



**Environmental Protection Authority**  
**Office of the Environmental Protection Authority**

**Annual Report 2010 - 2011**

## Acknowledgments

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September, 2011

## Letter to the Minister

Hon Bill Marmion MLA

Minister for Environment

In accordance with s21 of the *Environmental Protection Act 1986* and s63 of the *Financial Management Act 2006*, we submit for presentation to Parliament the combined Annual Reports of the Environmental Protection Authority and the Office of the Environmental Protection Authority for the year ended 30 June 2011.

This report has been prepared in accordance with the *Financial Management Act 2006*.



Dr Paul Vogel

Chairman

26 September 2011



Kim Taylor

General Manager

26 September 2011

### About this annual report

The Office of the Environmental Protection Authority (OEPA) is a Department of State and is required to publish an Annual Report under s63 of the *Financial Management Act 2006*.

The Environmental Protection Authority (EPA) is an independent statutory authority established under the *Environmental Protection Act 1986* (EP Act). Under s21 of the EP Act the EPA has a separate obligation to provide an Annual Report to the Minister.

Much of the work of the OEPA services the EPA in undertaking its statutory functions. As such, much of the information required for each entity's annual report is common. This combined annual report is provided to meet both statutory obligations, with distinctions drawn between the EPA and OEPA where appropriate.

## Message from the Chairman



This year saw the 1000th meeting of the EPA, which coincided with the 40th anniversary of an institution which has worked to protect the environment in a State that has twin riches: extraordinary environmental assets and vast mineral deposits and oil and gas reserves.

The anniversary, attended by the Governor of Western Australia, Dr Ken Michael AC, the Hon Donna Faragher MLC, Parliamentary Secretary to the Premier, and many past members of the EPA, was an occasion to reflect on the foresight of Parliamentarians who saw merit in establishing an institution with an

independent Board to provide advice to Government about environmental issues and the environmental acceptability of development proposals.

This independence, coupled with the transparency and public participation that is a long standing feature of the EPA's practice, is central to the challenging task of mitigating the environmental impacts of major developments across the length and breadth of the State and providing robust advice to Government. In our system, final decisions on proposals – after public EPA advice – rests with Government.

This system has served the State well for 40 years. However, the EPA readily acknowledges that it must continuously improve its business processes, and take time to review its effectiveness, both in environmental outcomes as well as in the timeliness, rigour and consistency of its advice and decisions.

Our 40th anniversary also coincided with a challenging year. Economic conditions in the mining and development industry drove 416 referrals in 2010–11, and the EPA released a record 46 reports to the Minister for Environment. Many of the proposals assessed were large and complex,

such as Chevron's Wheatstone LNG project. Some attracted a lot of public interest, such as the Vasse Coal proposal.

Together, the capital expenditure value of proposals assessed and recommended for approval in 2010–11 was over \$45 billion with the prospect of creating thousands of jobs for the long term. However, the EPA is mindful that many of these developments impact on, or pose a risk to, the environmental side of the ledger.

Through the course of the year, the EPA has expressed particular concern about the cumulative impacts and risks to the environment of multiple individual projects that, considered in isolation, may have manageable impacts. These pressures are evident in many areas of the State. For example, the EPA has drawn attention to increasing risks from iron ore mining to a nationally-important wetland, the Fortescue Marsh in the Pilbara, and to cumulative air quality risks in the Collie and Burrup Peninsula airsheds.

In 2010–11, the EPA continued to focus attention on its environmental impact assessment reforms, which are aligned with the Government's approvals reform objectives. The reforms are ongoing but they are beginning to pay dividends. For example, consulting with proponents about the technical aspects of EPA's recommended conditions has led to a significant reduction in the time that proposals spend in the appeals process. This has had quantifiable economic benefits to both proponents and the State. Revised Administrative Procedures with a reduced number of levels of assessment and clear guidance on assessment timeframes were released in 2010–11, improving clarity and certainty for all parties.

It is noteworthy in 2010–11 that 82% of proposals were reported on within agreed timeframes.

The EPA also has conducted a successful program to engage stakeholders both at EPA Board meetings and on our many site visits and Civic and Business Leaders' breakfasts in the regions. These are important to provide the EPA with a better understanding of issues of concern to the

community, industry, peak bodies and environmental groups.

In 2010—11, the EPA noted an increasing trend among proponents to refer proposals earlier in a project life cycle. Proponents contend that this is necessary because of the time it takes to get an environmental approval; however this becomes a self fulfilling prophecy as the lack of project definition and inadequate supporting environmental information (including the provision of final Environmental Management Plans where required), slows and complicates the assessment. This practice can result in secondary approvals being required, prescriptive conditions to counteract high levels of uncertainty and risk, and an increased likelihood of appeals and post approval changes.

The EPA also noted the important role of science in reducing the uncertainties associated with predicting impacts on the environment and enhancing the prospects that developments will be ecologically sustainable over their life cycle. There are several proposals that have been or will be assessed by the EPA that have enormous dredging campaigns associated with them. To improve the understanding of the ecological processes related to impacts on tropical marine habitats, a dredging node of the WA Marine Science Institute has been formed. Similarly, the Botanic Gardens and Parks Authority is pursuing a collaborative venture between government and industry to improve the prospects of successful rehabilitation of mine sites at closure.

The EPA also observed that best practice environmental management and mitigation measures, including incorporation of sustainable development principles and objectives into option evaluation and the design and operation of projects, can have significant environmental and economic benefits, including assessment time savings. The Tropicana Gold and the Oakajee Port and Rail projects both demonstrated that project objectives and the EPA's environmental objectives can be met through sound project planning and the provision of timely and high quality environmental information.

The EPA also noted that increasing demand for clean fill for residential and industrial land, pressure on our natural resources for basic raw materials, and opportunities to manage waste more sustainably, highlighted the urgency for strategic waste planning and management in Western Australia. A state waste strategy would also set the strategic context for

assessment of a number of waste-to-energy proposals that are likely to come before the EPA.

With clear policy direction provided by the EPA Board through its Strategic Plan 2010—13, a new corporate strategy, structure and leadership team in the Office of the EPA, and increased resources, the EPA is better positioned to meet the challenges in the years ahead.

On behalf of the EPA Board, I wish to express my gratitude and thanks for the high level of professional support the EPA has received this year from staff of the OEPA. Their support is critical to both the system of EIA we have in WA and to meeting the challenges ahead.

Finally, it must be recorded that 2010—11 saw the retirement of EPA Board member, Ms Joan Payne AO, after eight years of distinguished service. Joan won widespread respect and admiration for her keen interest in and knowledge of biodiversity conservation, and her strong belief in the importance of community engagement in the work of the EPA.



Dr Paul Vogel

CHAIRMAN, EPA

## General Manager's overview

Strong economic growth in Western Australia in 2010—11 was reflected in a significant workload on the Office of the EPA in providing environmental impact assessment and other services to the EPA.

OEPA officers assisted the EPA to undertake a record 46 assessments covering development proposals, planning schemes and strategic assessments. These included a number of large and complex assessments including the Wheatstone LNG project and the Oakajee port and rail project.

The OEPA also assisted the EPA in the development of strategic advice, Environmental Protection Bulletins and Environmental Assessment Guidelines to influence the achievement of better environmental outcomes and deliver more timely and efficient assessments. This included remnant vegetation information to guide strategic land use and conservation planning in the Peel region, and guidance for assessment of dredging impacts associated with the State's major ports developments.

Monitoring compliance with Ministerial approval conditions continued to be a major focus for the OEPA in 2010—11, with specific attention given to the minerals sands sector and dredging projects.

Consistent with the Government's approvals reforms and the EPA's Environmental Impact Assessment Review, the OEPA also continued its focus on improving its business processes. A key step was commissioning an Information Management Strategy to guide the development of a project tracking system and other information management systems.

A focus of attention in 2010—11 was the development of a new OEPA Corporate Plan to reflect both Government objectives and the EPA Strategic Plan 2010—13.

Achievement of the department's substantial work for the year was a reflection of the staff's continuing strong work commitment and desire for protection of the State's environment. I would like to particularly acknowledge Mr John Dell, who was awarded the Public Service Medal during the year for outstanding public service to the advancement of

natural history and conservation.

OEPA's capacity to undertake its functions would not be possible without its collaborative relationships with other State agencies, particularly the Department of Environment and Conservation. Additionally, constructive engagement with industry and environmental stakeholders has been an essential part of improving our policy outputs and business performance.

I would also like to acknowledge the ongoing support and commitment of the members of the Environmental Protection Authority who provided significant advice and guidance to officers of the OEPA throughout the year.



A handwritten signature in dark ink that reads "K Taylor". The signature is fluid and cursive.

Kim Taylor

GENERAL MANAGER, OEPA



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Uranium

Oil and gas

Coal

Other

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Planning

Post approval assessment

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Fertiliser initiatives

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# Executive summary covering significant issues

## Approvals reforms

Consistent with the Government's approvals reforms and the EPA's Environmental Impact Assessment Review, EPA/OEPA have continued to focus on improving the efficiency and effectiveness of environmental approval processes.

During the year amendments were made to the EP Act to streamline appeal provisions and decisions-making processes under the legislation while the EPA is assessing a proposal.

The EPA's Administrative Procedures for Environmental Impact Assessment were also revised to streamline processes and practices.

During the year the EPA introduced procedures for formal consultation with proponents about technical aspects of conditions prior to finalising its assessment reports. This has led to a significant reduction in the number of appeals by proponents and time in the appeals process.

A major reform area for the environmental impact assessment approvals process is the establishment of a project management and tracking system and other information management systems to improve efficiency and effectiveness and provide better transparency. Additional resources have been provided to the OEPA for these purposes. A key step has been the commissioning of an Information Management Strategy and Information Technology Roadmap to guide these reforms.

## Number of assessments

The state's strong economic growth is resulting in a high number of projects requiring environmental impact assessment. The OEPA has been provided additional resources to undertake these major assessments.

During 2010–11 a record 46 assessments were completed covering development proposals, planning schemes and strategic assessments. This included a number of large and complex assessments including the Wheatstone LNG project and Oakajee port and rail project.

During the year 54 new referrals were received that require formal environmental impact assessment. This compares with 30 in the previous year.

Current assessments include four large uranium mining projects which are subject to the highest level of environmental assessment. Assessment of the Browse LNG Precinct in the Kimberley is also continuing. This large and sensitive assessment is the most significant strategic environmental impact assessment undertaken under the EP Act to date.

The push for further rapid development of iron ore production in the Pilbara is also placing demands on the environmental approvals process, with a significant number of projects to be assessed during the next two years. The EPA/OEPA are working with industry and other government departments to see how these could be undertaken in a more strategic and efficient manner.

## Meeting project timelines and maintaining standards of assessment

The EPA/OEPA have set target timelines for each stage of the environmental impact assessment process to guide companies in planning their projects and obtaining environmental approvals. The EPA/OEPA endeavour to ensure that assessments are carried out so that companies can obtain their approvals to meet key project milestones such as Bankable Feasibility Stage and Final Investment Decision. The EPA/OEPA's experience is that where companies plan their projects well, refer them with reasonable timelines, provide good environmental information, and propose sound environmental protection and management measures they are able to reasonably achieve their approvals with key project milestones.

It is important that projects allow adequate time for environmental impact assessment in planning and setting key project milestones. Where this is not done it places pressures on the environmental impact process in trying to achieve key milestones for these projects. It also invariably means the quality of environmental information for assessment of these projects is of a lower standard.

Also, with the current pace of development, some projects are being referred when front end engineering and design is still at an early stage. This is leading to multiple changes, both during assessment and after approval, causing considerable re-work which hampers the EPA/OEPA's capacity to assess projects with target timelines.

The EPA/OEPA recognise that in the current rapid expansion timely environmental approvals are critical and are committed to seeking to meet key project milestones, provided the environment is not jeopardised. However, it is important for all companies to recognise their obligations to provide adequate, sound environmental information in a timely manner in seeking their approvals.

## Compliance monitoring

Monitoring compliance with Ministerial approvals conditions continues to be a major focus of OEPA. During the year no projects were recorded as having significant environmental impacts exceeding those identified during their assessment. However, only 58% of implemented projects met all of their environmental conditions.

While these non-compliances were mainly of a minor or administrative nature, including not meeting reporting deadlines, it reinforces the importance of having an effective and rigorous compliance program and maintaining vigilance. There is also a need to continue to reinforce with proponents their obligations for compliance with conditions.

## Environmental offsets

Environmental offsets are actions which are implemented to address the residual impacts of a project on the environment once all reasonable mitigation measures have been exhausted.

Environmental offsets have been applied in Western Australia's environmental approval processes, and other jurisdictions, for more than a decade. With the large number of projects occurring and increasingly sensitive environments within which projects are occurring there has been a growing focus on the application of offsets over recent years.

A key focus of attention in 2010—11 has been the policy and practice

regarding the application of environmental offsets. Through the development of a draft State offsets policy this year, the Government has given clear direction to agencies about the need to improve governance, accountability, transparency and consistency in this area. The EPA has responded by placing a greater focus on offsets and more detailed evaluation of the merits of various offset proposals. It has also ensured offsets are documented in EPA reports and are the subject of recommended conditions so they can be properly audited for compliance. These steps are consistent with the Government's transparency and accountability goals and will result in more consistent application of the policy principles.

# Relationship between the EPA and OEPA and legislative framework

The EPA is established under s7 of the EP Act. The EPA is an independent statutory authority, in that it is not subject to direction by the Minister, and its advice to Government is public. EPA members are not public servants.

Under the EP Act, the objective of the EPA is to:

‘use its best endeavours – a) to protect the environment; and b) to prevent, control and abate pollution and environmental harm’.

The functions of the EPA outlined under s16 of the EP Act are broad and include:

- conducting environmental impact assessments
- preparing statutory policies for environmental protection
- preparing and publishing guidelines for managing environmental impacts, and
- providing strategic advice to the Minister for Environment.

In line with these functions, the EPA is responsible for administration of Part III (environmental protection policies) and Divisions 1 and 3 of Part IV (environmental impact assessment) of the EP Act.

The activities of the EPA are addressed in Part 3 of this combined EPA and OEPA annual report for 2010–11.

The OEPA is a Department of State established in accordance with the *Public Sector Management Act 1994*. One of the OEPA's key roles is to service the EPA in undertaking its statutory functions. This is in line with s17A and s22(1) of the EP Act which provide for servicing of the Authority.

In line with s22(1), the OEPA is also responsible for servicing the Minister for Environment in performance of his functions under the EP Act, particularly for granting and managing Ministerial approval statements for projects under Divisions 2 and 3 of Part IV of the EP Act.

The OEPA is also responsible for administering s48 of the EP Act in monitoring compliance of projects with Ministerial approval conditions and reporting on this to the Minister.

The activities of the OEPA are addressed in Part 4 of this combined EPA and OEPA annual report for 2010–11.

