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NSW Resources Regulator

Monthly business activity
report: February 2017



The NSW Resources Regulator, within the NSW Department of Planning and Environment, is responsible for compliance and enforcement functions across the mining and resources sectors.

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 legislation. This legislation includes 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 February 2017.



The Department Planning and Environment (the department) 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.

This month the first case of Mixed Dust Coal Workers Pneumoconiosis in a NSW coal mine worker since the 1970s was confirmed. The person affected worked in a number of NSW open cut mines before leaving the industry in 2014. The Resources Regulator is investigating how this case occurred, and if there have been any breaches of the work health and safety laws.

The NSW Mine Safety Advisory Council, a ministerially-appointed council that comprises representatives from government, mining industry employers, unions and independent experts, has established an airborne contaminants sub-committee to look at issues involving dust.

Mixed Dust Coal Workers Pneumoconiosis may have a rapid onset and is caused by prolonged and close exposure to respirable crystalline silica and respirable coal mine dust.

In engagement activities, Mine Safety conducted a number of electrical engineering meetings throughout the state, with close to 80 industry representatives attending to discuss important engineering issues with inspectors.

Emergency Management & Operational Support also delivered various presentations and de-briefing sessions to industry stakeholders including local emergency management committees.

Planned inspections focussed on fires on underground conveyors in coal mines, airborne dust and safety issues associated with roads and other vehicle operating areas. There was also a strong focus on managing fatigue in the workplace.

In other compliance activities, a suspension notice was issued to Far Western Stone Quarries Pty Ltd, near Bourke in NSW's far west, for failing to pay the required security rehabilitation deposit. All mining operations, with the exception of any rehabilitation activities, will remain suspended until the company has complied with its regulatory obligations.

Activities

Below is a snapshot of the NSW Resources Regulator's activities for February 2017.



A key role of the NSW Resources Regulator is to ensure all operators and title holders are aware of their obligations and how to meet them. Publishing information and guidelines helps achieve this. Training workshops and information sessions are also a valuable way to engage with industry and help to maximise their compliance.

Workshops and information sessions held in February 2017

Date	What	Where	Detail
20-21 February	Mine Safety Awareness Course	Lightning Ridge	23 participants attended a safety education program for miners entering the industry
21 February	Mine Emergency Planning Presentation	Dubbo	Presentation to Fire & Rescue NSW managers from across Western NSW
22 February	Mine Emergency Planning and Rescue Arrangements Presentation	Tamworth	Presentation to NSW Police Force Rescue Coordinators and communication centre supervisors
22 February	Mine Operators Workshop	Lightning Ridge	One participant attended a safety education program for mine operators entering the industry
22-24 February	Education	Clarence Colliery	Deputies and Managers undertook Associated Non-technical Skills (ANTs) training program



Targeted assessments and audits

Mine Safety inspectors conducted planned inspections at coal mines focusing on the hazards associated with fires on underground conveyors, airborne dust and roads and other vehicle operating areas, and managing fatigue in the workplace.

