applicable compliance and enforcement or prosecution policy.

Prohibition notices

Under Section 195 of the *Work Health and Safety Act 2011* Mine Safety inspectors are able to issue prohibition notices if they believe that an activity is occurring, or may occur, in a workplace that does or could pose a serious risk to the health or safety of a person. A prohibition notice outlines the matters which give rise to the risk, and may include directions on the measures to be taken to remedy the risk.



Mining Act enforcement action



Number	Action
4	Nil Action
1	Advisory letter
2	Corrective action request
35	Warning/official caution
0	Penalty infringement notice
1	Section 240 Direction

Work Health and Safety Act Prohibition notices issued in July

PCBU	Site	Trigger	Details	Prohibited activity
Cristal Mining Australia	Ginkgo Mineral Sands Mine, near Mildura	Inspection in response to complaint	Inspector observed a skid-mounted generator in significantly degraded condition.	Use of skid-mounted generator until rectified
Duty holder	Mulga Opal Field (P57621)	Inspection in response to incident	Incident in which an operator lost control of truck.	Use of the truck.
Glengarry, Grawin Sheeppark Miners Association	Mulga Opal Field (P57621)	Investigation	Loss of control of a truck.	Vehicle access to site (mullock dump).
Oberon Quarries Pty Ltd	Oberon Quarries	Routine inspection	Inspector observed incorrectly managed lifting equipment.	Use of all lifting equipment until an audit can be conducted.
Boral Resources (Country) Pty Limited	Shadforth Quarry, near Orange	Investigation	Incident in which a large rock fell from blasted face, hitting a loader, breaking the windscreen and hitting the operator	Extracting of hung-up material in deemed exclusion zone (barriers and markers to be put in place) until full risk assessment undertaken and controls implemented.
Mt Arthur Coal Pty Limited	Mt Arthur	Investigation	Incident with access ladder of grader.	Use of the grader until a review of the ladder system and implementation of identified controls to provide a safe system of work, and a statement of compliance is provided.
Bulga Coal Management Pty Limited	Bulga Surface Operations	Investigation	The rollover of an articulated truck, noting a similar incident had occurred in June.	Use of articulated dump trucks on site until investigations have been completed and relevant actions implemented.
W J Murdoch & Co	Mt Knowles Mine	Inspection	Guarding audit of screening plant uncovered that the product shed was unsafe.	Access to the shed. The structure must either be demolished or assessed by a structural engineer. If the engineer says that remedial work is required to render the structure safe, those remedial works are to be undertaken.

Prosecutions

Prosecution can act both as an actual response to an incident of non-compliance, and also as a deterrent to the wider industry. The decision to prosecute is not taken lightly, but is determined in accordance with the [Prosecution guidelines](#).

Commenced or finalised prosecutions

There were no prosecutions commenced or finalised in July.

Information on previously finalised prosecutions is available on the [NSW Resources Regulator's website](#).

Penalty notices

Penalty notices, issued under Section 378K of the Mining Act, make provision for a person to pay a penalty in relation to a particular offence. The offences and related penalties are prescribed by the Regulations, and may include issues such as mining or prospecting without authorisation, and a failure to comply with a direction.

There were no penalty notices issued in July.

Other significant enforcement actions

A number of other regulatory tools are available to the NSW Resources Regulator to address non-compliance issues. This includes imposing conditions on authorisations, or suspending or canceling an authority.



The following key enforcement actions were undertaken in July

Date	Entity	Action	Details
8 July	Young Mining	Variation of security condition under section 261B of the Mining Act	<p>Rehabilitation security deposit condition varied to allow for:</p> <ul style="list-style-type: none"> • a security bond with three-year limitation to be acceptable up until 27 Jan 2017, and • from 27 Jan 2017, full security deposit without limitation



Media

Further information about significant activities of the Resources Regulator can be found through regular media releases. These are published on the [NSW Resources Regulator's website](#).



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