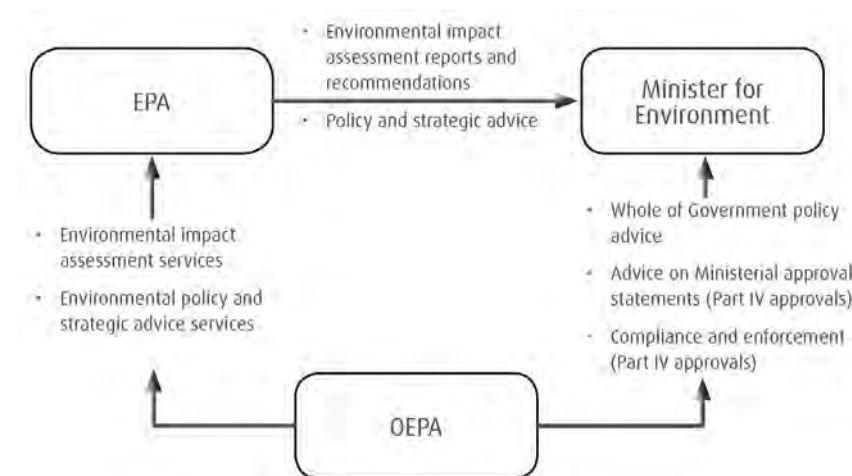


Figure 1: Relationship between the EPA, OEPA and the Minister for Environment

## Subsidiary legislation

Subsidiary legislation also relevant to the EPA/OEPA's functions includes:

- Environmental Protection Regulations 1987
- Environmental Protection (Swan Coastal Plain Lakes) Policy 1992
- Environmental Protection (Gnangara Mound Crown Land) Policy 1992
- Environmental Protection (Peel Inlet - Harvey Estuary) Policy 1992
- Environmental Protection (Kwinana) (Atmospheric Wastes) Policy 1999
- Environmental Protection (Goldfields Residential Areas) (Sulphur Dioxide) Policy 2003
- Environmental Protection (South West Agricultural Zone Wetlands) Policy 1998
- Environmental Protection (Western Swamp Tortoise Habitat) Policy 2002

It should be noted that other parts of the EP Act and the observance of the subsidiary legislation referred to above are also administered by the Department of Environment and Conservation.

# Environmental Protection Authority

## EPA's Vision

An environment that is highly valued and protected

## EPA's Mission

Western Australia's unique environment is one of the community's most valued assets.

The primary mission of the EPA is to protect the value of this asset for the benefit of current and future generations of Western Australians.

## EPA's Commitment

In performing its important role on behalf of the people of Western Australia, the EPA aims to:

- protect important parts of the environment from unacceptable risks;
- provide quality advice that is based on scientific evidence and rigorous analysis;
- set reasonable, clear and consistent policies; and
- deliver timely advice and recommendations.

The EPA has five members, appointed by the Governor on the recommendation of the Minister for Environment. The current EPA is Dr Paul Vogel (Chairman), Dr Chris Whitaker (Deputy Chairman), Mr Denis Glennon AO and Dr Rod Lukateli. The fifth member, Ms Joan Payne AO, retired in May 2011 and the process to appoint a new member is underway.

Profiles of all current EPA members are on the EPA website.

## Attendance at meetings

The EPA met 26 times during the year.

Dr Paul Vogel	Dr Chris Whitaker	Mr Denis Glennon	Dr Rod Lukateli	Ms Joan Payne
23	24	21	23	22

## EPA Strategic Plan

The EPA Strategic Plan 2010–13 was finalised in June 2010. The Plan outlines the context in which the EPA operates and its strategies and priorities for the next couple of years. The Plan also articulates the EPA's vision for reforming its practices to stay ahead of the changing environmental and business conditions in which it operates.

The EPA's key strategies for 2010–13 are to:

- Provide early strategic advice and guidance
- Enhance the value placed by the community on the environment
- Reform its business practices to improve certainty, rigour and timeliness.

This section of the annual report is structured under these three key strategies.

The EPA Strategic Plan 2010–13 is available on the EPA website.

## Provide early strategic advice and guidance

*The EPA will provide early strategic advice and guidance to Government and proponents to influence the achievement of better environmental outcomes. This will also deliver more timely and efficient assessments on individual proposals.*

*The EPA will strengthen its partnerships with other agencies and promote collaborative approaches to addressing cumulative impacts and emerging issues, including through the use of strategic assessments.*

## Policy, guidelines and strategic advice

### Environmental Protection Bulletin 12 – Swan Bioplan – Peel Regionally Significant Natural Areas

In December 2010, the EPA published an Environmental Protection Bulletin (EPB) endorsing the use of the Swan Bioplan - Peel Regionally Significant Natural Areas information to guide strategic land use and conservation planning in the Peel Sector of the Swan Coastal Plain.

The information, [provided on the EPA website as digital mapping, spatial datasets and explanatory notes](#), identified regionally significant natural areas that should be considered during strategic planning.

The EPA provided advice in EPB 12 that any developments in the area will be considered on their merits, however those impacting on Peel Regionally Significant Natural Areas will be subjected to higher scrutiny and require detailed investigations of natural values.

### Environmental Protection Bulletin 13 – Guidance for use of the Albany Regional Vegetation Survey

The EPA released EPB 13 in May 2011 to endorse the Albany Regional Vegetation Survey as a key information source for flora and vegetation surveys in the Albany Region and to provide guidance for the use of the Albany Regional Vegetation Survey report in environmental impact



assessment (EIA).

The *Albany Regional Vegetation Survey report* (Sandiford and Barrett 2010) provides information on native flora and vegetation at a regional level to help the EPA make informed decisions on proposals in the area. The survey was undertaken by the Department of Environment and Conservation (DEC) with support from the Western Australian Planning Commission, City of Albany, South Coast Natural Resource Management Incorporated and OEPA.

### Environmental Protection Guideline No. 7 (Draft) – Marine Dredging Proposals

Dredging is a significant component of many marine development proposals and it is widely accepted that prediction and management of the environmental impacts associated with dredging activities are complex and resource intensive tasks.

The EPA has developed a *draft Environmental Assessment Guideline (EAG) No.7 for Marine Dredging Proposals* and released that document on 18 December 2010 for an eight week period of targeted stakeholder and general public review.

Key elements of the draft EAG include impact minimisation principles and best practice, an approach for predicting environmental impacts and a spatially based assessment framework for representing impacts in proponent EIA documents.

The document is due to be finalised early in 2011–12.

### Fortescue Marsh strategic guidance

Fortescue Marsh is a highly bio-diverse wetland formed at the terminus of the Upper Fortescue River in the Pilbara. There are extensive mining operations and mineral deposits in the surrounding areas.

In March 2010, the EPA initiated a workshop of industry, Government agencies, traditional owners and researchers to discuss the risk of cumulative impacts to the water regime and environmental values of the marsh. Participants agreed on the need for a consistent and coordinated approach to the management of these risks.

In 2010–11, the OEPA, in collaboration with the departments of Water, Environment and Conservation, and State Development, continued work on draft guidelines and expects to release the draft for stakeholder comment early in 2011–12.

### Technical Guide – Terrestrial Vertebrate Fauna Surveys

In September 2010, the EPA jointly published with the DEC the *Technical Guide – Terrestrial Vertebrate Fauna Surveys for Environmental Impact Assessment*.

The purpose of the guide is to ensure adequate data of a high standard are obtained for environmental impact assessment. It provides greater detail on the EPA and DEC's expectations for undertaking different levels of survey that were outlined in EPA *Guidance Statement No. 56 Terrestrial Fauna Surveys for Environmental Impact Assessment in Western Australia* and provides advice on fauna survey protocols, methodology, analysis and reporting.

A joint EPA/DEC workshop for the Environmental Consultants Association was held on 13 October 2010 to explain the guide. The workshop was very successful with more than 80 participants, mainly from the consulting industry.

### Environmental Protection (Kwinana) (Atmospheric Waste) Policy 1999

This Environmental Protection Policy (EPP) regulates the cumulative sulphur dioxide emissions from industry in the Kwinana region and prevents pollution to nearby residential areas.

Following public consultation by way of a discussion paper *Options for the review of the Environmental Protection (Kwinana) (Atmospheric Waste) Policy 1999*, released in June 2009, the EPA advised the Minister for Environment in September 2010 that there was no need to undertake a formal review. The Minister agreed and instructed the EPA by notice published in the Gazette on 16 November 2010 not to formally review the policy. *A paper outlining the EPA's responses to the public consultation* is available on the EPA website.

## Environmental Protection (South West Agriculture Zone Wetlands) Policy 1998

This EPP protects wetlands registered under the South West Wetlands EPP from further degradation by such damaging human activities as filling, excavating, discharging of effluent, draining and damaging or clearing fringing native vegetation. It also promotes the rehabilitation of wetlands in the South West Agricultural Zone of the State.

Wetlands may be nominated for registration under the EPP whether they are on Crown land or on private land where landowner consent has been given. Currently there are only two wetlands on the Register of Protected Wetlands. These are Lake Monjingup in the Shire of Esperance and Koojeda Swamp in the Shire of Northam.

In December 2008 the EPA reviewed the South West Wetlands EPP and released a new draft EPP for public comment. The comment period closed in March 2009 and submissions received were considered by the EPA during 2010–11. A final report is due to be completed in 2011–12.

## Environmental Protection (Western Swamp Tortoise Habitat) Policy 2002

This EPP declares beneficial uses that are to be protected and aims to ensure management activities within the policy area do not adversely impact on the habitat or these beneficial uses.

The EPA transmitted its Report and Revised Draft EPP to the Minister in October 2010. The report recommends retaining the EPP unchanged and introducing Special Control Areas over the existing policy area and translocation sites for the tortoise.

## Review of Cockburn Sound State Environmental Policy

The EPA's State Environmental (Cockburn Sound) Policy 2005 was endorsed by Cabinet and released by the State Government in January 2005. It is due for formal review in 2012.

In 2010–11, the EPA decided to defer review of the 5% maximum cumulative size limit for the low ecological protection areas until the full

review in 2012, but updated maps in schedules 2 and 3 to contemporary geospatial standards in preparation for the review.

On 22 September 2010 the Auditor General tabled in Parliament a performance audit report on the effectiveness of the environmental management framework implemented through the SEP.

The Auditor General's findings are being considered by three key agencies, Cockburn Sound Management Council, the DEC and the OEPA, and will inform the scope of the 2012 review.

## Draft State Environmental (Ambient Air) Policy 2009

The State Environmental Policy provides a framework to manage air pollutants in accordance with National Environmental Protection Measures and to declare Local Pollutants.

In 2010–11, the OEPA analysed submissions as part of the Ministerial consultation round. Finalisation of this policy will meet Government requirements under the *National Environmental Protection Council (Western Australia) Act 1996*.

## Joint EPA-DMP Guidelines on Mine Closure

During the year, the Environmental Protection Authority and the Department of Mines and Petroleum (DMP) jointly developed *Guidelines for Preparing Mine Closure Plans*. The guidelines streamline the requirements for closure and rehabilitation plans and reducing regulatory overlap.

The aim of the guidelines is to ensure that, for every mine in Western Australia, a planning process is in place so the mine can be closed, decommissioned and rehabilitated in an ecologically sustainable manner, consistent with agreed post-mining outcomes and land uses, and without unacceptable liability to the State.

The guidelines have been developed in consultation with both the mining industry and the Conservation Council of Western Australia. The OEPA held a number of workshops and meetings with industry groups and the conservation movement. In addition, drafts of the document were made

available for two periods of public comment on the DMP and EPA websites. The OEPA in conjunction with DMP consolidated comments and used them to inform the final guidelines for the EPA's endorsement.

From 1 July 2011 the EPA will generally not assess mine closure as part of environmental impact assessment of mining projects that are subject to the *Mining Act 1978*. The EPA will only assess mine closure for Mining Act proposals in circumstances where the EPA considers there are particular issues that pose a high environmental risk. The EPA will continue to assess mine closure for projects that are not subject to Mining Act approval processes such as State Agreement Act projects.

Where the EPA assesses mine closure, an approval condition will be applied under the EP Act requiring a Mine Closure Plan to be prepared in accordance with the guidelines.

### **Forest Management Plan 2004–2013: mid-term audit of performance**

During the reporting period, the EPA released its report and advice to the Minister for Environment on the Mid-term Audit of Performance Report on the implementation of the Forest Management Plan 2004–2013 (FMP).

The mid-term audit was provided to the EPA by the Conservation Commission of Western Australia in December 2008, in accordance with the conditions of Ministerial Approval Statement 641. It provides advice as to whether the management of land to which the Plan applies has been undertaken in accordance with the FMP.

The EPA recommended no changes to the current Forest Management Plan, however it recommended that work on a new Forest Management Plan should start immediately. The EPA also provided a comprehensive list of issues for consideration during the preparation of a new plan, with climate change and governance critical matters to be addressed.

**EPA Report 1362 was published on 13 September 2010.**

## **Enhance the value placed by the community on the environment**

*The EPA will place greater emphasis on informing the community about the State's environmental values, and explaining its decisions through bulletins, reports and community engagement strategies.*

### **Public reports and recommendations**

During 2010–11, the EPA published 46 Reports, details of which can be found in Part 4 – Office of the EPA and in Appendix 1.

### **Community engagement**

The EPA engages the community of Western Australia at many levels. During 2010–11, additional resources and support provided by the OEPA resulted in improvements in public communications, and changes in assessment procedures allowed the public to comment at the beginning of the referral process.

### **New EPA website and newsletter**

A major redevelopment of the EPA website was launched in November 2010 to improve accessibility to EPA reports, policies, assessment information and general information. The website also includes an electronic submission form for the seven-day public comment period on referrals, and provides improved opportunities for feedback.

In June 2010 the EPA published its first electronic newsletter, distributed to over 500 stakeholders and available on its website. The quarterly newsletter provides updates on EPA decisions and activities, news about major initiatives, recent reports, new policies and regular messages from the Chairman and members of the EPA.

## Stakeholder Reference Group

The EPA has a Stakeholder Reference Group (SRG) to consult with key stakeholders and peak industry bodies. The core membership of the SRG consists of representatives from peak industry bodies, the university sector, conservation groups, and other government departments. In 2010–11, a representative from the Environmental Defender's Office was invited to join the SRG.

The SRG meets every second month to provide input to the EPA on matters of policy, process and performance, including the implementation of approvals reforms.

Organisations represented on the SRG during the year were:

- Association of Mining and Exploration Companies (AMEC)
- Australian Petroleum Production and Exploration Association (APPEA)
- Chamber of Commerce and Industry (CCI)
- Conservation Council of Western Australia (CCWA)
- Chamber of Minerals and Energy (CME)
- Curtin University
- Department of Environment and Conservation (DEC)
- Department of Mines and Petroleum (DMP)
- Department of Health (DoH)
- Department of Planning
- Department of State Development (DSD)
- Environmental Consultants Association (ECA)
- Environmental Defender's Office (EDO)
- Murdoch University
- Office of the Appeals Convenor (OAC)
- Urban Development Institute of Australia (UDIA)
- Western Australian Local Government Association (WALGA)
- Western Australian Planning Commission (WAPC)
- World Wide Fund For Nature (WWF)

## Site visits

It is vitally important that the EPA gains a first-hand appreciation of the nature and scale of significant proposed development, where it sits in the landscape, the potential environmental impacts and risks and how they might be managed. The EPA also wants to listen to the views, concerns and ideas of all interested parties and stakeholders.