Targeted assessments and audits for February 2017

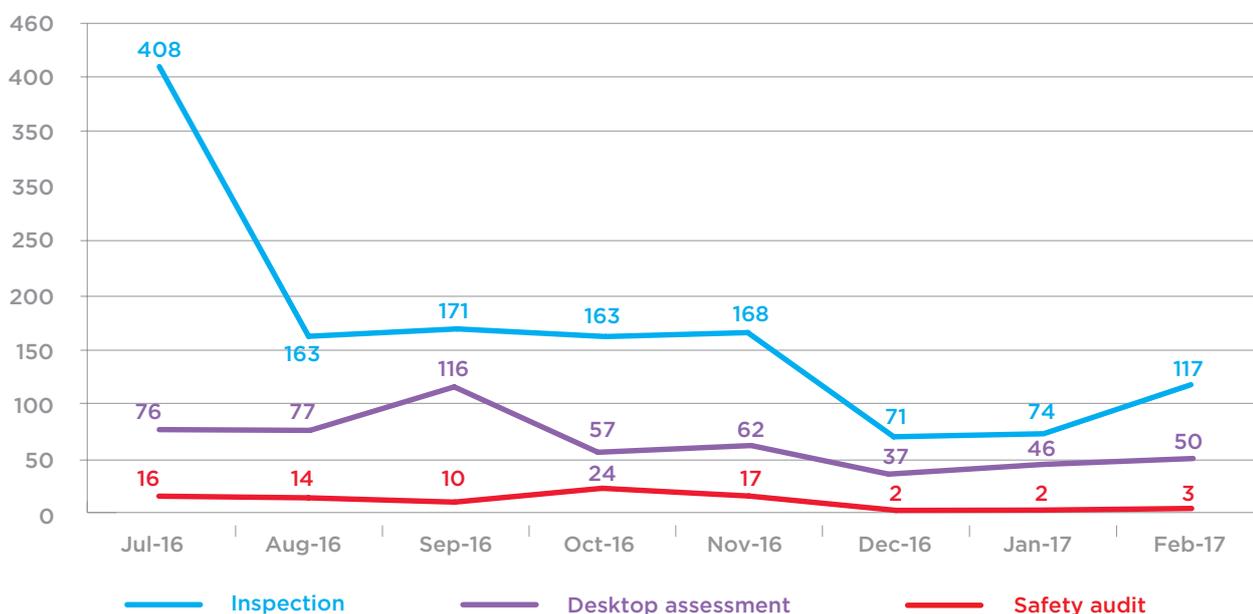
Mine	Program
Peak Gold Mine, Cobar	Targeted assessment: Fall of Ground\Strata Failure
Metropolitan Colliery, Helensburgh	Targeted assessment: UG Coal – Respirable Dust
Dendrobium Colliery, Mount Kembla	Targeted assessment: Diesel Exhaust Emissions
Myuna, Wangi Wangi	Targeted assessment: Emergency Preparedness
Hera, south east of Cobar	Targeted assessment: Emergency Preparedness
Hunter Valley Operations	Targeted assessment: Fatigue Management



Reports on the outcomes of targeted assessments and audits are published on the NSW Resources Regulator's website at www.resourcesandenergy.nsw.gov.au/miners-and-explorers/safety-and-health/mine-safety-regulatory-reform/safety-assessment-programs, after the program has been completed.

As well as detailed targeted assessment programs and audits, the Regulator conducts a variety of other inspections, audits and desktop assessments throughout the year. The graph below summarises the comparative numbers of each from July 2016 to February 2017.

