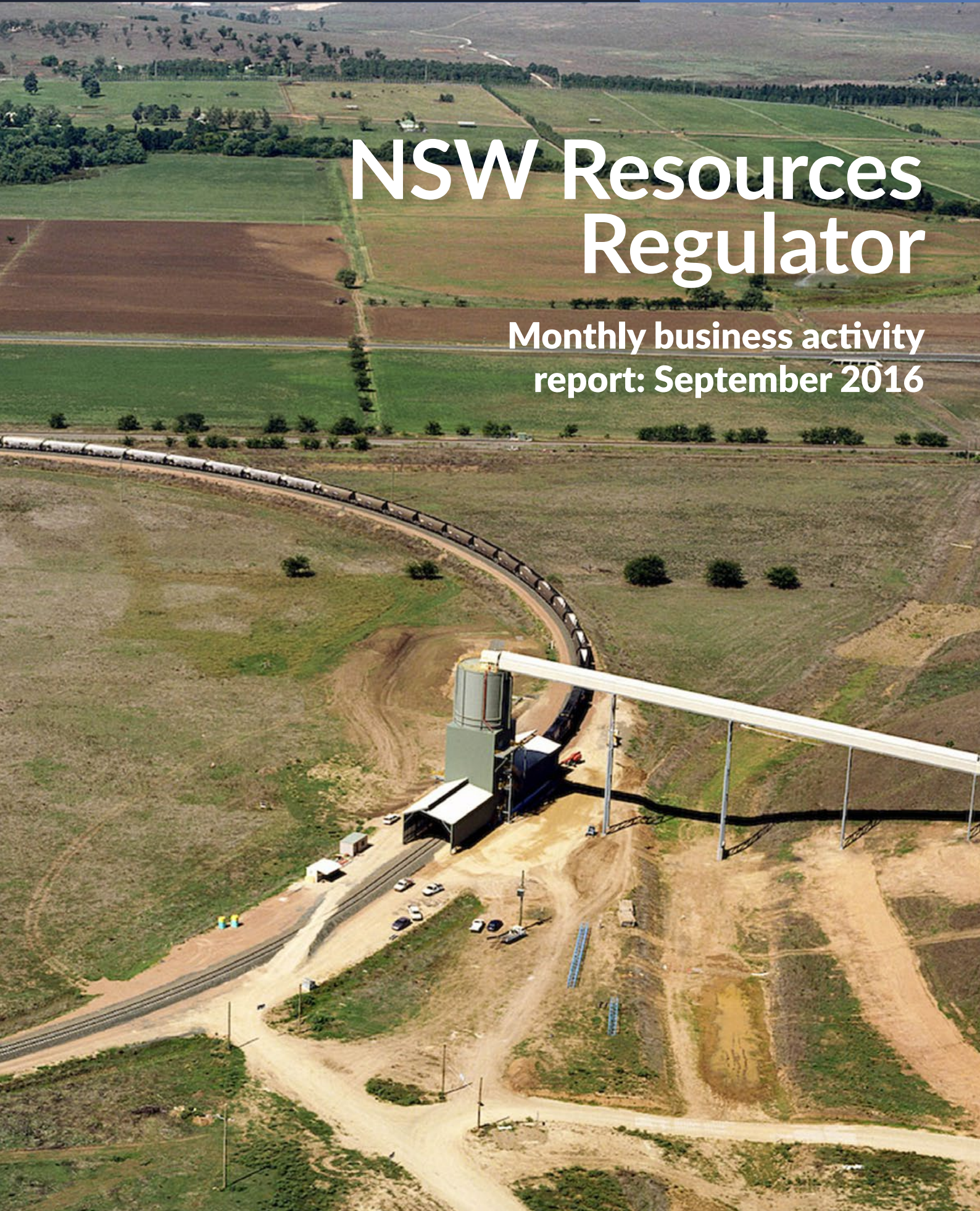




Department
of Industry
Resources Regulator

NSW Resources Regulator

Monthly business activity
report: September 2016



The NSW Resources Regulator, established on 1 July 2016, is responsible for the compliance and enforcement functions across mining and resources sectors, and for driving continuous improvement across all regulatory functions of the Department of Industry.

The NSW Resources Regulator works 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), and other relevant legislation and associated regulations.

This report provides a summary of the activities of the NSW Resources Regulator for the month of September 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.

September saw reforms and a new proactive approach to mine safety start to take shape with 12 targeted assessments and interventions undertaken across the state in the coal, metalliferous and extractives mining sectors—the most conducted to date.

