

17 March 2014

Mr Barry Broe
Coordinator-General
Office of the Coordinator-General
Department of State Development, Infrastructure and Planning
PO Box 15517
City East QLD 4002

Dear Mr Broe *Barry*

Application for Proposed Change – Wyaralong Dam Project: Audit condition

Thank you for your letter dated 19 September 2013, providing an opportunity for Seqwater to review imposed auditing conditions for the Wyaralong Dam Project.

Seqwater has undertaken third party operational compliance audits since February 2012 in accordance with the current statutory audit requirements. After discussion with your staff regarding recent audit findings and the existing condition requirements, Seqwater would like to initiate a change process.

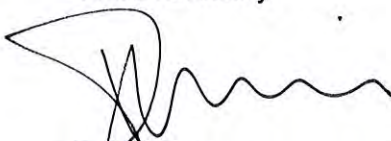
Accordingly, pursuant to Part 4, Division 3A, Subdivision 1 of the *State Development and Public Works Organisation Act 1971*, Seqwater requests a change to Appendix 1, Schedule C, Part 3, condition 16(c)(ix) as shown in **Table 1**.

The proposed change described in Table 1 will have no effect on the operation of the Wyaralong Dam project. The reason for the proposed change is that Seqwater is of the view that the removal of regulatory duplication and streamlining of audit processes will assist in the efficient delivery of compliance obligations.

Given that the proposed changes are administrative in nature, i.e. limited to reporting and auditing conditions, Seqwater requests your consideration that change report fees be waived on this occasion.

Seqwater looks forward to working with your office in relation to this change request and to progress further amendments to Wyaralong Dam Project conditions. Should your office require any further information please contact Harry Gordon, Principal Environmental Management, harry.gordon@seqwater.com.au.

Yours sincerely



Peter Dennis
Acting Chief Executive Officer

Table1: Wyaralong Dam - proposed changes to conditions of the Coordinator-General's Report dated 8 October 2008

Condition reference	Existing condition	Proposed change	Reasons and Effect on the Wyaralong Dam Project						
Appendix 1, Schedule C, Part 3, condition 16(c)(vii)	<p>(vii) non-Comformance - A process for dealing with circumstances where thresholds are exceeded during operation must be established prior to the commencement of operations. This process must establish a mechanism for reporting, taking corrective action where required and indicating responsibilities and timing for such action; and</p>	<p>Delete condition 16(c)(viii) and replace with the following condition: non-Comformance - A process for dealing with circumstances where thresholds are exceeded during operation must be established prior to the commencement of operations. This process must establish a mechanism for reporting such matters to the appropriate regulatory authority;</p>	<p>The letter from the Coordinator-General (ref: OUT13/2660) suggested amendment of the requirement for whole of project life auditing reporting to the Coordinator-General and alignment of the audit requirement to an annual cycle which will be supported by a mechanism to formally close out audit conditions that the Coordinator-General agrees have been satisfied i.e. an incremental reduction of the auditing task.</p>						
Appendix 1, Schedule C, Part 3, condition 16(c)(ix)	<p>(ix) reporting - Reporting on the compliance with the Coordinator-General's Conditions must be prepared and provided to the Coordinator-General (time-limited) in accordance with the hierarchy of reporting in.</p> <p>Table 7. The report must identify aspects of non-compliance against the Conditions together with any complaints and the responses to such complaints.</p> <table border="1" data-bbox="837 1451 1189 1917"> <thead> <tr> <th data-bbox="837 1451 869 1917">Report</th> <th data-bbox="837 1451 869 1917">Frequency and Scope</th> </tr> </thead> <tbody> <tr> <td data-bbox="869 1451 1045 1917"> Operations Phase Compliance Report </td> <td data-bbox="869 1451 1045 1917"> Six-monthly: • Undertaken by a suitably qualified person; • compliance with Coordinator-General's Conditions; • compliance with the Proponent's commitments and details of any non-compliances; • satisfaction of environmental objectives and EIMP requirements; • details of incidents of non-compliance, including where necessary corrective actions, revised operations practices, responsibility and timing; and • all other matters pertaining to environmental performance during operations. </td> </tr> <tr> <td data-bbox="1045 1451 1189 1917"> Operations Incidents and Exceedance Report </td> <td data-bbox="1045 1451 1189 1917"> Interim Report: • within 2 days of incident or an exceedance of a condition, goal or requirement, being identified; and • details of incident and initial response. Full Report • within 14 days of incident or an exceedance of a condition, goal or requirement, being identified; and • details of incident, response, corrective action, responsibility and timing. </td> </tr> </tbody> </table> <p>All reporting must be to the Coordinator-General and must be available to a relevant agency on request. Reporting is required only for a total period of 5 years from construction completion, or as otherwise confirmed in writing by the Coordinator-General.</p>	Report	Frequency and Scope	Operations Phase Compliance Report	Six-monthly: • Undertaken by a suitably qualified person; • compliance with Coordinator-General's Conditions; • compliance with the Proponent's commitments and details of any non-compliances; • satisfaction of environmental objectives and EIMP requirements; • details of incidents of non-compliance, including where necessary corrective actions, revised operations practices, responsibility and timing; and • all other matters pertaining to environmental performance during operations.	Operations Incidents and Exceedance Report	Interim Report: • within 2 days of incident or an exceedance of a condition, goal or requirement, being identified; and • details of incident and initial response. Full Report • within 14 days of incident or an exceedance of a condition, goal or requirement, being identified; and • details of incident, response, corrective action, responsibility and timing.	<p>Delete condition 16(c)(ix) and replace with the following condition: <i>For a total period of 5 years from construction completion, the proponent must report annually on compliance with conditions imposed by the Coordinator-General under this Schedule C.</i> <i>The annual report is to:</i></p> <ul style="list-style-type: none"> • be provided to the Coordinator-General by 30 September each year; • be undertaken by a suitably qualified person; • assess compliance with each of the conditions imposed by the Coordinator-General under this Schedule C during the previous financial year, except where the Coordinator-General has agreed in writing that the proponent has satisfied an imposed condition and that condition is no longer to be the subject of any subsequent audit required by this condition 16(c)(ix); and • provide details of any non-compliances, including where necessary, corrective actions, revised operations practices, responsibility and timing. 	<p>Seqwater's preferred wording for the condition is given in column 2. In accordance with the existing condition, Seqwater recommends annual compliance reporting requirements cease 5 years from construction completion. Seqwater also recommends that reporting be restricted to compliance with the conditions imposed under Schedule C, to reduce regulatory duplication, as conditions in other schedules are already subject to requirements under other legislation/approvals, e.g. dam safety auditing is already undertaken by the Queensland Dam Safety Regulator.</p>
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