Mine Safety compliance activity



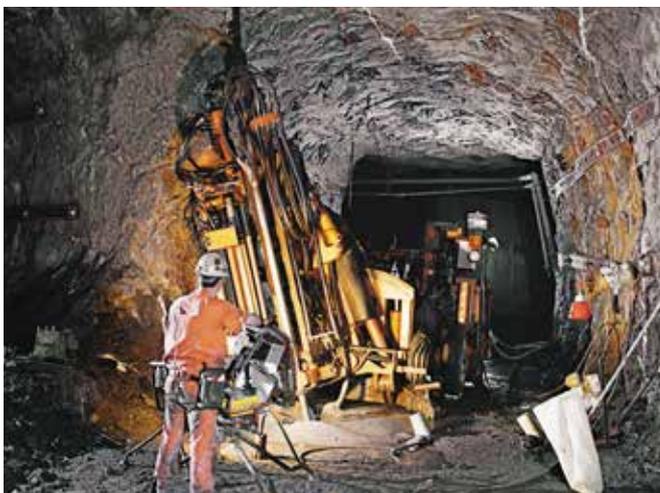
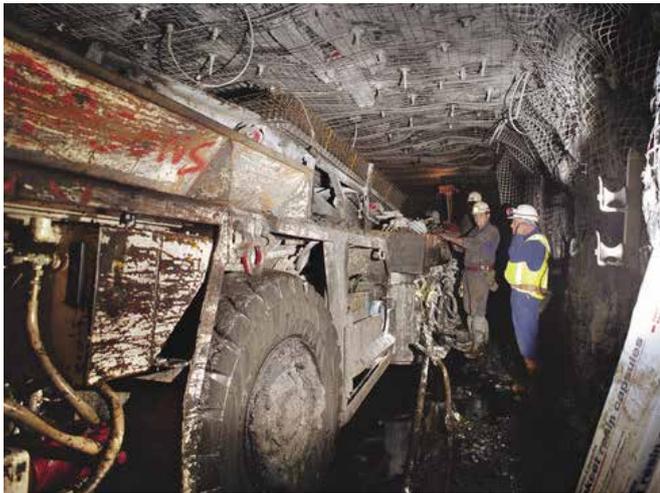
July saw a spike in inspection activity due to the Lightning Ridge compliance operation. The reduction in the number of inspections in December and January is partially attributable to the Christmas shutdown period, but the primary factor is the change in the way inspectors are deployed to more targeted activities that review risks controls in greater depth and are complex operations with a high number of hazards. Planned inspections usually involve two inspectors and pre-planning and preparatory work before the site visit. Targeted assessments and/or inspections will usually involve a team of three inspectors and more extensive preparation. Overall, more inspector hours have been allocated to proactive work, as centralised reporting and management of incidents has improved efficiencies and freed up many inspectors from reactive work.

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

Non-compliances are divided between those associated with the obligations under the *Mining Act 1992*, and those related to the *Work Health and Safety (Mines and Petroleum Sites) Act 2013*.

Allegations of Mining Act non-compliances

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



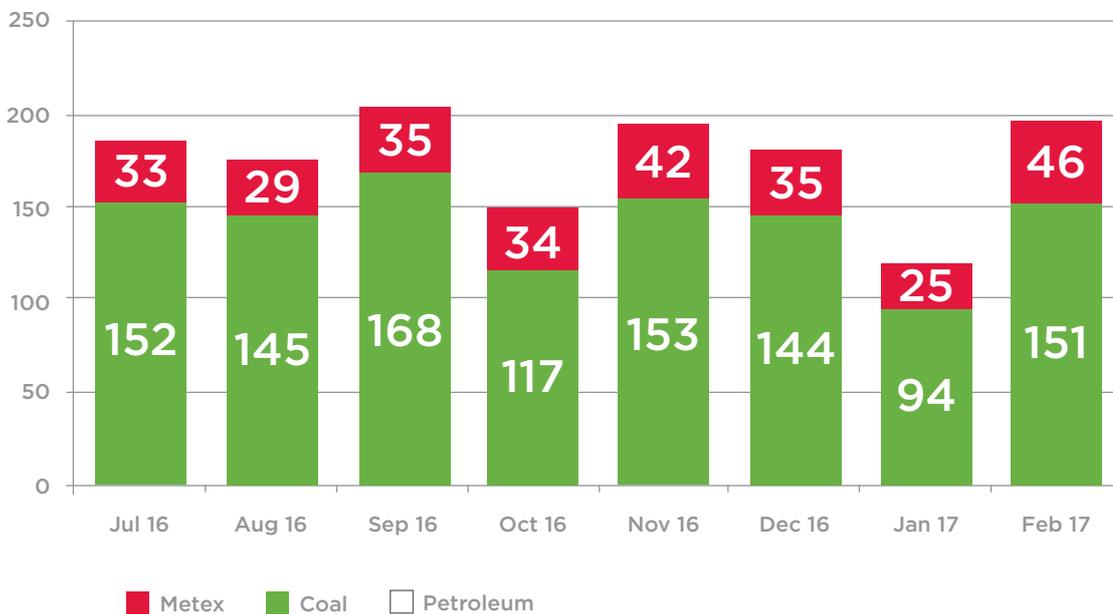
Number of incidents	Alleged non-compliance type
2	Failure to comply with condition(s)
2	Failure to comply with direction(s)
49	Failure to make payment
9	Failure to report
3	Illegal mining or prospecting

Mine safety incident notifications

The WHS (M&PS) Act requires duty holders to notify the NSW Resources Regulator of certain incidents. These include the death of a person, a serious injury or illness, or other prescribed incidents. Notifications received from July to February are shown in the chart below.