These visits are invaluable in informing the Authority's decisions and advice to the Minister for Environment. Site visits are frequently combined with local Civic and Business Leaders' Breakfasts as an opportunity to share information about the role of the EPA in development assessment, the approaches it takes in formulating its advice, and the assessment and approvals reform agenda being implemented in the EPA and across Government.

During 2010–11, the EPA visited Kalgoorlie, the Savannah mine site in the Kimberley, Bunbury, the proposed site of the Yeelirrie uranium project, Fitzgerald River National Park, the Cloudbreak and Solomon iron ore projects in the Pilbara, and Albany.

## Reform business practices to improve certainty, rigour and timeliness

*The EPA will continue to implement the environmental impact assessment reform program and other initiatives to improve the rigour, policy settings and timeliness of its decision making.*

## Reform initiatives in 2010–11

The EPA completed its Review of the EIA process in March 2009 as part of the broader Government approvals reform agenda.

The review examined the quality and timeliness of the process and concluded there were opportunities to deliver better environmental protection and to improve the efficiency and transparency of the EIA process.

The Government adopted the recommendations of the review and the

EPA and OEPA have been implementing the reforms. More than half of the reforms have been implemented and many others are well advanced.

Key reform initiatives implemented in 2010–11 include:

### Administrative Procedures 2010

Updated **Administrative Procedures** were gazetted on 26 November 2010. The new procedures provide for two levels of assessment, reduced from five. In addition, the procedures reflect legislative changes made in late 2010 to streamline EP Act appeal provisions and introduce a new seven-day public comment period on proposals referred to the EPA.

### Environmental Assessment Guideline No. 6 Timelines for Environmental Impact Assessment of Proposals

This **EAG**, released in November 2010, outlines the responsibilities of the EPA and proponents for achieving timely and effective assessment of proposals. It provides information on the assessment process and associated timelines. The guideline was developed in consultation with the EPA's SRG.

### Statement on Timelines in EPA Reports

In July 2010, the EPA implemented an initiative to include a Statement on Timelines at the front of all EPA reports. The statement indicates whether the agreed timeline for assessment was met. Timelines for assessment may vary according to the complexity of the project and are usually agreed with proponents soon after the level of assessment is determined.

### Proponent and DMA consultation on draft conditions

In order to further streamline the approvals process and reduce the number of appeals on its reports, the EPA introduced consultation with the proponent and key decision making authorities on draft recommended conditions. The new procedure came into effect in July 2010 and is outlined in **Environmental Protection Bulletin No.11 Consultation on Conditions Recommended by the EPA**. The consultation is limited to matters of fact, technical issues and difficulties with implementation. It does not involve

the negotiation over the content of conditions. As a result of the initiative, the number of appeals against EPA reports has been trending downwards.

### Environmental policies and guidelines

A key reform focus for the EPA is the development of new policy and review of existing policies and guidelines. In 2010–11 significant progress was made on key policies including the:

- EAG for Marine Dredging Proposals
- joint EPA-DMP Guidelines for Preparing Mine Closure Plans
- EAG for Defining a Proposal
- EAG for Changes to Proposals after Assessment – Section 45C
- EAG Towards Outcome-based Conditions, and
- EAG for Carrying out Minor or Preliminary Works.

### Shared Environmental Assessment Knowledge (SEAK) Project

As part of approvals reforms, a Government Taskforce was established in 2009 to develop a model for the sharing of information and knowledge generated through the environmental impact assessment process.

The SEAK Taskforce is chaired by EPA Chairman Dr Paul Vogel and comprises members from industry, government and non-government organisations.

In 2010–11, work continued toward completing the final Taskforce report. The report will be submitted to Government in 2011–12.

## Office of the EPA

### Government goal

#### Social and environmental responsibility

Ensuring that economic activity is managed in a socially and environmentally responsible manner for the long-term benefit of the State.

### Our services

- Environmental impact assessment and policies

*Manage the environmental impact assessment process and coordinate the development of policy for the Office to enable sound environmental advice to be provided to the Government, developers and the public in accordance with statutory functions.*

- Environmental compliance audits

*Audit the compliance with conditions set under Ministerial approval statements and undertake enforcement action as appropriate.*

### Key strategies

- Provide effective support to the EPA so it can meet its objectives.
- Engage effectively with clients and stakeholders.
- Continuously improve services to achieve greater timeliness, certainty and rigour in environmental impact assessment, policy development and compliance auditing.
- Develop a workplace culture that attracts and retains employees.
- Manage resources effectively.



## Organisational structure

The Office of the Environmental Protection Authority has four divisions:

### Assessment and Compliance Division

The Assessment and Compliance Division provides environmental impact assessment support to the EPA for significant proposals (that is, proposals involving major projects, industrial, mining, petroleum and infrastructure developments), strategic proposals and for planning schemes. The division also monitors compliance with Ministerial approval conditions.

The division:

- is responsible for administering the environmental impact assessment processes on behalf of the EPA, for significant proposals, strategic proposals and town planning schemes;
- provides environmental impact assessment advice to the EPA on all major infrastructure proposals, major subdivisions, town planning schemes and amendments and regional schemes;
- prepares draft EPA reports and recommendations to the Minister for Environment on environmental assessments;
- assists the Minister for Environment in issuing and managing environmental approval statements and conditions; and
- monitors the implementation of proposals.

### Strategic Policy and Planning Division

The Strategic Policy and Planning Division's role is to provide advice and support to the EPA, the Minister for Environment and other parts of Government by:

- providing technical and policy advice in relation to environmental impact assessment of significant proposals and schemes;
- providing technical and policy advice on environment issues in general;
- coordinating the development, analysis, implementation and review

of environmental policies and guidelines;

- managing the formulation and review of statutory Environmental Protection Policies;
- contributing to strategic environmental planning;
- developing strategic partnerships with stakeholders, including industry, environmental organisations and other Federal, State and local Government agencies;
- conducting investigations to improve understanding of the natural environment and inform successful policy approaches; and
- identifying emerging environmental pressures and innovative technical or policy solutions.

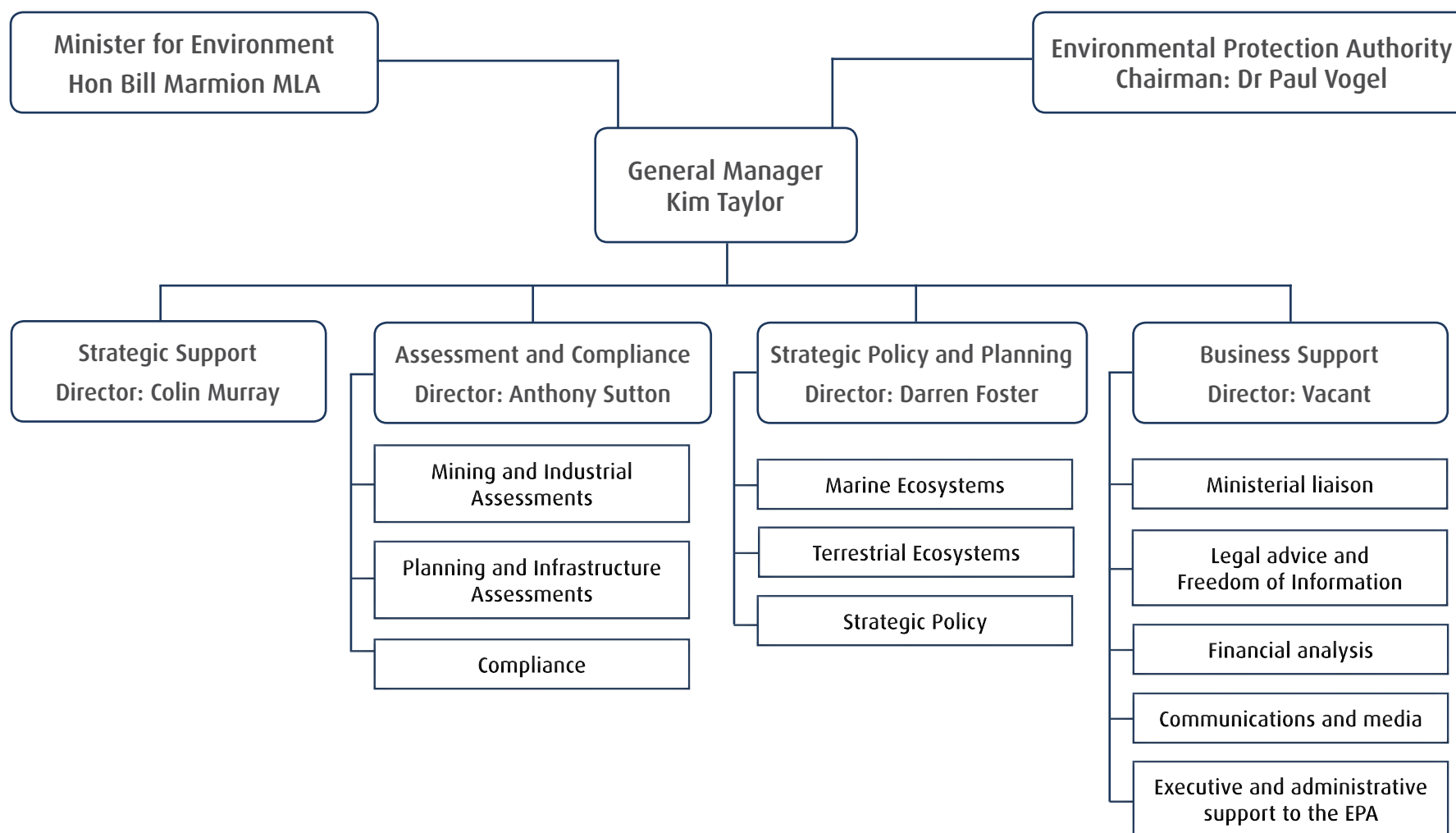
### Business Operations Division

During 2010–11, Business Operations provided services including ministerial liaison, legal advice and Freedom of Information (FOI), financial analysis, and media and communications, as well as executive support and administrative services to the EPA. This division also facilitates and administers the shared services arrangements with DEC.

### Strategic Support Division

This division provides strategic support to the Chairman of the EPA and the General Manager of OEPA.

## Office of the EPA - organisational structure at 30 June 2011



## Performance management framework

The OEPA's management framework is consistent with the Government goal for social and environmental responsibility:

Government goal	Desired outcome	Our services
Social and Environmental Responsibility:  Ensuring that economic activity is managed in a socially and environmentally responsible manner for the long-term benefit of the State.	An efficient and effective environmental assessment and compliance system.	1. Environmental Impact Assessment and Policies  2. Environmental Compliance Audits

## Performance analysis and trends

The OEPA evaluates, measures and reports on the effectiveness of its services in achieving its desired agency level outcomes through Key Performance Indicators or 'KPIs'. KPIs comprise both Effectiveness and Efficiency Indicators.

Effectiveness Indicators show the extent to which the department achieved its department-level outcome and the Efficiency Indicators show the cost of services delivered by the department, as summarised in the table below.

<sup>(a)</sup> The average cost per environmental audit completed is greater than estimated. This is due to the increased complexity and scope of a number of audits during the year.

	2010—11 Target	2010—11 Actual	Variation
<i>Outcome 1: An efficient and effective environmental assessment and compliance system</i> Key Effectiveness Indicators: <b>Percentage of approved projects with actual impacts not exceeding those predicted during the assessment</b>  <b>Percentage of assessments that meet agreed initial timelines</b>  <b>Percentage of implemented projects where all environmental conditions have been met</b>	  100%  80%  85%	  100%  82%  58%	  0%  2%  (27%)
<i>Service 1: Environmental Impact and Assessment Policies</i> Key Efficiency Indicators: <b>Average cost per environmental assessment</b>  <b>Average cost per environmental policy developed</b>	  \$37,396  \$189,878	  \$39,336  \$192,162	  \$1,940  \$2,284
<i>Service 2: Environmental Compliance Audits</i> Key Efficiency Indicator: <b>Average cost per environmental audit completed</b>	  \$23,604	  \$32,020	  \$8,416 <sup>(a)</sup>

## Environmental Impact Assessment and Policies

*Manage the environmental impact assessment process and coordinate the development of policy for the Office to enable sound environmental advice to be provided to the Government, developers and the public in accordance with statutory functions.*

	2009—2010 actual <sup>1</sup>	2010—2011 budget	2010—2011 actual	Variation
Total cost of service	\$6,877,215	\$12,014,000	\$11,846,560	(\$167,440)
Efficiency indicators				
Average cost per environmental assessment	\$39,138	\$37,396	\$39,336	\$1,940
Average cost per environmental policy developed	\$161,669	\$189,878	\$192,162	\$2,284

<sup>1</sup>For the seven months to 30 June 2011.

### Environmental Impact Assessment overview

A key role of the EPA is to assess the environmental impacts of proposed developments and report to the Minister for Environment. A total of 423 development proposals and planning schemes were referred to the EPA for consideration in 2010—11 – an increase of approximately nine percent over 2009—10. Of these, the EPA decided that 35 referred proposals warranted assessment. In addition, a further 19 proposals were referred to the EPA which required existing conditions to be reviewed. A further 91 referrals did not require assessment but specific advice was provided to proponents and approval agencies, primarily in relation to planning schemes.

During the year, 46 formal assessments or provision of formal advice were completed by the EPA, which represents an increase of approximately 70 percent compared to the 2009—10 reporting period. The number

of assessments for each Level of Assessment (LoA) and formal advice provided in 2010—11 is shown in Table 1. A list of all assessments completed is set out in Appendix 1. Some of the more significant assessments are discussed in this section.