Engagement with industry has also been a key action for Mine Safety during September, with mechanical and electrical engineers participating in the regular Hunter Valley electrical engineers meeting and the central west Mine Electrical and Mine Mechanical Engineering Society meeting. The Mine Safety team at Lightning Ridge also presented the opal miners safety course, which gives an introduction to safety for new opal miners.

The annual Coal Mine Safety and Health Representative Seminar was conducted by Mine Safety in Newcastle with a record number of almost 130 participants.

The Chief Compliance Officer of the NSW Resources Regulator was the keynote speaker at the CFMEU Northern Mining & NSW Energy District 21st Annual Memorial Day Service and highlighted the importance of effective health and safety regulation. The service paid respect to miners who have lost their lives at work.

In relation to enforcement matters, prosecution proceedings were commenced against Hunter Quarries Pty Ltd for alleged contraventions of the WHS Act that resulted in the death of an employee at the Karuah Quarry. The suspension issued against Young Mining was also lifted following the payment in full of the required rehabilitation security deposit.

Activities

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



An important role for the NSW Resources Regulator is ensuring all operators and title holders are aware of their obligations and how to meet them. Publishing information and guidelines that assist in identifying and managing obligations is a mechanism for achieving this. Training workshops and information sessions also provide a valuable way to engage with industry and assist them to maximise their compliance.

Workshops and information sessions

Engagement with industry has also been a key action for Mine Safety during September, with mechanical and electrical engineers participating in the regular Hunter Valley electrical engineers meeting and the central west Mine Electrical and Mine Mechanical Engineering Society meeting. The Mine Safety team at Lightning Ridge also presented the opal miners safety workshop to 15 participants. The course provides an important introduction to safety for new opal miners.

A record number of almost
130 
 participants attended the
Coal Mine Safety and Health Representative Seminar in Newcastle.

The annual Coal Mine Safety and Health Representative Seminar conducted by Mine Safety was held in Newcastle with a record number of almost 130 participants. The seminar drew mining industry personnel from across the sector, including mine managers, safety professionals and representatives of contractor firms, in addition to industry and mine safety and health representatives and the Mine Safety team. A case study on a safety initiative presented by a member of a coal mine's work health and safety committee was well received and is expected to become a key feature of future seminars, with attendees keen to learn more from good practice across the industry.

Workshops and information sessions

Date	What	Where	Detail
2 September	Presentation	Lake Victoria, Rufus, NSW	Presentation and interview with Production Manager at SA Water.
8 September	Information / communications session	Mine Safety Technology Centre, Thornton NSW	Meetings with Hunter Valley electrical engineers. Key messages were: <ul style="list-style-type: none"> gas detector design registration - reasons for and requirements at mines exemptions to legislation - justification and standards of document to support notification processes under new Resources Regulator - standards of reporting and review of control measures discussions of several electrical incidents.
8 September	Planning meeting	Bowral Police Station	Meeting with NSW Police and Regional Emergency Management staff in development of major exercise scheduled for November in Tumut for emergency services staff, based on a mining emergency scenario.

Workshops and information sessions (continued)

Date	What	Where	Detail
12-13 September	Course	Lightning Ridge	Safety Awareness Course at Lightning Ridge, delivered to 29 participants.
13 September	Presentation	White Cliffs	AM West Metex and Regional Inspector of Mines presented the Mine Safety Operations' Targeted Intervention Strategy to the White Cliffs opal miners association members—25 attended.
14 September	Seminar	Newcastle	Coal Mine Safety and Health Representative Safety Seminar with 130 participants (primarily current mine and electrical SHRs). The seminar included dedicated sessions for SHRs from underground and open cut mines, and electrical SHRs. Key themes for the electrical SHRs included incident notification processes covering standards of reporting and review of control measures and several recent electrical incidents.
14-15 September	Workshop	Lightning Ridge	Mine Safety workshop delivered to 15 participants. The course provides an important introduction to safety for new opal miners.
22 September	Workshop	Orange	Production manager's workshop attended by 16 people from Coolamon (Riverina), Lightning Ridge, Dubbo and Hartley.
22 September	Information / communication session	Bowling Club, Cobar	<p>Presentation given to central West MEMMES meeting. Key messages were:</p> <ul style="list-style-type: none"> • application of Australian standard AS/NZS 4871 Electrical equipment for mines and quarries - to metalliferous mining operations • exemptions to legislation - justification and standards of document to support • notification processes under new Resource Regulator - standards of reporting and review of control measures • discussions of several electrical incidents.
27 September	Planning meeting	Northparkes Mine	Meeting with North Parkes Mine about development of new emergency exercise development for internal emergency management training (Exercise Red Flag 6).
27 September	Major mine site exercise	Liddell Coal Mine	Major annual exercise attended by Resources Regulator involving a simulation of a bulldozer into a tailings dam requiring rescue and emergency services response. NSW Police, Ambulance Service and Westpac Rescue Helicopter also were in attendance. Incident Management Team and site emergency responses were also established during exercises.