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



Significant Safety incidents

Date: 20 February

Location: Menangle Sandstone Mine, Menangle

Incident: A person was operating a manitou loader when its brakes failed. The manitou loader broke through the bund wall and continued over the pit edge, coming to rest on the pit floor approximately 30 metres below. The operator managed to jump from the vehicle before it went over the edge of the pit. No persons were at the bottom of the pit when the incident occurred.

Date: 21 February

Location: Northparkes Mines, Parkes

Incident: An operator was working on the sub cave level when an isolation valve from the end of a hose struck him. The jumbo was tramming into position, the hose reel jammed and the water hose tensioned causing the isolation valve to be released from the polyline. The isolation valve struck the operator on the left leg. The operator sustained a suspected fracture of the tibia and fibula.

High risk notifications

Mine and petroleum site operators are required (under clause 33 of the Work Health and Safety (Mines and Petroleum Sites) Regulation 2014) to notify the Regulator of their intention to carry out an activity identified under schedule 3 of the regulation. The NSW Resources Regulator does not approve the activity.

High risk activities include electrical work on energised electrical equipment, developing a new entry for an underground mine, driving or widening an underground roadway in a coal mine beyond 5.5 metres, or suspending a petroleum well.

High risk notifications received in February 2017

Mine	WHS (M&PS) Regs provision	Activity
Appin Colliery, Appin	Schedule 3, clause 13 – Widening underground roadway to more than 5.5 metres.	1
Ashton Coal Mine (Underground), near Singleton	Schedule 3, clause 16(1)(a) Secondary extraction or pillar extraction, splitting or reduction.	1
Austar Coal Mine (Underground), Paxton, near Cessnock	Schedule 3, clause 10 – Sealing.	1
Bulga Underground Operations, Singleton	Schedule 3, clause 10 – Sealing.	1
Chain Valley Colliery, Lake Macquarie	Schedule 3, clause 10 – Sealing.	1
Chain Valley Colliery, Lake Macquarie	Schedule 3, clause 13 – Widening underground roadway to more than 5.5 metres.	1
Dendrobium Colliery, Mount Kembla	Schedule 3, clause 12 – Driving underground roadway that is wider than 5.5 metres.	2
Mandalong Mine, near Morriset	Schedule 3, clause 10 – Sealing.	1
Narrabri Colliery, Narrabri	Schedule 3, clause 10 – Sealing.	1
North Wambo Underground, Singleton	Schedule 3, clause 9 – Shotfiring.	1
PPL0004 Menangle Park 22 , Menangle Park	Schedule 3, clause 31 – Well workover.	1
PPL0005 Menangle Park 2, Menangle Park	Schedule 3, clause 31 – Well workover.	1
Tahmoor Colliery, Tahmoor	Schedule 3, clause 18 – Mining in outburst control zones.	1
Ulan Underground Mine, near Gulgong	Schedule 3, clause 7 – Working in inrush control zones.	1

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 February 2017

Mine or PCBU	Details
Dendrobium Colliery / Dendrobium Coal Pty Ltd, Mount Kembla	The exemption is from compliance with clause 78(5) of the Work Health and Safety (Mines and Petroleum Sites) Regulation 2014 relating to electrical plant suitable for use in a hazardous zone of an underground coal mine and allows for replacement of ST2 telephone system and for procurement, assembling, installation, commissioning and reliability of phone systems and for the OEM to repair and provide A101 and A102 phones.