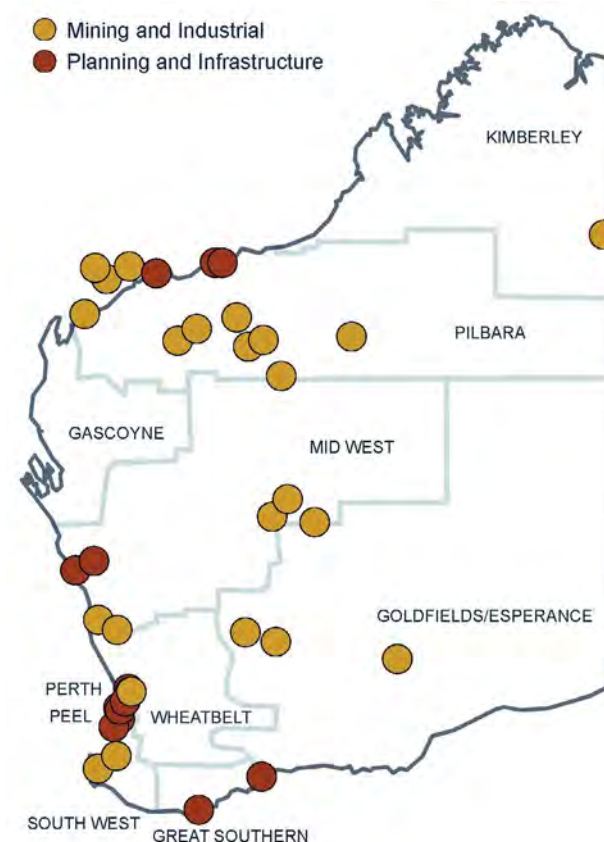


Figure 3 : Location of proposals assessed during 2010—11

	Number
Environmental Review and Management Programme (ERMP) and Public Environmental Review Reports	16
Environmental Protection Statement (EPS) and Assessment on Referral Information (ARI) Reports	4
Assessment on Proponent Information - Category A	4
Assessment on Proponent Information - Category B	3
Proposal Unlikely to be Environmentally Acceptable (PUEA) Reports	1
Strategic Proposal Reports	2
Audit - Required under Ministerial Conditions	1
Section 16 Strategic Advice Reports	1
Changes to Conditions - Section 46 Reports	7
Planning - Section 48A Reports	2
Noise Regulation 17 Variation Reports	5
<b>Total</b>	<b>46</b>

Table 1: Completed assessments in 2010—11

## Mining and industrial

The iron ore industry currently represents the majority of mining projects assessed by the EPA with key development areas being the Pilbara, Midwest and Yilgarn. In the Pilbara, project assessments continue to add significantly to the broader knowledge of environmental values of the region. Key environmental issues are the clearing of large areas for mining and the need to demonstrate that this clearing will not have a significant impact on flora and fauna values. Knowledge and management of water, particularly dewatering of areas to be mined and discharge of dewater to the environment, are areas that proponents will need to focus on as more mines are proposing to mine below the water table.

In the Mid West and Yilgarn, mining proposed on the Banded Iron Formation Ranges continue to highlight that these areas can be unique and contain species and ecosystems that are poorly understood.

Similarly, as for the Pilbara, an understanding of water availability, dewatering and management of water discharged to the environment are key areas for proponents to demonstrate to the EPA that any predictions are conservative and contingencies are in place in the event that predictions have underestimated impacts.

The EPA has assessed two gas developments. The Wheatstone LNG development is a complex project that has a large land footprint with impacts on the terrestrial environment. The proposal also includes marine infrastructure, and its construction, operation and maintenance impacts the marine environment. Air emissions, particularly greenhouse gas emissions, were also assessed.

The Macedon gas development includes an onshore gas treatment facility and a subsea pipeline. The subsea pipeline links the plant to the Macedon Gas Field (100 km west of Onslow). The Macedon Gas Field is in Commonwealth waters and did not form part of the assessment. This proposal was assessed because of its potential impacts on the terrestrial and marine environments and air quality.

The EPA is currently assessing four uranium proposals. The assessments are in the early stages with the scoping documents outlining the likely environmental issues and investigations released for public review.

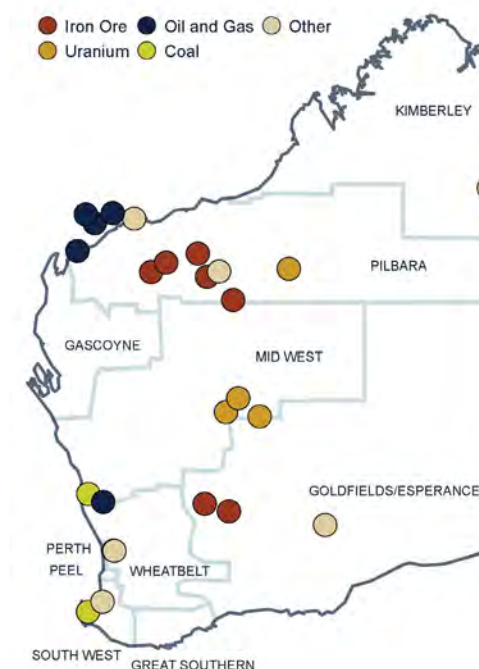


Figure 4: Mining and industrial assessments in Western Australia 2010—11

## Iron ore

### *Carina Iron Ore Project*

The Carina Iron Ore Project by Polaris Metals Pty Ltd was assessed as a Public Environmental Review (PER). The proposal includes an open cut mine, approximately 50 kilometres (km) of haul road linking the mine to a rail siding adjacent to the Trans Australian Railway and an accommodation village also located near the rail siding. The mine is situated near the Yendilberin Hills approximately 60 km north-east of Koolyanobbing and is located in a Conservation and Mining Reserve announced jointly by the ministers for Environment and Mines on 1 September 2010.

Key environmental factors evaluated were the impacts on flora, vegetation and fauna relating to the rehabilitation and closure of the mine, the haul road alignment, and the rail siding and accommodation village.

The EPA concluded that the proposal could be managed to meet its environmental objectives subject to recommended conditions regarding: vegetation protection; fauna and weed monitoring; flora and troglofauna surveys; development of a comprehensive Environmental Management Plan for the project; and mine closure, decommissioning and rehabilitation of the mining areas and associated infrastructure.

**EPA Report 1368 was published on 6 October 2010.** Ministerial Approval Statement 852 was published on 28 January 2011.

### *Jimblebar Iron Ore Project*

The Jimblebar Iron Ore Project by BHP Billiton Iron Ore Pty Ltd was assessed as an Environmental Protection Statement (EPS). The proposal is Stage 2 of BHP Billiton's Jimblebar Hub project and involves extension of the existing Wheelarra Hill open pits, development of the South Jimblebar and Hashimoto deposits, and an increase in the ore processing capacity by 30 million tonnes per annum (mtpa) to 75 mtpa. The proposal includes mining above and below the water table, construction and operation of an excess water pipeline, construction and operation of two new crushing facilities, extension of the overland conveyor, and an upgrade to the existing Jimblebar Borefield. The project is located approximately 40 km east of Newman in the East Pilbara.

Key environmental factors evaluated were: the impacts on flora and fauna relating to vegetation clearing; the impacts of excess water discharge on the Ethel Gorge Aquifer Stygobiont Threatened Ecological Community and on water quality in the Ophthalmia Dam; surface water flow; and management of potentially acid forming and metalliferous drainage materials and rehabilitation of mined areas.

The EPA recommended that the proposal could be implemented subject to recommended conditions regarding: limiting the clearing of significant flora, vegetation and fauna; ensuring no introduction of new weed species; protection of fauna from open trenches; and mine closure and rehabilitation.

**EPA Report 1371 was published on 18 October 2010.** Ministerial Approval Statement 857 was published on 18 February 2011.

### *Hope Downs 4 Iron Ore Mine*

The Hope Downs 4 Mine proposal by Hamersley HMS Pty Ltd was assessed as a PER. It includes the development and operation of a greenfields iron ore mine and associated infrastructure above and below the watertable, requiring dewatering of up to 20 gigalitres each year and disposal of excess water to the environment. The estimated project area of 20,135 hectares (ha) would require the clearing of up to 5,470 ha of native vegetation and fauna habitat. A portion of the Coondiner Creek was also proposed to be diverted.

Key environmental factors evaluated were the potential impacts on groundwater, surface water, native vegetation and native fauna.

The EPA concluded the proposal could be implemented subject to recommended conditions relating to: dewatering and discharge of excess water and maintenance of acceptable surface water and groundwater quality; minimising impacts on significant flora and fauna and associated habitat; long-term strategies for the management of any potential acid or metalliferous drainage; long-term rehabilitation of disturbed areas; and appropriate planning and implementation of mine closure and decommissioning.

**EPA Report 1374 was published on 6 December 2010.** Ministerial Approval Statement 854 was published on 1 February 2011.



### **Marillana Iron Ore Project**

The Marillana Iron Ore Project by Brockman Resources Limited was assessed as a PER. The proposal is located 100 km north west of Newman and includes the development and operation of a 750 million tonne iron ore mine, processing facility and associated infrastructure.

The project was formally assessed due to its proximity to conservation significant natural features, including the Fortescue Marsh, a wetland of national significance, Weeli Wolli Creek, and the Marillana Sand Dunes Priority Ecological Community (PEC).

The EPA concluded the proposal could be implemented subject to recommended conditions relating to: minimising impacts to the Marillana Sand Dune PEC and the riparian vegetation of Weeli Wolli Creek; monitoring and managing impacts to the hydrology and vegetation of the Fortescue Marsh and riparian vegetation of Weeli Wolli Creek as a result of groundwater drawdown; management of surface and groundwater quality in the area; long-term strategies for the management of any potential acid or metalliferous drainage; weed management; long-term rehabilitation of disturbed areas; and appropriate planning and implementation of mine closure and decommissioning.

**EPA Report 1376 was published on 6 December 2010.** Ministerial Approval Statement 855 was published on 8 February 2011.

### **Solomon Iron Ore Project**

Fortescue Metals Group Solomon Iron Project was assessed as a PER under the Bilateral Agreement between the Commonwealth and the State.

The proposal is to develop the King and Firetail mines within the Solomon area, a greenfield site approximately 60 km north of Tom Price and adjacent to the north eastern boundary of Karijini National Park. It includes a 127 km railway from the new mines eastwards to the existing Fortescue railway.

Key environmental factors evaluated were impacts on flora and vegetation, groundwater, surface water, vertebrate and invertebrate fauna, and mine closure and rehabilitation.

The EPA considered the proposal could be implemented subject to recommended conditions relating to: priority flora and vegetation species in the mine area and trail corridor; rehabilitation of disturbed areas and weed management; surface water and groundwater management; conservation significant fauna, including the Northern Quoll, Mulgara, and Pilbara leaf-nosed Bat; connectivity of troglifauna habitat and regional knowledge of troglifauna communities; and preparation of a mine plan and closure strategy.

**EPA Report 1386 was published on 14 March 2011.** Ministerial Approval Statement 862 was published on 20 April 2011.

### **Uranium**

BHP Billiton, Toro Energy Limited, Mega Lake Maitland Pty Ltd and Cameco Australia Pty Ltd have referred uranium mining proposals to the EPA, all of which are being assessed at the level of Environmental Review and Management Programme (ERMP).

The scoping documents for all four proposals were released for two week public review periods during the year. Key significant environmental issues raised during public consultation included the cumulative impacts of water use, radiological risks to human and the environment including non-human biota, transport of yellowcake, tailings management, mine closure and potential long term impacts of radionuclides.

#### **Yeelirrie Uranium Project**

BHP Billiton proposes to develop a uranium mine operation 60 km west of Mt Keith. The proposal involves mining over 30 years to produce up to 3500 tonnes per annum of uranium oxide concentrate.

The proponent's scoping document was approved by the EPA in May 2010. The EPA is currently awaiting the first draft of the ERMP document.

#### **Wiluna Uranium Project**

Toro Energy proposes to develop two uranium deposits located 30 km south and 15 km south-east of Wiluna. The proposal involves a mine life of 14 years to produce up to 1200 tonnes per annum of uranium oxide concentrate.

The proponent's scoping document was approved by the EPA in September 2010. The EPA is currently awaiting the second draft of the ERMP document.

### ***Lake Maitland Uranium Project***

Mega Lake Maitland proposes to develop a uranium mine operation 105 km south-east of Wiluna. The proposal involves production of up to 1000 tonnes per annum of uranium oxide concentrate over a 10 year period.

The proponent's scoping document was approved by the EPA in September 2010. The EPA is currently awaiting the first draft of the ERMP document.

### ***Kintyre Uranium Project***

Cameco Australia proposes to develop a uranium mine operation 1200 km north-north-east of Perth in the Shire of East Pilbara. The proposal includes mining over a 15 year period to produce up to 3600 tonnes per annum of uranium oxide concentrate.

The proponent is currently finalising the scoping document for EPA approval.

## **Oil and gas**

### ***Macedon Gas Development***

The Macedon Gas Development proposal by BHP Petroleum Pty Ltd was assessed as an EPS.

The proposal is to construct a subsea pipeline, onshore gas treatment and compression plant, and sales gas pipeline. The subsea pipeline from the Macedon Gas Field 100 km west of Onslow connects to the onshore gas treatment and compression plant at Ashburton North, 15 km southwest of Onslow. A sales gas pipeline connects the onshore facility to the Dampier to Bunbury Natural Gas Pipeline.

Key environmental factors evaluated included marine habitats and fauna, terrestrial flora and fauna, and atmospheric emissions (including greenhouse gases).

The EPA recommended that the proposal could be implemented subject

to recommended conditions relating to: the potential for introduction of marine pests from dredging equipment; the risk of fauna mortality due to open pipeline trenches during construction; ongoing rehabilitation of the site and eventual decommissioning; and greenhouse gas monitoring and management.

**EPA Report 1360 was published on 5 July 2010.** Ministerial Approval Statement 844 was published on 28 October 2010.

### ***Warro Gas Field 3D Onshore Seismic Survey***

The Latent Petroleum Pty Ltd proposal, a joint venture with Alcoa of Australia, was assessed as a PER.

The proposal is to conduct a 3D onshore seismic survey adjacent to and within Watheroo National Park and the proposed Big Soak Plain conservation park and involves rolling vegetation, laying seismic lines and trucks accessing the lines for readings.

Key environmental factors evaluated were the vegetation and flora, terrestrial fauna and habitat, and rehabilitation and closure.

The EPA concluded that the proposal could be implemented subject to recommended conditions relating to: identification of conservation significant flora and fauna including habitat before the rolling of vegetation; protection of Declared Rare Flora and the habitat of conservation significant fauna including Carnaby's Cockatoo; avoiding the spread of dieback and weeds into the area and post survey monitoring; and prevention of third party access to the seismic lines.

**EPA Report 1369 was published on 10 October 2010.** Ministerial Approval Statement 849 was published on 10 January 2011.

### ***Wheatstone Development***

The Wheatstone liquefied natural gas (LNG) development, a proposal by Chevron Australia Pty Ltd, was assessed as an ERMP. The proposal is to construct and operate a 25 mtpa LNG plant, a domestic gas plant and marine port facilities to support the proposal in an area proposed as the Ashburton North Strategic Industrial Area 12 km south west of Onslow. The proposal includes 48 million cubic metres of dredging to be placed in offshore disposal areas.

Key environmental factors evaluated were: sub-tidal and intertidal benthic habitat; marine fauna; terrestrial flora and vegetation; air emissions and greenhouse gases.

The EPA concluded that the proposal could be implemented with appropriate management to limit the environmental impacts to an acceptable level. It recommended a comprehensive suite of conditions relating to: the construction of marine facilities and installation of gas pipelines; the need to conduct further marine environment surveys; protection of marine fauna from pile driving, dredging, drilling and blasting; protection of foreshore mangroves and terrestrial fauna; and abatement of greenhouse gas emissions.

The recommended conditions also required the implementation of a \$13.4 million package of measures to address the residual environmental impacts and risks of the proposal to seagrass, coral, mangroves, marine fauna, vegetation and conservation areas.