Targeted assessments and audits

Mine Safety embarked on a major deployment of targeted assessment and targeted intervention programs during September, with 12 undertaken across the state in the coal, metalliferous and extractives mining sectors.

In the coal sector the programs were focused on gas and ventilation management, and respirable dust.

The areas of focus in underground metalliferous mines were exposure to diesel exhaust emissions and ground and strata failure. The targeted assessments program (TAP) also targeted electrical safety in surface dimension stone operations.

A targeted intervention program was also undertaken at a coal mine in relation to duties of officers under the WHS Act, focusing on the assessment of appropriateness of resourcing levels to maintain the operation in a safe condition while on care and maintenance.

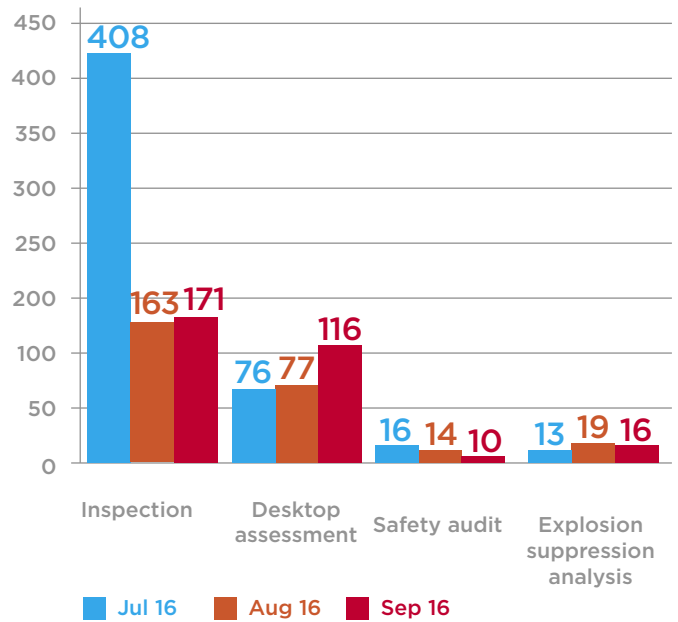
Mine Safety TAPs and audits for September

Mine	Program
Austar Coal Mine	Targeted assessment - Gas and Ventilation Management
Narrabri Coal Mine	Targeted assessment - Respirable Dust
Dendrobium Coal Mine	Targeted assessment - Gas and Ventilation Management
Springvale Coal Mine	Targeted assessment - Respirable Dust
Russell Vale Colliery	Targeted intervention - Duties of Officers
Blue Mountains Quarry	Targeted intervention - Electrical safety at dimension stone operations
Calga Quarry	Targeted intervention - Electrical safety at dimension stone operations
Grants Quarry	Targeted intervention - Electrical safety at dimension stone operations
Canoelands Quarry	Targeted intervention - Electrical safety at dimension stone operations
Hera	Targeted assessment - Worker exposure to diesel exhaust emissions
Endeavor	Targeted assessment - Worker exposure to diesel exhaust emissions
Rasp	Targeted assessment - Ground or strata failure
Mangoola Coal Operations Pty Ltd	Dam Safety Management Systems Audit
Centennial Newstan Pty Ltd	Dam Safety Management Systems Audit

A detailed report on the outcomes of targeted assessments and audits are published on the NSW Resources Regulator's website on conclusion of the program.

In addition to the detailed TAPs and audits outlined above, NSW Mine Safety also undertakes a variety of inspections, audits and desktop assessments. Comparative numbers for July, August and September are shown in the graph opposite.

Mine safety compliance activity



*July saw a spike in inspection activity due to the Lightning Ridge compliance operation.