Investigations into major accidents and incidents

This month the Resources Regulator was notified of a case of Mixed Dust Coal Workers Pneumoconiosis, the first case reported in NSW since the 1970s. The matter is being investigated by the Regulator under the work health and safety laws. Further information is contained in incident information release - [IIR17-03 Coal workers' mixed dust pneumoconiosis](#).

An incident information release ([IIR17-01 Light vehicle collides with mine entry gate](#)) was issued this month regarding a serious injury at Mount Arthur Coal Mine at Muswellbrook. A worker suffered serious injuries when his private vehicle left the road and collided with the mine entry gate. The vehicle was impaled on the gate and the worker suffered a broken ankle.



The NSW Resources Regulator uses a variety of enforcement tools – under both the Mining Act and WHS legislation – to ensure compliance. These enforcement tools range from notices of concern and improvement, to prohibition notices and prosecutions for serious breaches of the law. The approach taken depends on the significance and impacts of the breach, the tools available under the legislation, and any applicable compliance and enforcement or prosecution policy.

Mining Act enforcement actions

Key enforcement actions

Date	Entity	Action	Details
06/02/2017	Titleholder - ML613	Issue of s240(1)(a) direction	Submit a Mining Operations Plan for ML613 (1973).
21/02/2017	Australian Dolomite Company Pty Limited	Issue of s240(1)(e) direction	Rehabilitate land disturbed by mining activities associated with M(C)L143 (1992).
21/02/2017	Titleholder - ML440 and M(C)L316	Issue of s240(1)(e) direction	Undertake outstanding rehabilitation associated with ML440 and M(C)L316 and provide a Rehabilitation Report for relinquishment of the authorisations.
21/02/2017	Hardy Marr Constructions Pty Limited	Issue of s240(1)(e) direction	Provide written evidence of consultation with key stakeholders regarding agreed post mining land use for areas disturbed by mining within ML3333 (1906), ML4925 (1906), ML3986 (1906) and ML210 (1973) and a Rehabilitation Management Plan outlining rehabilitation actions to achieve agreed post mining land use.
24/02/2017	Far Western Stone Quarries	240AA Suspension direction	All mining activities, with the exception of rehabilitation, suspended from 6 March 2017.

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](#).

Prosecutions commenced

No prosecutions were commenced in February.

Prosecutions finalised

No prosecutions were finalised in February.

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



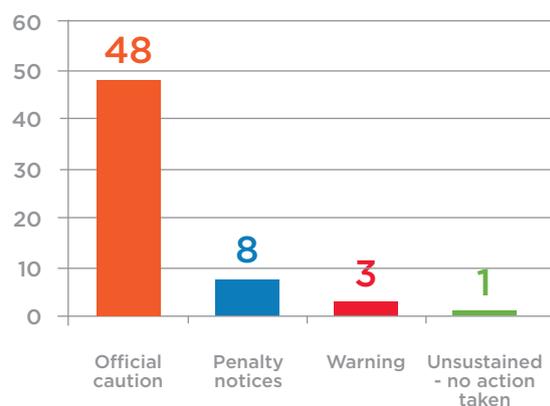
Penalty notices

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

Date	Entity	Action	Amount	Details
27/02/2017	Australian Gemstone Resources	Penalty notice	\$5,000	Environmental incident - Failure to comply with a section 240(1) notice by the due date.
27/02/2017	Australian Gemstone Resources	Penalty notice	2 x \$1,000	Failure to pay annual rental fee and annual administrative levy.
27/02/2017	Australian Gemstone Resources	Penalty notice	2 x \$1,000	Failure to pay annual rental fee and annual administrative levy.
27/02/2017	Titleholder - ML440 and M(C)L316	Penalty notice	\$1,250	Breach condition of authorisation - failed to supply Mining Operations Plan by the due date.
27/02/2017	Titleholder M(C)L 146	Penalty notice	\$1,250	Breach condition of authorisation - operating without a Mining Operations Plan.
28/02/2017	CGNM Resources Pty Ltd	Penalty notice	\$1,000	Failure to pay annual rental fee and annual administrative levy.