**EPA Report 1404 was published on 15 June 2011.** Appeals on the report closed on 29 June 2011.

## Coal

### Vasse Coal Project

The Vasse Coal Project proposed by Vasse Coal Management Pty Ltd was assessed as Assessment on Proponent Information (Category B - environmentally unacceptable) (API B). The proposal was to develop an underground coal mine, a coal handling and preparation plant, transportation and associated mine infrastructure approximately 15 km east-north-east of Margaret River.

The proposal, which drew considerable interest from the community, was referred to the EPA by a third party in October 2010, and the EPA received further information from the proponent in November 2010.

In line with the new Administrative Procedures, the proponent's referral information was available for public comment from 2–15 December 2010 and 793 individual comments were received. These comments identified a large number of issues (not all of which were environmental) that were of concern to the public.

The EPA reviewed the proponent's information and the public comments and determined that the key environmental factor that required evaluation was the 'surface and ground water and the environmental and social values that these water resources support'.

The OEPA undertook further investigations and research and sought specific expert advice from several Government agencies including the departments of Water, Mines and Petroleum, and Environment and Conservation in order to provide advice to the EPA.

After consideration of the proponent's information, the public comments received, the Government agency advice, and the EPA's own investigations, the EPA decided that the level of assessment, advertised on 21 March 2011, should be API B. The EPA released its report and recommendations to the Minister for Environment on 2 May 2011 (**EPA Report 1395**).

The EPA concluded that:

- There are likely to be significant impacts, or risks, from the proposal on the Leederville and Sue aquifers, and on significant environmental values, including the social surrounds of the Margaret River region, which these aquifers support.
- Despite some of the significant impacts likely to be manageable due to their low probability of occurring, the environmental consequences of some low probability events may be so serious, widespread or irreversible that the proposal, taken as a whole, on balance, presents unacceptable risks to important environmental values.
- Based on its experience and knowledge of the complexity of matters of this kind, the EPA also formed the view that more detailed and longer term investigations were very unlikely to alter its position since uncertainty would still remain and adaptive management methodologies are not practical for the proposal.

The EPA further concluded that the proposal could not be reasonably modified to meet the EPA's objectives, and is therefore environmentally unacceptable.

**EPA Report 1395 was published on 2 May 2011.** Appeals on the report closed on 16 May 2011.

## Other

### *Christmas Creek Water Management Scheme*

Fortescue Metals Group's Christmas Creek Water Management Scheme was assessed as Assessment on Proponent Information (Category A) (API A). The proposal was to increase the mine dewatering to a rate of up to 50 gigalitres per annum and to inject surplus water into two brackish and one saline injection zones at the existing Christmas Creek Mine. The proposal requires the clearing of 600 ha of native vegetation for the installation of water conveyance infrastructure. This 600 ha of clearing has already been approved under Ministerial Approval Statement 707 and was not assessed as part of this proposal.

Key environmental factors evaluated were flora and vegetation, and fauna and habitat.

The EPA concluded that the proposal could be implemented subject to recommended conditions relating to: Declared Rare Flora, Priority 1 Flora and Priority 2 Flora; potential impacts of injection of surplus water on the Fortescue Marsh; groundwater abstraction and disposal; and preventing loss of fauna due to trenching associated with pipelines.

**EPA Report 1402 was published on 7 June 2011.** If and when the Ministerial approval statement is published it will be on the EPA website at [www.epa.wa.gov.au/peia/approvalstatements](http://www.epa.wa.gov.au/peia/approvalstatements).

### *Tropicana Gold Project*

The proposal by the Tropicana Joint Venture was assessed as a PER. The proposal is to develop and operate an open-cut gold mine with infrastructure and utilities approximately 330 km east-north-east of Kalgoorlie and 200 km east of Laverton, and requires the clearing of up to 3440 ha of vegetation.

Key environmental factors evaluated were flora and vegetation, terrestrial and subterranean fauna, groundwater quality, and rehabilitation and mine closure.

The EPA concluded that the proposal could be implemented subject to recommended conditions for flora and vegetation, terrestrial fauna, groundwater quality, rehabilitation of the site and mine closure.

The EPA commended the Tropicana Joint Venture for the extensive biological survey program undertaken, which greatly helped the assessment process.

The EPA also commended the voluntary initiative to establish the Great Victoria Desert Trust. The Trust will be used to facilitate biological research, especially into dune restoration and rehabilitation.

**EPA Report 1361 was published on 19 July 2010.** Ministerial Approval Statement 839 was published on 24 September 2010.

### *Gidgegannup Granite Quarry*

The Gidgegannup Granite Quarry proposal by Boral Resources (WA) Limited was assessed as a PER under the Bilateral Agreement between the Commonwealth and the State.

The quarry is situated approximately 11 km north-east of Midland in the City of Swan. The development of the quarry will cover a total area of approximately 42 ha. The pit will have a maximum surface area of approximately 28 ha with the remaining 14 ha used for supporting infrastructure and stockpiles.

Key environmental factors evaluated were vegetation, fauna and fauna habitats, air quality and noise, surface water, and visual amenity.

The EPA concluded that the proposal could be implemented subject to recommended conditions relating to: protection of fauna by relocating significant fauna before clearing; dieback and weed management; dust management; rehabilitation of exposed quarry benches; decommissioning and rehabilitation of disturbed areas; and conservation of native vegetation to preserve fauna habitats.

**EPA Report 1375 was published on 6 December 2010.** Ministerial Approval Statement 861 was published on 13 April 2011.

### *Red Hill Quarry Development*

The Red Hill Quarry proposal by Hanson Construction Materials Pty Ltd was assessed as a PER. The proposal is to extend the 81 ha quarry to the north and west of the current pit by approximately 75 ha, extend the existing stockpile and dispatch area, relocate the primary crusher to the pit and

install a quaternary crusher. The quarry is approximately 25 km north-east of Perth on the Darling Plateau.

Key environmental factors assessed were: Aboriginal heritage sites; landscape and visual amenity; fauna and fauna habitat; surface water; and dust.

The EPA concluded that the proposal is environmentally unacceptable and should not be implemented. The EPA also provided other advice in relation to the Ancestral Owl Stone site, access to Aboriginal heritage sites and cumulative impacts. However, the EPA found that there is still opportunity to expand the quarry in an easterly direction.

EPA Report 1381 was published on 31 January 2011.

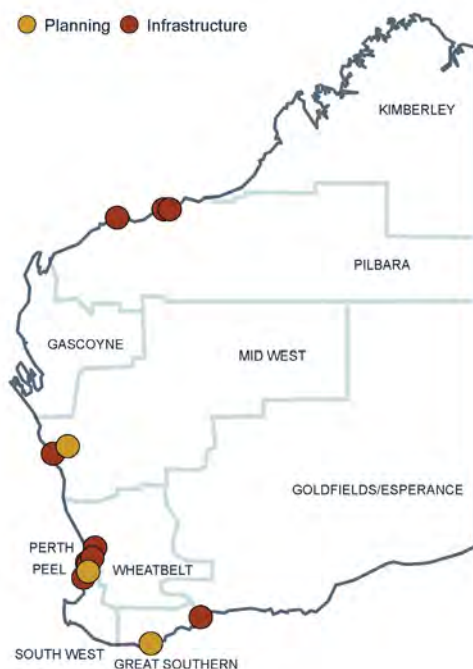


Figure 5: Location of planning and infrastructure proposals assessed during 2010–11

## Planning and infrastructure

Planning and infrastructure assessments are generally divided into two types of assessments: assessments of statutory planning schemes (which includes Local Planning Schemes, Metropolitan Regions Scheme (MRS), Region Planning Schemes, and their amendments), and assessments of development proposals, many of which are infrastructure development proposals.

Over the last year, some 'strategic proposal' assessments for state infrastructure have been completed and assessments of port developments/expansions have continued to be a large component of assessments generally. 'Strategic proposals' allow for environmental issues to be addressed in advance of detailed, specific proposals and can therefore facilitate more efficient assessment, and provide greater certainty on environmental outcomes earlier in the development planning process. Two strategic proposals, one determining an appropriate balance between conservation values and the need for industrial land in Rockingham, and the other providing future water/wastewater infrastructure options for the next 40 years in the South Metropolitan Area, were assessed during the year. Port developments with their potential for impacts on the onshore environment through clearing and on the marine environment through dredging, have continued to be a significant component of the EPA's infrastructure assessments.

The level of planning review, as represented by the number of referrals of planning schemes to the EPA, has not changed significantly over the last few years.

## Infrastructure

### *Southern Source Integration Assets Pipeline Corridor*

The Water Corporation put forward a strategic proposal, the Southern Sources Integration Assets Pipeline Corridor, to plan for future installation of potable and/or wastewater in the South Metropolitan area. The purpose of identifying and securing potential corridors at this early stage was to allow planning and development of infrastructure needed up to 2050 to be undertaken with a reduced risk of disruption to the environment and the local community. The proposal was assessed as a Strategic Environmental Assessment (SEA) with a ten week public review period.



The strategic proposal included a number of possible pipeline corridors and other necessary infrastructure. A number of potential corridors were identified for the purposes of the strategic proposal, noting that not all of these corridors would be used, depending upon technical, environmental and/or social constraints at the time of implementation.

Key environmental factors assessed were the impacts upon Declared Rare Flora, Threatened Ecological Communities, Conservation Category Wetlands, native vegetation and Bush Forever sites, fauna, waterways and potential for development of acid sulfate soils.

The EPA concluded that the strategic proposal was acceptable provided that future proposals based upon it were carried out in accordance with the Construction Environmental Management Plan. The EPA considered that the Water Corporation had taken appropriate steps in the development of its proposal to avoid and minimise the impacts on the environment, particularly through route selection and the proposed use of tunnel boring in high value areas. The EPA also noted the Water Corporation's commitments to offset any residual impacts on high value areas such as wetlands, Declared Rare Flora and Bush Forever sites.

The assessment was helped by the high level of consultation and environmental studies that the Water Corporation undertook in preparing its strategic proposal.

**EPA Report 1367 was published on 20 September 2010.** Ministerial Approval Statement 845 was published on 4 November 2010.

### **Roy Hill 1 Iron Ore Project Port Infrastructure**

The Roy Hill 1 Iron Ore Project was assessed as an EPS. The proposal is located in the Pilbara Region of Western Australia and consists of an iron ore mine at Roy Hill Station north of Newman and a dedicated railway from the mining area to the Boodarie Multi-user Stockyard Area (Boodarie) near Port Hedland. In order to export iron ore sourced from the mine at Roy Hill, Roy Hill Infrastructure Pty Ltd proposed to construct and operate port infrastructure and facilities in Boodarie and the Port Hedland Inner Harbour.

Key environmental factors assessed included benthic primary producer habitat (mangroves, samphire and algal mats), surface water and tidal

processes, and emissions (noise and dust).

The EPA concluded that the proposal could be implemented subject to recommended conditions for protection of benthic primary producer habitat and for dust management.

**EPA Report 1377 was published on 10 December 2010.** Ministerial Approval Statement 858 was published on 11 March 2011.

### **Development Application – Clearing of native vegetation and planting of 1250 olive trees. Lot 1612 Barrett Street Southern River**

The proposal to clear five hectares of native vegetation and plant 1250 olive trees was assessed as API B.

The proposal area is within a Conservation Category wetland and forms part of Bush Forever Site 125. Assessment of the proposal found that the clearing of the wetland and its vegetation would be detrimental to the wetland's functions and values, and would reduce the extent of viable and intact vegetation within the Southern River Complex. Were the proposal to proceed, only 10 percent of the complexes' original extent would be protected, leading to a reduction in the viability of Bush Forever Site 125 as a significant fauna habitat and regionally significant linkage.

The EPA's recommendation was consistent with the MRS zoning of the land as "Parks and Recreation". No appeals on the level of assessment were received and the Minister for Environment reached agreement with the WAPC that the proposal may not be implemented.

**EPA Report 1378 was published on 10 December 2010.**

### **South West Creek Dredging and Reclamation Proposal**

The South West Creek dredging and reclamation proposal by the Port Hedland Port Authority was assessed as API A.

The proposal is part of the expansion of port infrastructure in the Port Hedland Inner Harbour and is for the development of eight new berth pockets, a ship turning basin and an entrance channel in South West Creek, a tributary of the Port Hedland Inner Harbour estuary.

Implementation of the proposal will require widening and deepening



of South West Creek and involve dredging of 14.2 million cubic metres of sediments and associated onshore and offshore disposal of dredged material. The dredging would allow iron ore mining companies to construct shipping berths and other land based port infrastructure such as conveyors and unloaders. Separate assessment and approvals processes would need to be followed by mining companies proposing to use the new berths.

The key environmental factor assessed was the project specific and cumulative loss of mangrove communities in the Port Hedland Inner Harbour.

The EPA concluded that the predicted loss of mangroves in the context of the agreed Port Hedland Local Assessment Unit is not of itself, or cumulatively, unacceptable and that the proposal could be implemented subject to recommended conditions relating to the dredging.

The EPA also identified issues which were consequential to the development of this proposal and provided other advice in its report regarding:

- the cumulative loss of mangrove habitats in the Port Hedland Inner Harbour;
- its expectations of future proposals for the export of iron ore through the South West Creek development in terms of dust and noise emission control; and
- the requirement for appropriate planning for future port development within the Port Hedland Port Authority management area.

**EPA Report 1380 was published on 10 January 2011.** Ministerial Approval Statement 859 was published on 15 March 2011.

### ***Rockingham Industrial Zone Strategic Environmental Assessment***

The strategic proposal by LandCorp to identify an appropriate development footprint and Conservation Area within the Rockingham Industrial Zone (RIZ) was assessed as a SEA.

The 339 ha undeveloped portion of the RIZ has been identified as one of the last significant landholdings in the Perth Metropolitan Region

designated for Heavy Industrial purposes. The proposal area excludes most of the land within the RIZ that does not have any environmentally significant features.

The purpose of the assessment was to identify areas within the proposal area to be reserved for conservation purposes, with the remainder to be cleared for infrastructure and made available for industrial uses.

Key environmental factors assessed included wetlands, flora and vegetation, and surface water and groundwater quality and quantity.

Following assessment, the EPA recommended an increase in the Conservation Area from the proposed 78 ha to 92 ha, and preparation of a Conservation Area Management Plan, a Water Management Strategy, and an Offsets Package.

**EPA Report 1390 was published on 4 April 2011.** Ministerial Approval Statement 863 was published on 26 May 2011.

### ***Coastal Walk Trail from Point Ann to Hamersley Inlet - Fitzgerald River National Park***

The Coastal Walk Trail proposal by the DEC was assessed as API B.

The proposal was to construct a 45 km walk trail (including camping facilities) along the coast from Point Ann to Hamersley Inlet, through the Wilderness Management Zone of the Fitzgerald River National Park. As part of the proposal, there was a requirement to use existing vehicle tracks through the Wilderness Management Zone to maintain the walk trail and camping facilities at Twin Bays.

The EPA concluded that it is highly likely that the proposed walk trail and use of vehicle tracks for maintenance would eventually spread *Phytophthora* dieback into the Wilderness Management Zone of the Fitzgerald River National Park, significantly impacting on internationally significant environmental values present in the Park. On this basis, the EPA concluded that the proposal could not meet the EPA's environmental objectives and was environmentally unacceptable.