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

Due to the different legislation and 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

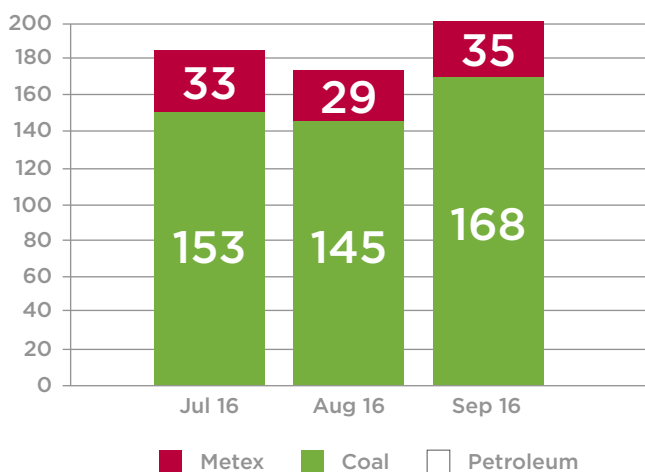
Incidents of non-compliance with the Mining Act can vary from a failure to submit a report on time or in accordance with a condition on title, to undertaking mining without authorisation.



Number of incidents	Alleged non-compliance type
6	Failure to comply with conditions
15	Failure to report
4	Illegal mining or prospecting
2	False and misleading information
8	Environmental incident

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, August and September are shown in the chart below.



Significant Safety incidents

Date: 1 September 2016

Location: WCL Russell Vale Colliery

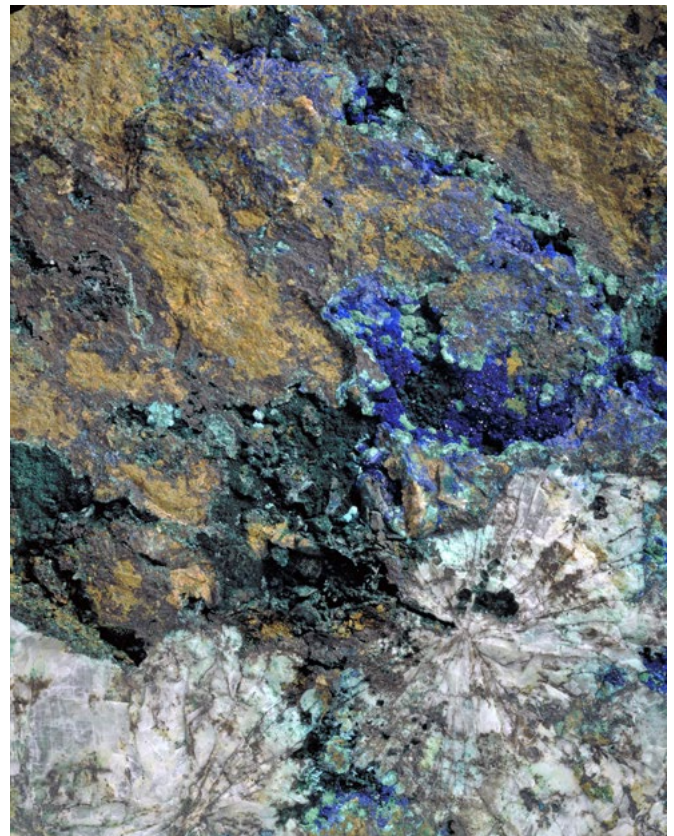
Incident: A contract truck driver was reported to have experienced a medical incident whilst sitting in his truck. Ambulance and paramedics attended and the driver was later pronounced deceased. It has since been confirmed that the incident was not work related.

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 things 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 5.5m, 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. High risk notifications received in September are shown in the table on page 10.



Keep up to date on safety incidents by subscribing to NSW Mine Safety News via the [NSW Resources Regulator's website](#)