Mining Act enforcement action



WHS Act enforcement actions

Prohibition notices

Mine Safety inspectors can issue prohibition notices under section 195 of the WHS Act if they believe that an activity is occurring, or may occur, in a workplace that poses or could pose a serious risk to the health or safety of a person. A prohibition notice outlines the matters that give rise to the risk, and may include directions on the measures to be taken to remedy the risk.

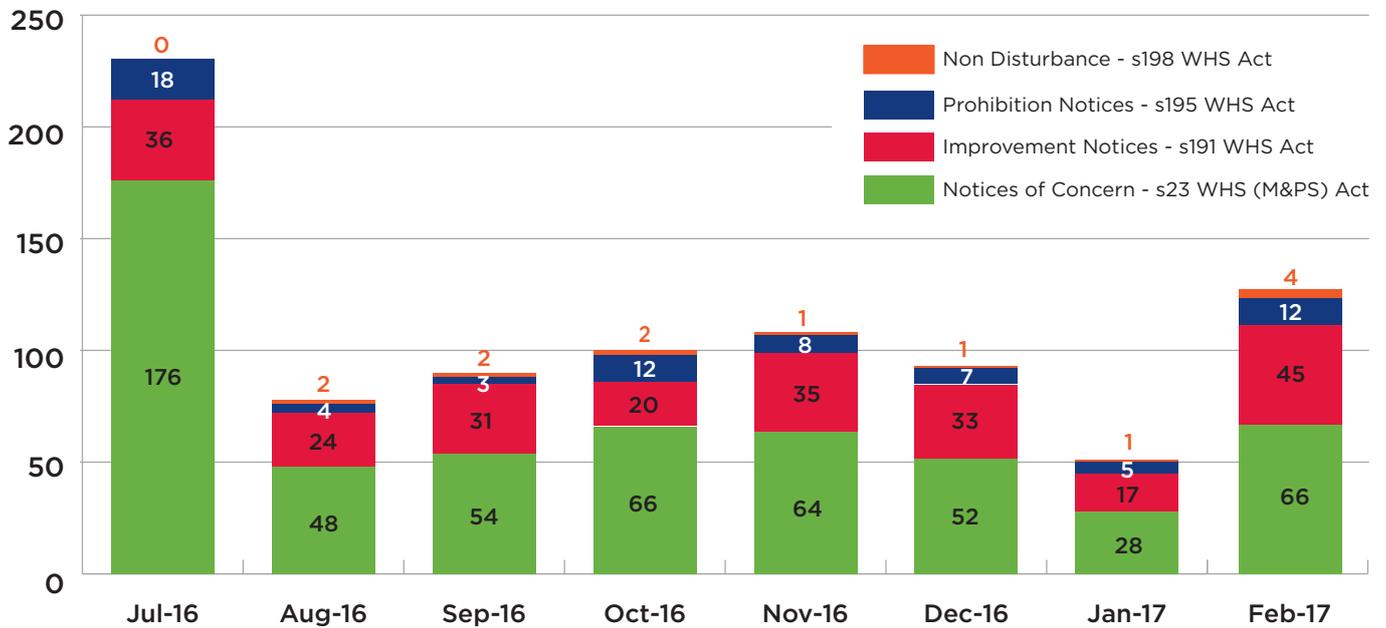
Prohibition notices issued under the WHS Act in February 2017