The EPA recommended that, if the Minister decided to allow a coastal walk trail to be implemented, approval should only be given for a modified walk

trail that would not traverse the Wilderness Management Zone between Point Charles and Quoin Head.

EPA Report 1378 was published on 2 May 2011.

### ***Proposed extension to existing transport depot, Lot 14 (No.1527) Great Northern Highway, Upper Swan***

The proposal to extend an existing transport depot at Lot 14 Great Northern Highway, Upper Swan was assessed as API B. The existing transport depot has not had previous EPA assessment, as it was constructed and operated before retrospective planning approval was granted.

Because of concern about possible impacts on the Western Swamp Tortoise, a critically endangered species, the EPA required the proposal to be referred. After review of information and advice, the EPA advised the proponent that it considered that it was likely that the proposal was unacceptable and provided the proponent the opportunity to withdraw the proposal or provide further information that might alter the EPA's understanding of the proposal and its conclusion.

The EPA concluded that the operation of an extended depot would, through leakage and accidental spills of hydrocarbons, present a long term risk to water quality in Ellen Brook Nature Reserve, which is the most important site for the conservation of the Western Swamp Tortoise. The EPA recommended to the Minister for Environment that the proposal should not be implemented. There were no appeals against the EPA's report.

EPA Report 1398 was published on 9 May 2011.

### ***Oakajee Terrestrial Port Development and Rail Development***

Two proposals by Oakajee Terrestrial Port and Rail were assessed during the year as PERs. The first proposal (EPA Report 1387) was to construct and operate iron ore handling and storage facilities and ancillary infrastructure required to develop and operate a 45 mtpa ore export facility at Oakajee, 24 km north of Geraldton. The Oakajee Deepwater Port had previously been approved under the EP Act in February 1998.

The second proposal (EPA Report 1388) was to construct and operate a 570 km railway and associated rail infrastructure from the North West

Coastal Highway at Oakajee to the Jack Hills mining operations, 500 km to the north-east. The Oakajee rail component was declared to be a controlled action under the Commonwealth *Environment Protection and Biodiversity Conservation Act 1999* and was subject to a bilateral environmental impact assessment by the EPA.

The Oakajee Port and Rail developments are considered to be one of the largest stand alone greenfield infrastructure projects undertaken in WA for many years.

Key environmental factors assessed for the proposed terrestrial port development were: the loss of 211 ha of native vegetation and the impacts this loss would have on vegetation, flora, fauna habitat and the ecological linkage that the area provided; the marine environment; and air quality.

The EPA considered that the terrestrial port proposal could be implemented subject to conditions relating to flora and vegetation monitoring; weed management; desalination plant brine discharge; dust management; decommissioning; and development and implementation of a Conservation Management Plan.

Key environmental factors assessed for the rail development related to: impacts on 6,008 ha of native vegetation and biodiversity, including some habitat for protected fauna and portions of land managed by the DEC; and noise.

The EPA considered that the rail proposal could be implemented subject to conditions relating to: the rail alignment; protection of significant flora, vegetation and ecological communities; weed management; protection of skink and mallefowl and their habitat; construction trenches; noise; decommissioning and rehabilitation; and development and implementation of a Conservation Management Plan.

EPA reports 1387 and 1388 were published on 14 May 2011. If and when Ministerial approval statements are published they will be on the EPA website at [www.epa.wa.gov.au/peia/approvalstatements](http://www.epa.wa.gov.au/peia/approvalstatements).

### ***Rural Subdivision – Lots 1000, 2240, 2275, 2657 and 3045 Preston Beach Road Lake Clifton***

The Lake Clifton Rural Subdivision proposal by Cape Bouvard Investments Pty Ltd was assessed as a PER. The proposal was to create a survey-strata subdivision on the 975.2 ha landholding, located approximately 22 km south of Mandurah between Lake Clifton and the coast.

Key environmental factors assessed were biodiversity and water quality, and the assessment was undertaken in the context of the EPA's Report 1359, Strategic Environmental Advice on the Dawesville to Binningup Area.

The proposal included clearing of 114.5 ha of regionally significant native vegetation which also contained threatened and priority flora and vegetation communities and was habitat for threatened and priority fauna species and assemblages, including the Graceful Sun Moth. The proposed site is an enclave of Yalgorup National Park and the proposal would result in the loss of ecological linkage between disjunct areas of the National Park.

Direct and indirect impacts would affect both the proposal site and the adjacent Yalgorup National Park and had the potential to result in a loss of biodiversity values and regional significance over time. The declining health of the Lake Clifton thrombolite community was also an issue raised during this assessment and the EPA was particularly concerned that the thrombolite community is in serious decline, caused by existing and increasing land use and development.

The EPA concluded that this proposal was environmentally unacceptable due to the proposal's potential impacts to biodiversity.

**EPA Report 1401 was published on 30 May 2011 and is currently under appeal.**

### ***Residential subdivision lots 3000 (Formerly Lot 1512) and 1523 Emu Point Drive, Albany***

The proposal by LandCorp to develop a residential subdivision at Emu Point in Albany was assessed as a PER. The proposal involves clearing a maximum of 14.7 ha within a 16.9 ha development footprint. Approximately 16 ha of native vegetation will be retained outside of the

development footprint in the form of one north-south and two east-west corridors.

Key environmental factors assessed were vegetation and flora, and conservation significant fauna.

The EPA's concluded that the proposal could be implemented subject to conditions limiting clearing within the development footprint, and on the basis that the identified 16 ha of native vegetation outside the development footprint be zoned to allow for conservation.

**EPA Report 1392 was published on 18 April 2011 and is currently under appeal.**

## **Planning**

### ***Peel Region Scheme Amendment 017/57: Rezone 90 hectares of land at North Yunderup to permit urban development***

The proposal by the WAPC to rezone 87.8 ha of land at North Yunderup to permit urban development was assessed under s48 of the EP Act. The amendment also included adjustments to the Regional Open Space reservation along Wilgie Creek. The amendment area is immediately north of North Yunderup, approximately 8 km from the Mandurah central area, 9 km from Pinjarra and adjacent to the Kwinana Freeway/Forrest Highway interchange connecting to Pinjarra Road. The eastern end of the site abuts the Murray River. Some portions of the amendment area are mapped as Conservation Category Wetlands or Resource Enhancement Wetlands.

Key environmental factors assessed related to water management and wetlands.

A District Water Management Strategy has been prepared which proposed management principles and strategies with regards to surface water and groundwater within the amendment area. The Department of Water advised that the District Water Management Strategy was satisfactory to support the amendment. A future Local Water Management Strategy and Urban Water Management Plan is also proposed to be prepared in the future stages of planning.

The EPA concluded that Peel Region Scheme Amendment 017/57 as

proposed could be implemented to meet the EPA's environmental objectives for water management and wetlands without additional conditions on implementation.

The EPA also provided advice in relation to the Shire of Murray Scheme Amendments which would ensure the implementation of management commitments through scheme provisions, the need for the developer to satisfy its obligations under the *Aboriginal Heritage Act 1972*, and the EPA's preferences for the potential widening of Pinjarra Road.

**EPA Report 1391 was published on 18 April 2011.** Ministerial Approval Statement 866 was published on 14 June 2011.

### ***Shire of Chapman Valley Draft Local Planning Scheme No.2 – Buller Development Zone***

The Shire of Chapman Valley, north of Geraldton, proposed to update its entire Local Planning Scheme. This proposal related to only one of the proposed changes: the rezoning of Lots 3, 7 to 12, 15 to 17, 154, 156 and Street Number 1891 North West Coastal Highway, Buller from 'General Farming' to 'Development' zone. The proposal was assessed as an Environmental Review.

The key environmental factor assessed was native vegetation and flora.

The EPA concluded that the current proposal could be implemented subject to recommended conditions, specifically the identification of a Special Control Area (Vegetation Protection Areas within the Buller 'Development' Zone).

**EPA Report 1403 was published on 7 June 2011.** If and when a Ministerial approval statement is published it will be on the EPA website at [www.epa.wa.gov.au/peia/approvalstatements](http://www.epa.wa.gov.au/peia/approvalstatements).

## Post approval assessment

The OEPA is responsible for timely post approval condition changes and amendments of proposals so that proposals can be implemented effectively and in an environmentally acceptable manner. The amendments assessed under s45C and s46 of the EP Act allow for minor changes to proposals (s45C) and amendments to conditions (s46 and s46C) when necessary to ensure effective management of proposals.

The OEPA also assesses the acceptability of Environmental Management Plans (EMPs) in relation to its environmental requirements and approves these plans required by Ministerial approval statements that guide the environmental process required to achieve positive environmental outcomes.

In 2010–11 the OEPA identified improvements to its systems and internal guidelines to ensure efficient and consistent post assessment approvals.

	Assessed
Section 45C (Change to project)	32
Section 46 (Change to conditions)	7
Section 46C (Minor change to conditions)	3
EMP	40

Table 2: Post approval work assessed from 1 July 2010 – 30 June 2011

## Policy development and scientific support

In addition to assisting the EPA's policy and strategy development identified in Part 3 of this report, the OEPA contributed to the following government policy and strategy development.

### Dredging Science Initiative

Predictive and management uncertainties are major issues for proponents and regulators involved in environmental impact assessment of dredging proposals.

In response to a 'dredging offset' required as a condition of approval for the Pluto LNG project on the Burrup Peninsula (Statement 757), Woodside Energy Limited entered into a Funding Agreement in December 2010 with the Western Australian Marine Science Institution (WAMSI) to implement a program of research to address these uncertainties.

Finalisation of the Funding Agreement in 2010–11 led to the creation of new 'dredging science' Node of WAMSI with governance arrangements that include a Dredging Science Advisory Committee chaired by the General Manager of the OEPA, and a central role for OEPA in facilitating knowledge transfer and uptake.

### Fertiliser initiatives

In 2010–11, the OEPA continued work coordinating the implementation of the Government's initiative to reduce fertiliser impacts on waterways and estuaries.

Key action this year included working with the DEC to implement new regulations that limit the amount of phosphorus in 'home-garden' fertilisers in order to protect the health of Western Australia's waterways.

The regulations, which came into effect on 1 January 2011, effectively halve the concentration of phosphorus in domestic use fertilisers and minimise phosphorus leaching to the environment from residential sources.

## Review of the National Water Quality Management Strategy Report 4

In 2009, the National Environment Protection Council initiated a review of the National Water Quality Management Strategy (NWQMS) Document 4 *Australian and New Zealand Guidelines for Fresh and Marine Water Quality*. The review began in 2010 and involves all Australian States and Territories as well as New Zealand.

NWQMS Document 4 forms the basis of the WA State Water Quality Management Strategy and also the environmental quality management framework that the EPA applies to environmental impact assessment and management of development proposals that impact on marine environmental quality.

In 2010–11, the OEPA continued to represent Western Australia on the Joint Steering Committee and continued its participation in a technical working group.

### Government offsets policy

In 2010–11, the OEPA worked in collaboration with the DEC and other agencies on the development of a draft State Government policy on environmental offsets, based on key principles of transparency and accountability.

The work is consistent with the Industry Working Group report *Review of Approvals Processes in Western Australia* (April 2009) which recommended reform of the administration of environmental offsets.

### Port Hedland Taskforce

In 2010–11, the OEPA continued to support the work of the Port Hedland Dust Management Taskforce, particularly with regard to the implementation of recommendations relating to air quality and noise management.

## State strategic planning

In 2010–11, OEPA worked to support the development of strategic planning and policy initiatives that will assist in protecting and managing the environment. This included providing input to the draft *State Planning Strategy*, *Statement of Planning Policy 2.5 (Agricultural and Rural Land Use Planning)* and *Statement of Planning Policy 4.1 (State Industrial Buffer)*.

## Hydrocarbon survey of Kimberley Coastline post Montara Oil Spill

On 21 August 2009 an uncontrolled release of natural gas and light crude oil began at the Montara well head (~200 km from the Kimberley coastline) and continued for a period of just over 10 weeks. Reports received during the incident indicated that floating oil and surface sheen were widely dispersed from the rig location.

On 31 July 2010 OEPA published the findings of a survey undertaken in late October 2009 to establish a quantitative baseline for hydrocarbons in seawater, intertidal sediments and filter feeders from sites across the Kimberley region between Camden Sound and Cape Londonderry. *MTR3 - Baseline petroleum hydrocarbon content of marine water, shoreline sediment and intertidal biota at selected sites in the Kimberley bioregion, Western Australia* concludes that the samples showed no evidence of contamination by petroleum hydrocarbons.

A follow-up survey of a subset of the sites visited in October 2009 was undertaken in early July 2010 (eight months after the oil spill ceased) to determine whether intertidal sediments and filter feeders had since become contaminated with petroleum hydrocarbons, and to assess the need for any clean-up operations.

Analytical results from the follow-up survey showed no indication of petroleum hydrocarbon contamination at any of the sampled sites.

## Oil Spill response

The manager of the department's Marine Ecosystems Branch is the State's Environmental Science Coordinator (ESC) under Westplan for Marine Oil Spill response.

In 2010–11, this role involved the provision of expert advice, as a member of a national environmental working group, convened by the Commonwealth Government (SEWPaC) to advise on post Montara oil spill scientific monitoring plans and results.

In addition, the ESC attended the regular meetings in Fremantle of the Emergency Response Group for marine oil spills; provided advice to the Australian Maritime Safety Authority on the review of Australia's National Plan to Combat Pollution of the Sea by Oil and other Noxious and Hazardous Substances (National Plan); attended a three day workshop on oil spill response that was held in Sydney, 17–19 August 2010; and was involved in oil spill response exercises involving State and Commonwealth Government Departments and industry. The exercises were based on spill scenarios set up in Geraldton (November 2010), Cockburn Sound (March 2011) and Ningaloo (May 2011).



## Environmental Compliance Audits

*Audit the compliance with conditions set under Ministerial approval statements and undertake enforcement action as appropriate.*

	2009–2010 actual <sup>1</sup>	2010–2011 budget	2010–2011 actual	Variation
Total cost of service	\$769,881	\$1,416,000	\$1,504,931	\$88,931
Efficiency indicator				
Average cost per environmental audit completed	\$22,140	\$23,604	\$32,020	\$8,416

<sup>1</sup> For the seven months to 30 June 2010

### Overview

The department's Compliance Branch has responsibilities for post-statement compliance in the form of environmental management plan approvals, statement amendments and review of conditions (the Statement Management Section) and inspections and auditing (the Statement Compliance Section). The Minister for Environment is informed of non-compliances which enable a range of actions to be used as required.

An overarching plan is used to manage system and procedural development by the Branch, improving areas in reporting of non-compliances, the use of the Minister's powers, environmental scans of compliance reports, aligning systems and staff, a focus on environmental outcomes, networking between similar regulatory agencies and audit accreditations of staff.