High risk notifications received in September

Mine	WHS (M&PS) Regs provision	Activity
Appin Colliery	WHS(MPS)R 2014 Sch 3 Cl 15	Formation of nonconforming pillars
Appin Colliery	WHS(MPS)R 2014 Sch 3 Cl 13	Widening underground roadway to more than 5.5 metres
Bulga Surface Operations	WHS(MPS)R 2014 Sch 3 Cl 27	Emplacement areas
Bulga Underground Operations	WHS(MPS)R 2014 Sch 3 Cl 13	Widening underground roadway to more than 5.5 metres
Bulga Underground Operations	WHS(MPS)R 2014 Sch 3 Cl 12	Driving underground roadway that is wider than 5.5 metres
Bulga Underground Operations	WHS(MPS)R 2014 Sch 3 Cl 15	Formation of nonconforming pillars
Camden Gas Project - PPL 1, 2, 4	WHS(MPS)R 2014 Sch 3 Cl 31	Well workover
Chain Valley Colliery	WHS(MPS)R 2014 Sch 3 Cl 07(2)(b)	Working in inrush control zone
Clarence Colliery	WHS(MPS)R 2014 Sch 3 Cl 15	Formation of nonconforming pillars
Dendrobium Colliery	WHS(MPS)R 2014 Sch 3 Cl 12	Driving underground roadway that is wider than 5.5 metres (2 notifications)
Mandalong Mine	WHS(MPS)R 2014 Sch 3 Cl 13	Widening underground roadway to more than 5.5 metres (2 notifications)
Mandalong Mine	WHS(MPS)R 2014 Sch 3 Cl 10	Sealing
Mannering Colliery	WHS(MPS)R 2014 Sch 3 Cl 29	Barrier mining
Moolarben Coal Operations - Underground	WHS(MPS)R 2014 Sch 3 Cl 13	Widening underground roadway to more than 5.5 metres
North Wambo Underground	WHS(MPS)R 2014 Sch 3 Cl 15	Formation of nonconforming pillars
North Wambo Underground	WHS(MPS)R 2014 Sch 3 Cl 12	Driving underground roadway that is wider than 5.5 metres
Springvale Mine Underground Operation	WHS(MPS)R 2014 Sch 3 Cl 13	Widening underground roadway to more than 5.5 metres
Springvale Mine Underground Operation	WHS(MPS)R 2014 Sch 3 Cl 14	Use of high voltage plant and cables in a hazardous zone
Wilpinjong Coal Mine	WHS(MPS)R 2014 Sch 3 Cl 27	Emplacement areas
Xstrata Mt Owen CHPP Operations	WHS(MPS)R 2014 Sch 3 Cl 27	Emplacement areas

Exemptions granted

Mine operators can apply for exemptions from provisions of the regulations, under clause 684 of the Work Health and Safety Regulation 2011.

Exemptions granted in September

Mine or PCBU	WHS (M&PS) Regs provision	Activity
Design Registrations		
Cobar Management Pty Ltd. CSA Mine No. 2	Clause 177(2)	Order 155771 - further exemption for No.2 Friction Powered Winding System (PWS) term sought 1/10/16 - 1/01/18
Tahmoor Coal Pty Ltd	Clause 177(2)	Order 157046 - further exemption for use of men & materials drift Powered Winding System (PWS) pending design registration term sought 30/09/16 - 9/12/16
Licences		
UGM Mackay (RSF) 106502 Order 158462 - variation	Clause 153(1)	To carry out the activity without a licence (cls 153(1), WHS(M&PS)R - overhauling or repairing activities that may affect the explosion - protection properties of explosion - protected plant.
UGM (Teralba) (RSF106500) Order 158342 - variation	Clause 153(1)	To carry out the activity without a licence (cls 153(1), WHS(M&PS)R - Overhauling or repairing activities that may affect the explosion - protection properties of explosion-protected plant.

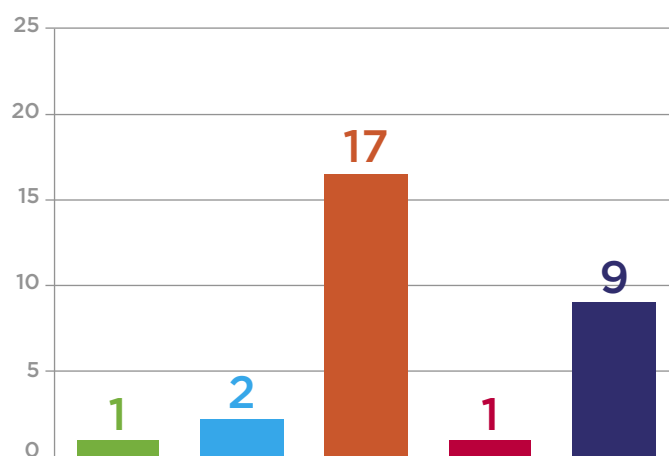
Investigations into major accidents and incidents

Mine Safety completed its causal investigation into the potential pressure burst incident at Austar Coal Mine. The incident occurred on 16 August 2016 during nightshift operations and involved the ejection of coal from the long wall face. No person was injured as a result of this incident.

Further information on the incident and key observations can be obtained from [Information Release IIR16-05](#).

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.