Mine/Entity	Details	Prohibited activity
CSA Mine / Cobar Management Pty Ltd	A winder in automatic mode was carrying 12 workers to the surface. At approximately 3.6m below the plat it tripped out due to the plat not extending alarm. The plat had only partially extended during this fault.	The use of the main mine winder to transport people or materials into or out of the mine is prohibited. Limited use in case of emergency is allowed provided appropriate risk assessments are carried out and effective controls are in place.
CSA Mine / Cobar Management Pty Ltd	As above.	The use of the #2 mine winder to transport ore out of the mine is prohibited.
Metropolitan Colliery / Helensburgh Coal Pty Ltd	A gas outburst occurred on Longwall 27 on 23 December 2016. Following the outburst a number of s195 notices were issued prohibiting production on Longwall 27 until a review of control measures on outburst were undertaken. The mine has requested a review of the s195 notice and following a desktop assessment the existing s195 notice has been cancelled and a new s195 issued.	Normal production activities on longwall 27 are prohibited whilst in the area of the geological structure (slip-strike fault F-0001), as noted in the register of geological features of the mine.
Metropolitan Colliery / Helensburgh Coal Pty Ltd	As above.	A new s195 notice prohibits production inside the 50m exclusion zone. Production to the 165m chainage is permitted provided the mine operates as per the identified control measures.
Metropolitan Colliery / Helensburgh Coal Pty Ltd	As above.	A new s195 notice prohibits normal production activities on longwall 27 whilst in the area of the geological structure (slip-strike fault F-0001), as noted in the register of geological features of the mine, up to the 143m mark.

Prohibition notices issued under the WHS Act in February 2017

Mine/Entity	Details	Prohibited activity
Talbragar Quarry / Miller's Metals	An unannounced site inspection identified issues with equipment and lack of procedures at the site.	The lifting or suspending of loads associated with the loading and unloading of items with the bucket of the production loader is prohibited.
Primelime Cudal / Primelime (NSW) Pty Ltd	An assessment was undertaken at the site to determine whether an AS/NZS 3000 audit had been conducted prior to powering the mine site.	The powering of the low voltage (LV) electrical installation at the mine beyond the energy authority current transformer links.
Primelime Cudal / Primelime (NSW) Pty Ltd	As above.	Powering of the low voltage portion of the quarry's electrical network is prohibited until compliance with Clause 32(2) of the Work Health and Safety (Mines and Petroleum Sites) Regulation is achieved and demonstrated.
Menangle Sandstone Mine / Hi-Quality Quarry (NSW) Pty Ltd	A person was operating a manitou when its brakes failed. The manitou broke through the bund wall approximately and continued over the pit edge, coming to rest on the pit floor approximately 30 metres below. The operator managed to jump from the vehicle before it went over the edge of the pit. No persons were at the bottom of the pit when the incident occurred.	Work within the open pit area is prohibited until otherwise directed.
Northparkes Mines / CMOC Mining Pty Ltd	An operator was working on the sub cave level when an isolation valve from the end of a hose struck him. The jumbo was tramping into position, the hose reel jammed and the water hose tensioned causing the isolation valve to be released from the polyline. The isolation valve struck the operator on the left leg. The operator sustained a suspected fracture of the tibia and fibia.	The use of the Sandvik twin boom development jumbo trailing cable involved in the accident that occurred on the SLC 9720 level on the 21 February 2017 is prohibited.
Northparkes Mines / CMOC Mining Pty Ltd	As above.	Persons being in areas (exclusion zones / no standing zones) is prohibited where there is potential to be struck by an unexpected release of energy when mobile equipment fitted with trailing cables / water hoses reels while the said mobile equipment is tramping and the cables / hoses are reeling in or out from the mobile equipment.

Key notices issued under work health and safety legislation



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



Media releases and publications

The NSW Resources Regulator issues media releases, safety alerts and bulletins on significant activities or issues. These are published on the [NSW Resources Regulator's website](#).

Date	Details
1 February	Weekly incident summary - ISR17-04 1 February 2017
3 February	Media release - Investigation into reported case of coal worker pneumoconiosis
8 February	Weekly incident summary - ISR17-05 8 February 2017
11 February	Media release - Mine Safety Alert: Severe weather and fire preparedness
14 February	Incident information release - IIR17-01 Light vehicle collides with mine entry gate
15 February	Weekly incident summary - ISR17-06 15 February 2017
22 February	Weekly incident summary - SR17-07 22 February 2017

Contact the NSW Resources Regulator



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