An annual compliance program using a priority matrix is used by the Branch to plan audits. The program is made up of proactive audits and industry sector reviews, while allowing for reactive audits as required, using finite resources to manage and achieve the best environmental

outcome. Industry Sector Reviews monitor specific proposals to assess whether environmental outcomes are being achieved and the suitability and enforceability of the implementation conditions. The resources available to implement this program are used strategically and can be reallocated when dealing with significant issues. Results from compliance audits feedback to the compliance program and to the environmental impact assessment process.

### Compliance and audit activity

Forty-seven formal audits were conducted during the reporting period. Industry sector reviews of minerals sands mining and dredging proposals were also undertaken as part of the program.

Compliance officers conducted a range of inspections of the South West and Mid West regions during the reporting period. Two teams inspected mine sites and industrial sites in the South West, while another team inspected mine sites and an oil facility in the Mid West.

The OEPA liaised with other government agencies in relation to its compliance monitoring program. A number of joint inspections were undertaken with the DEC as well as a coordinated inspection of a Kimberley mine site with the DEC, DMP, and Department of Water.

Three audits were undertaken of the Gorgon Gas Development on Barrow Island during 2010–11. These focused on the dredging operations, quarantine management and turtles. Inspections were carried out on Barrow Island as well as at related facilities in Perth and Dampier that provide goods to Barrow Island.

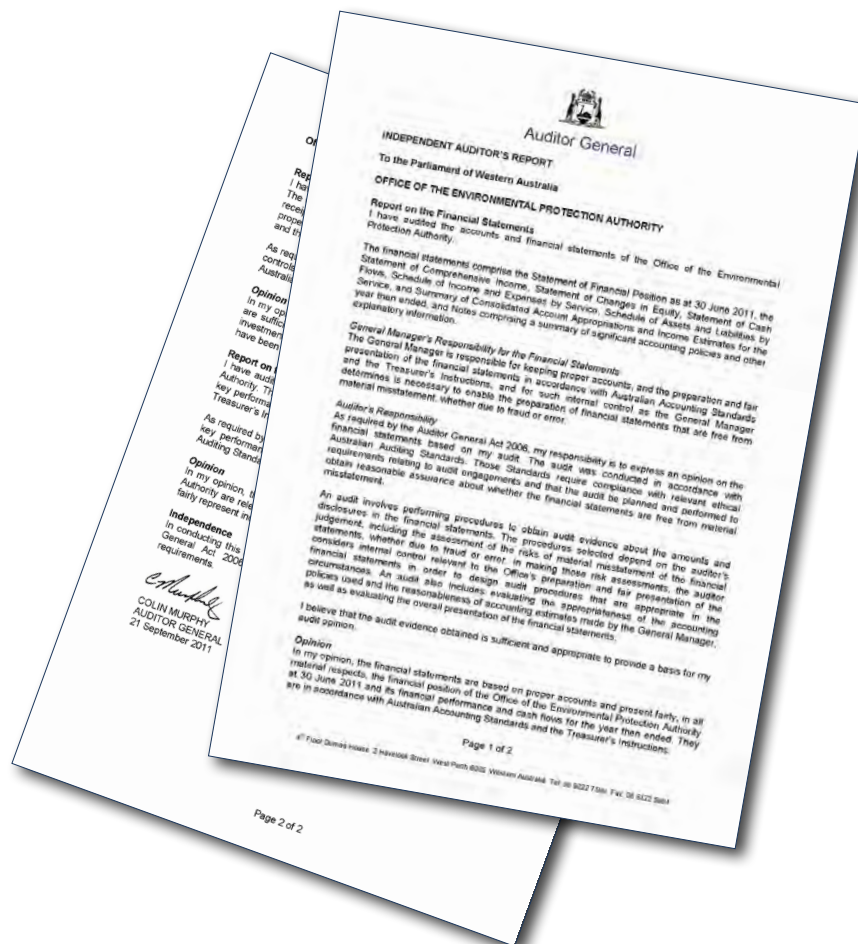
Non-compliances were identified through audits of a number of proposals. These ranged from non submission of management plans or compliance reports, to exceedance of trigger levels or limits. The proponent was sent a letter of non-compliance in each instance requesting actions be taken to rectify the non-compliance. In almost all cases the non-compliances were rectified through this process.

Major non-compliance was identified through compliance monitoring of the Magellan Lead Project. This resulted in Orders being issued by the Minister for Environment to rectify the non-compliance and required an

independent review of the analytical data to be provided in relation to the Project. Interim conditions were also issued by the Minister to address the non-compliance while a review of the statement was undertaken.

The industry sector review undertaken for minerals sands mining identified groundwater drawdown having a longer lasting effect than that modelled, as a result of premining models being incorrectly applied. The review also recommended conditions to achieve rehabilitation outcomes. The industry sector review undertaken for dredging found that conditions for marine fauna protection, control of invasive marine species, coral, seagrass and water quality monitoring were achieving their objectives and recommended greater involvement by proponents in the WAMSI Dredging Node.

# Disclosures and legal compliance



## Independent Auditor's Report

Financial statements

Key Performance Indicators

## Other financial disclosures

Pricing policies

Employment and Industrial Relations

## Governance disclosures

Contracts with senior officers

## Other legal requirements

Advertising expenditure

Disability access and inclusion plan outcomes

EEO and diversity management outcomes

Recordkeeping plans

Compliance with Public Sector Standards and Ethic Codes

OSH and injury management

## Independent Auditor's Report



Auditor General

To the Parliament of Western Australia

OFFICE OF THE ENVIRONMENTAL PROTECTION AUTHORITY

### Report on the Financial Statements

I have audited the accounts and financial statements of the Office of the Environmental Protection Authority.

The financial statements comprise the Statement of Financial Position as at 30 June 2011, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows, Schedule of Income and Expenses by Service, Schedule of Assets and Liabilities by Service, and Summary of Consolidated Account Appropriations and Income Estimates for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

### *General Manager's Responsibility for the Financial Statements*

The General Manager is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the Treasurer's Instructions, and for such internal control as the General Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements based on my audit. The audit was conducted in accordance with Australian Auditing Standards. Those Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Office's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the General Manager, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

### *Opinion*

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the financial position of the Office of the Environmental Protection Authority at 30 June 2011 and its financial performance and cash flows for the year then ended. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions.

**Report on Controls**

I have audited the controls exercised by the Office of the Environmental Protection Authority. The General Manager is responsible for ensuring that adequate control is maintained over the receipt, expenditure and investment of money, the acquisition and disposal of public and other property, and the incurring of liabilities in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions, and other relevant written law.

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the controls exercised by the General Manager based on my audit conducted in accordance with Australian Auditing Standards.

**Opinion**

In my opinion, the controls exercised by the Office of the Environmental Protection Authority are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions.

**Report on the Key Performance Indicators**

I have audited the key performance indicators of the Office of the Environmental Protection Authority. The General Manager is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions.

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the key performance indicators based on my audit conducted in accordance with Australian Auditing Standards.

**Opinion**

In my opinion, the key performance indicators of the Office of the Environmental Protection Authority are relevant and appropriate to assist users to assess the Office's performance and fairly represent indicated performance for the year ended 30 June 2011.

**Independence**

In conducting this audit, I have complied with the independence requirements of the *Auditor General Act 2006* and the Australian Auditing Standards, and other relevant ethical requirements.



COLIN MURPHY

AUDITOR GENERAL

21 September 2011

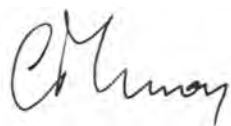
## Financial Statements

### Certification of Financial Statements

#### for the year ended 30 June 2011

The accompanying financial statements of the Office of the Environmental Protection Authority have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2011 and the financial position as at 30 June 2011.

At the date of signing we are not aware of any circumstances which would render any particulars included in the financial statements misleading or inaccurate.



Colin Murray

**Chief Finance Officer**

19 September 2011



Kim Taylor

**Accountable Authority**

19 September 2011

Refer to the 'Schedule of Income and Expenses by Service'.

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

### Statement of Comprehensive Income for the year ended 30 June 2011

	Note	2011 \$	2010 7 Months \$
<b>COST OF SERVICES</b>			
<b>Expenses</b>			
Employee benefits expense	5	9,974,006	5,268,313
Supplies and services	6	3,150,762	2,260,890
Depreciation expense	7	54,366	33,334
Other expenses	8	172,357	84,559
<b>Total cost of services</b>		<b>13,351,491</b>	<b>7,647,096</b>
<b>Income</b>			
<b>Revenue</b>			
Other revenue	9	244,327	759,073
<b>Total revenue</b>		<b>244,327</b>	<b>759,073</b>
Total income other than income from State Government		244,327	759,073
<b>NET COST OF SERVICES</b>		<b>13,107,164</b>	<b>6,888,023</b>
<b>Income from State Government</b>			
Service appropriation	10	12,402,000	6,755,000
Resources received free of charge		541,618	300,182
Royalties for Regions Fund		390,000	-
<b>Total income from State Government</b>		<b>13,333,618</b>	<b>7,055,182</b>
<b>SURPLUS FOR THE PERIOD</b>		<b>226,454</b>	<b>167,159</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>226,454</b>	<b>167,159</b>



## Statement of Financial Position as at 30 June 2011

	Note	2011 \$	2010 \$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	19	1,024,712	853,446
Restricted cash and cash equivalents	11	1,146,325	1,221,701
Receivables	12	528,101	57,726
<b>Total Current Assets</b>		<b>2,699,138</b>	<b>2,132,873</b>
<b>Non-current Assets</b>			
Restricted cash and cash equivalents	11	195,229	156,267
Amounts receivable for services	13	611,000	545,000
Plant and equipment	14	290,254	127,458
<b>Total Non-current Assets</b>		<b>1,096,483</b>	<b>828,725</b>
<b>TOTAL ASSETS</b>		<b>3,795,621</b>	<b>2,961,598</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	16	517,731	473,224
Provisions	17	1,608,927	1,273,093
<b>Total Current Liabilities</b>		<b>2,126,658</b>	<b>1,746,317</b>
<b>Non-current Liabilities</b>			
Provisions	17	1,003,675	821,447
<b>Total Non-current Liabilities</b>		<b>1,003,675</b>	<b>821,447</b>

	Note	2011 \$	2010 \$
<b>TOTAL LIABILITIES</b>		<b>3,130,333</b>	<b>2,567,764</b>
<b>NET ASSETS</b>		<b>665,288</b>	<b>393,834</b>
<b>EQUITY</b>			
	18		
Contributed equity		271,675	226,675
Accumulated surplus		393,613	167,159
<b>TOTAL EQUITY</b>		<b>665,288</b>	<b>393,834</b>

Refer to the 'Schedule of Assets and Liabilities by Service'.

The Statement of Financial Position should be read in conjunction with the accompanying notes.

### Statement of Changes in Equity for the year ended 30 June 2011

	Note	Contributed equity \$	Accumulated surplus \$	Total equity \$
<b>Balance at 1 July 2009</b>		-	-	-
Total comprehensive income for the period		-	167,159	167,159
Transactions with owners in their capacity as owners:				
Capital appropriations		356,000	-	356,000
Other contributions by owners		(129,325)	-	(129,325)
Total		226,675	-	226,675
<b>Balance at 30 June 2010</b>		226,675	167,159	393,834
<b>Balance at 1 July 2010</b>	18	226,675	167,159	393,834
Total comprehensive income for the year		-	226,454	226,454
Transactions with owners in their capacity as owners:				
Capital appropriations		45,000	-	45,000
Total		45,000	-	45,000
<b>Balance at 30 June 2011</b>		271,675	393,613	665,288

*The Statement of Changes in Equity should be read in conjunction with the accompanying notes.*

### Statement of Cash Flows for the year ended 30 June 2011

	Note	2011 \$	2010 7 Months \$
<b>CASH FLOWS FROM STATE GOVERNMENT</b>			
Service appropriation		12,336,000	6,717,000
Capital contributions		45,000	356,000
<b>Net cash provided by State Government</b>		<b>12,381,000</b>	<b>7,073,000</b>
Utilised as follows:			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Payments</b>			
Employee benefits		(9,577,666)	(4,903,205)
Supplies and services		(2,445,022)	(1,832,171)
GST payments on purchases		(263,272)	(178,156)
GST payments to the taxation authority		(33,373)	(63,766)
Other payments		(170,249)	(65,291)
<b>Receipts</b>			
GST receipts on sales		14,040	70,923
GST receipts from the taxation authority		235,751	137,112
Other receipts		210,805	735,234
<b>Net cash used in operating activities</b>	19	<b>(12,028,986)</b>	<b>(6,099,320)</b>

	Note	2011 \$	2010 7 Months \$
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Payments</b>			
Payments for construction of non-current assets		(211,276)	-
Purchase of non-current physical assets		(5,886)	-
<b>Net cash used in investing activities</b>		<b>(217,162)</b>	<b>-</b>
Net increase in cash and cash equivalents		134,852	973,680
Cash and cash equivalents at the beginning of period		2,231,414	-
Cash assets transferred from other sources		-	1,257,734
<b>CASH AND CASH EQUIVALENTS AT THE END OF PERIOD</b>	19	<b>2,366,266</b>	<b>2,231,414</b>

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

**COST OF SERVICES****Expenses**

	Environmental Impact Assessment and Policies		Environmental Compliance Audits		Total	
	2011 \$	2010 7 Months \$	2011 \$	2010 7 Months \$	2011 \$	2010 7 Months \$
Employee benefits expense	8,873,282	4,725,173	1,100,724	543,140	9,974,006	5,268,313
Supplies and services	2,769,094	2,050,590	381,668	210,300	3,150,762	2,260,890
Depreciation expense	54,298	29,119	68	4,215	54,366	33,334
Other expenses	149,886	72,333	22,471	12,226	172,357	84,559
<b>Total cost of services</b>	<b>11,846,560</b>	<b>6,877,215</b>	<b>1,504,931</b>	<b>769,881</b>	<b>13,351,491</b>	<b>7,647,096</b>

**Income**

Other revenue	151,776	757,643	92,551	1,430	244,327	759,073
<b>Total revenue</b>	<b>151,776</b>	<b>757,643</b>	<b>92,551</b>	<b>1,430</b>	<b>244,327</b>	<b>759,073</b>

**Total income other than income from State Government****NET COST OF SERVICES****Income from State Government**

Service appropriation	11,183,709	6,017,000	1,218,291	738,000	12,402,000	6,755,000
Resources received free of charge	473,916	262,228	67,702	37,954	541,618	300,182
Royalties for Regions Fund	390,000	-	-	-	390,000	-
<b>Total income from State Government</b>	<b>12,047,625</b>	<b>6,279,228</b>	<b>1,285,993</b>	<b>775,954</b>	<b>13,333,618</b>	<b>7,055,182</b>

**SURPLUS/(DEFICIT) FOR THE PERIOD**

	352,841	159,656	(126,387)	7,503	226,454	167,159
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### Schedule of Assets and Liabilities by Service as at 30 June 2011

	Environmental Impact Assessment and Policies		Environmental Compliance Audits		Total	
	2011 \$	2010 \$	2011 \$	2010 \$	2011 \$	2010 \$
<b>Assets</b>						
Current assets	2,587,765	2,020,983	111,374	111,890	2,699,139	2,132,873
Non-current assets	995,771	723,944	100,711	104,781	1,096,482	828,725
<b>Total Assets</b>	<b>3,583,536</b>	<b>2,744,927</b>	<b>212,085</b>	<b>216,671</b>	<b>3,795,621</b>	<b>2,961,598</b>
<b>Liabilities</b>						
Current liabilities	1,871,139	1,529,672	255,519	216,645	2,126,658	1,746,317
Non-current liabilities	878,215	717,586	125,460	103,861	1,003,675	821,447
<b>Total Liabilities</b>	<b>2,749,354</b>	<b>2,247,258</b>	<b>380,979</b>	<b>320,506</b>	<b>3,130,333</b>	<b>2,567,764</b>
<b>NET ASSETS/(NET LIABILITIES)</b>	<b>834,182</b>	<b>497,669</b>	<b>(168,894)</b>	<b>(103,835)</b>	<b>665,288</b>	<b>393,834</b>

The Schedule of Assets and Liabilities by Service should be read in conjunction with the accompanying notes.