Mining Act enforcement action



Number	Action
1	Unsustained - No action taken
2	Advisory letter
17	Warning/official caution Penalty
1	infringement notice
9	Section 240 Direction



Prohibition notices

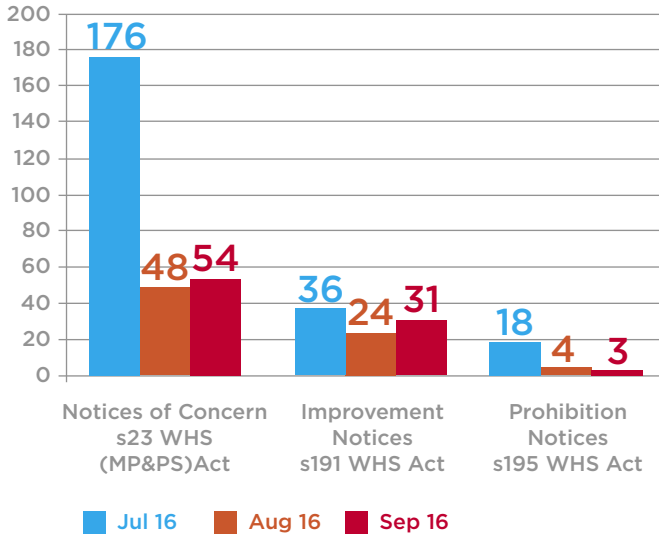
Under section 195 of the WHS Act Mine Safety Inspectors can issue prohibition notices if they believe an activity is occurring, or may occur, in a workplace that does or could pose a serious risk to the health or safety of a person.

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.

Prohibition notices issued under section 195 of the WHS Act

PCBU	Site	Trigger	Details	Prohibited activity
Metropolitan Colliery	Helensburgh Coal Pty Ltd	Arising from planned airborne dust assessment	Issues were identified with rollers, conveyor standards and adequacy of belt guarding.	Underground conveyors are not to be operated at the mine, except to clear belt as part of the cleaning program. System improvements are to be made and defects remedied.
Macquarie Coal Preparation Plant	Oceanic Coal Australia Limited	In response to an incident notification (elevated)	A contractor worker was struck by a hose knocking him to the ground resulting in a suspected broken arm. The worker was operating a sucker truck. The pressure hose from the truck is used to clear blocked pipes. It appears that the pressure hose has recoiled in some manner, rising up and striking the worker, knocking him over.	Utilising a "line jet hose" / high velocity industrial vacuum service.
Hunter Valley DCP	Rio Tinto Coal (NSW) Pty Limited	In response to an incident notification (elevated)	The incident was raised to 'elevated' based on additional information received from the ISHR. A conveyor caught fire due to frictional heat causing belt carcass to break at LTU pulley. The frictional heat was caused by build-up of coal fines between pulley and counterweight mass.	Operation of RC14 Conveyor other than for completion of the investigation and repairs.

Key notices issued under work health and safety legislation



Increased numbers for July are attributable to the Lightning Ridge compliance operation



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](#).

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

Prosecutions commenced

Prosecution proceedings were commenced against Hunter Quarries Pty Ltd for alleged contraventions of the WHS Act that resulted in the death of an employee at the Karuah Quarry.

On 9 September 2014, the employee was fatally injured while operating an excavator at the Karuah Quarry (50km north of Newcastle). The excavator rolled over, landing on a large rock which breached the cabin. The operator was fatally crushed in the incident.

The regulator will allege that the excavator was not equipped with a roll-over protective structure (ROPS) and without such safety equipment the excavator cabin offered little or no protection for the operator in a roll-over situation. The Regulator will also allege that Hunter Quarries failed to provide a safe system of work for the operation of the excavator.

The Regulator has commenced Category 2 proceedings under section 32 of the Act for - failure to comply with a health and safety duty.

Category 2 Work Health and Safety offences attract a maximum penalty of \$1,500,000.

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 failure to comply with a direction.

Penalty Infringement Notices issued in September 2016

Date	Entity - Authorisation	Penalty Notice amount	Details
30 September	Claim holder no. 59017 & 59018	\$2,500	Mining mineral without authorisation as per Section 5 Mining Act - Individual

Media

The NSW Resources Regulator issues media releases on significant activities. These are published on the [NSW Resources Regulator's website](#).

Date	Details
9 September	Resources Regulator announces prosecution proceedings against Hunter Quarries

Contact the NSW Resources Regulator



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Department
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