### Summary of Consolidated Account Appropriations and Income Estimates for the year ended 30 June 2011

	2011 Estimate \$	2011 Actual \$	Variance \$	2011 Actual \$	2010 7 Months Actual \$	Variance \$
<b>Delivery Services</b>						
Item 108 Net amount appropriated to deliver services	12,039,000	12,354,000	315,000	12,354,000	658,000	11,696,000
Section 25 transfer of service appropriation	-	-	-	-	5,992,000	(5,992,000)
Amount Authorised by Other Statutes						
- <i>Salaries and Allowances Act 1975</i>	191,000	48,000	(143,000)	48,000	105,000	(57,000)
<b>Total appropriations provided to deliver services</b>	<b>12,230,000</b>	<b>12,402,000</b>	<b>172,000</b>	<b>12,402,000</b>	<b>6,755,000</b>	<b>5,647,000</b>
<b>Capital</b>						
Item 162 Capital appropriations	45,000	45,000	-	45,000	356,000	(311,000)
<b>GRAND TOTAL</b>	<b>12,275,000</b>	<b>12,447,000</b>	<b>172,000</b>	<b>12,447,000</b>	<b>7,111,000</b>	<b>5,336,000</b>
<b>Details of Expenses by Service</b>						
Environmental Impact Assessment and Policies	12,014,000	11,846,560	(167,440)	11,846,560	6,877,215	4,969,345
Environmental Compliance Audits	1,416,000	1,504,931	88,931	1,504,931	769,881	735,050
Total Cost of Services	13,430,000	13,351,491	(78,509)	13,351,491	7,647,096	5,704,395
Less Total Income	(700,000)	(244,327)	455,673	(244,327)	(759,073)	514,746
Net Cost of Services	12,730,000	13,107,164	377,164	13,107,164	6,888,023	6,219,141
Adjustments	(500,000)	(705,164)	(205,164)	(705,164)	(133,023)	(572,141)
<b>Total Appropriations provided to deliver services</b>	<b>12,230,000</b>	<b>12,402,000</b>	<b>172,000</b>	<b>12,402,000</b>	<b>6,755,000</b>	<b>5,647,000</b>
<b>Capital Expenditure</b>						
Purchase of non-current physical assets	401,000	217,162	(183,838)	217,162	-	217,162
<b>Capital appropriations</b>	<b>401,000</b>	<b>217,162</b>	<b>(183,838)</b>	<b>217,162</b>	<b>-</b>	<b>217,162</b>

Adjustments comprise movements in cash balances and other accrual items such as receivables, payables and superannuation.



## Notes to the Financial Statements for the year ended 30 June 2011

### 1 AUSTRALIAN ACCOUNTING STANDARDS

#### General

The Department's financial statements for the year ended 30 June 2011 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' includes Standards and Interpretations issued by the Australian Accounting Standard Board (AASB).

The Department has adopted any applicable, new and revised Australian Accounting Standards from their operative dates.

#### Early adoption of standards

The Department cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 *Application of Australian Accounting Standards and Other Pronouncements*. No Australian Accounting Standards that have been issued or amended but not operative have been early adopted by the Department for the annual reporting period ended 30 June 2011.

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### (a) General statement

The financial statements constitute general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board as applied by the Treasurer's instructions. Several of these are modified by the Treasurer's instructions to vary application, disclosure, format and wording.

The *Financial Management Act* and the Treasurer's instructions are legislative provisions governing the preparation of financial statements and take precedence over Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB.

Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting

financial effect are disclosed in the notes to the financial statements.

#### (b) Basis of preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention.

The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

The financial statements are presented in Australian dollars and all values are rounded to the nearest dollar.

There are no judgements made in the process of applying the Department's accounting policies that have a significant effect on the amounts recognised in the financial statements.

Note 3 'Key sources of estimation uncertainty' discloses key assumptions made concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### (c) Reporting entity

The reporting entity comprises the Department and entities listed at note 28 'Related and affiliated bodies'.

The Office of the Environmental Protection Authority was established as a new entity on the 27th November 2009. Functions and officers formerly administered by the Department of Environment and Conservation were transferred to the new entity at that date. Comparative figures are for the seven months to 30 June 2010.

#### Mission

The Department's mission is to support the work of the EPA by providing rigorous environmental impact assessment advice and policies, and to undertake effective compliance audits.

The Department is predominantly funded by Parliamentary appropriations. It

does not provide services on a fee-for-service basis. The financial statements encompass all funds through which the Department controls resources to carry on its functions.

### **Services**

The Department provides the following services:

#### *Service 1: Environmental Impact Assessment and Policies*

Manage the environmental impact assessment process and coordinate the development of policy for the Environmental Protection Authority to enable sound environmental advice to be provided to the Government, developers and the public in accordance with statutory functions.

#### *Service 2: Environmental Compliance Audits*

Audit the compliance with conditions set under Ministerial approvals and undertake enforcement action as appropriate.

### **(d) Contributed equity**

AASB Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, to be designated by the Government (the owner) as contributions by owners (at the time of, or prior to transfer) before such transfers can be recognised as equity contributions. Capital contributions have been designated as contributions by owners by TI 955 *Contributions by Owners made to Wholly-Owned Public Sector Entities* and have been credited directly to Contributed equity.

Transfer of net assets to/from other agencies, other than as a result of a restructure of administrative arrangements, are designated as contributions by owners where the transfers are non-discretionary and non-reciprocal.

### **(e) Income**

#### **Revenue recognition**

Revenue is recognised and measured at the fair value of consideration received or receivable. Revenue is recognised for the major business activities as follows:

#### *Service appropriations*

Service Appropriations are recognised as revenues at fair value in the period in which the Department gains control of the appropriated funds. The Department gains control of appropriated funds at the time those funds are deposited to the bank account or credited to the 'Amounts receivables for services' (holding account) held at Treasury.

#### *Grants, donations, gifts and other non-reciprocal contributions*

Revenue is recognised at fair value when the Department obtains control over the assets comprising the contributions, usually when cash is received.

Other non-reciprocal contributions that are not contributions by owners are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

Royalties for Regions funds are recognised as revenue at fair value in the period in which the Department obtains control over the funds. The Department obtains control over the funds at the time the funds are deposited into the Department's bank account.

### **Gains**

Gains may be realised or unrealised and are usually recognised on a net basis. These include gains arising on the disposal of non-current assets and some revaluations of non-current assets.

### **(f) Plant and equipment**

#### **Capitalisation/Expensing of assets**

Items of plant and equipment costing \$5,000 or more are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Items of plant and equipment costing less than \$5,000 are immediately expensed direct to the Statement of Comprehensive Income (other than where they form part of a group of similar items which are significant in total).

#### **Initial recognition and measurement**

All items of plant and equipment are initially recognised at cost.

For items of plant and equipment acquired at no cost or for nominal cost, the

cost is their fair value at the date of acquisition.

### **Subsequent measurement**

Subsequent to initial recognition as an asset, historical cost is used for the measurement all plant and equipment. All items of plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

### **Derecognition**

Upon disposal or derecognition of an item of plant and equipment, any revaluation surplus relating to that asset is retained in the asset revaluation surplus.

### **Depreciation**

All non-current assets having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits.

Depreciation on assets is calculated using the straight line method, using rates which are reviewed annually. Estimated useful lives for each class of depreciable asset are:

Other plant and equipment	5 to 20 years
Information technology assets	3 to 4 years

### **(g) Impairment of assets**

Plant and equipment are tested for any indication of impairment at the end of each reporting period. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised. As the Department is a not-for-profit entity, unless an asset has been identified as a surplus asset, the recoverable amount is the higher of an asset's fair value less costs to sell and depreciated replacement cost.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of assets

is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of asset's future economic benefits and to evaluate any impairment risk from falling replacement costs.

### **(h) Leases**

The Department holds an operating lease for vehicles. Lease payments are expensed on a straight line basis over the lease term as this represents the pattern of benefits derived from the leased properties.

### **(i) Financial instruments**

In addition to cash, the Department has two categories of financial instrument:

- Loans and receivables; and
- Financial liabilities measured at amortised cost.

These have been disaggregated into the following classes:

#### **Financial Assets**

- Cash and cash equivalents
- Restricted cash and cash equivalents
- Receivables
- Amounts receivable for services

#### **Financial Liabilities**

- Payables

Initial recognition and measurement of financial instruments is at fair value which normally equates to the transaction cost or the face value. Subsequent measurement is at amortised cost using the effective interest method.

The fair value of short-term receivables and payables is the transaction cost or the face value because there is no interest rate applicable and subsequent measurement is not required as the effect of discounting is not material.

### **(j) Cash and cash equivalents**

For the purpose of the Statement of Cash Flows, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

**(k) Accrued salaries**

Accrued salaries (see note 16 'Payables') represent the amount due to staff but unpaid at the end of the financial year. Accrued salaries are settled within a fortnight of the financial year end. The Department considers the carrying amount of accrued salaries to be equivalent to its net fair value.

The accrued salaries suspense account (refer to note 11 'Restricted cash and cash equivalents') consists of amounts paid annually into a suspense account over a period of 10 financial years to largely meet the additional cash outflow in each eleventh year when 27 pay days occur instead of the normal 26. No interest is received on this account.

**(l) Amounts receivable for services (holding account)**

The Department receives funding on an accrual basis. The appropriations are paid partly in cash and partly as an asset (holding account receivable) that is accessible on the emergence of the cash funding requirement to cover leave entitlements and asset replacement.

**(m) Receivables**

Receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written-off against the allowance account. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the Department will not be able to collect the debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days.

**(n) Payables**

Payables are recognised at the amounts payable when the Department becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as they are generally settled within 30 days.

**(o) Provisions**

Provisions are liabilities of uncertain timing or amount and are recognised where there is a present legal or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is

probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at the end of each reporting period.

**Provisions - employee benefits***Annual leave and long service leave*

The liability for annual and long service leave expected to be settled within 12 months after the reporting period is recognised and measured at the undiscounted amounts expected to be paid when the liabilities are settled. Annual and long service leave expected to be settled more than 12 months after the reporting period is measured at the present value of amounts expected to be paid when the liabilities are settled. Leave liabilities are in respect of services provided by employees up to the end of the reporting period.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions. In addition, the long service leave liability also considers the experience of employee departures and periods of service.

The expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

All annual leave and unconditional long service leave provisions are classified as current liabilities as the Department does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Conditional long service leave provisions are classified as non-current liabilities because the Department has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

*Superannuation*

The Government Employees Superannuation Board (GESB) in accordance with legislative requirements administers public sector superannuation arrangements in Western Australia.

Eligible Employees may contribute to the Pension Scheme, a defined benefit pension scheme now closed to new members or the Gold State Superannuation Scheme (GSS), a defined benefit lump sum scheme also closed to new

members since 1995.

The Department has no liabilities under the Pension or the GSS Schemes. The liabilities for the unfunded Pension Scheme and the unfunded GSS Scheme transfer benefits due to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS Scheme obligations are funded by concurrent contributions made by the Department to the GESB. The GSS is a defined benefit scheme for the purposes of employees and whole-of-government reporting. However, it is a defined contribution plan for agency purposes because the concurrent contributions (defined contributions) made by the Department to GESB extinguishes the agency's obligations to the related superannuation liability.

Employees commencing employment prior to 16 April 2007 who were not members of either the Pension or the GSS Schemes became non-contributory members of the West State Superannuation Scheme (WSS). Employees commencing employment on or after 16 April 2007 became members of the GESB Super Scheme (GESBS). Both of these schemes are accumulation schemes. The Department makes concurrent contributions to GESB on behalf of employees in compliance with the Commonwealth Government's *Superannuation Guarantee (Administration) Act 1992*. These contributions extinguish the liability for superannuation charges in respect of the WSS and GESBS Schemes.

The GESB makes all benefit payments in respect of the Pension and GSS Schemes, and is recouped from the Treasurer for the employer's share.

#### **Provisions – other**

##### *Employment on-costs*

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of 'Other expenses' and are not included as part of the Department's 'Employee benefits expense'. The related liability is included in 'Employment on-costs provision'.

#### **(p) Superannuation expense**

The superannuation expense in the Statement of Comprehensive Income comprises employer contributions paid to GSS (concurrent contributions), the WSS, and the GESBS. The employer contribution paid to the GESB in respect of the GSS is paid back into the Consolidated Account by the GESB.

#### **(q) Resources received free of charge or for nominal cost**

Resources received free of charge or for nominal cost that can be reliably measured are recognised as income, at fair value. Where the resource received represents a service that the Department would otherwise pay for, a corresponding expense is recognised. Receipts of assets are recognised in the Statement of Financial Position.

Assets or services received from other State Government agencies are separately disclosed under Income from State Government in the Statement of Comprehensive Income.

#### **(r) Comparative figures**

Comparative figures are, where appropriate, reclassified to be comparable with the figures presented in the current financial year.

### **3 KEY SOURCES OF ESTIMATION UNCERTAINTY**

Key estimates and assumptions concerning the future are based on historical experience and various other factors that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

#### **Long Service Leave**

Several estimations and assumptions used in calculating the Department's long service leave provision include expected future salary rates, discount rates, employee retention rates and expected future payments. Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision.

#### 4 DISCLOSURE OF CHANGES IN ACCOUNTING POLICY AND ESTIMATES

##### Initial application of an Australian Accounting Standard

The Department has applied the following Australian Accounting Standards effective for annual reporting periods beginning on or after 1 July 2010 that impacted on the Department.

2009-5 *Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 5, 8, 101, 107, 117, 118, 136 & 139]*

Under amendments to AASB 117, the classification of land elements of all existing leases has been reassessed to determine whether they are in the nature of operating or finance leases. As leases of land & buildings recognised in the financial statements have not been found to significantly expose the Department to the risks/rewards attributable to control of land, no changes to accounting estimates have been included in the Financial Statements and Notes to the Financial Statements.

Under amendments to AASB 107, only expenditures that result in a recognised asset are eligible for classification as investing activities in the Statement of Cash Flows. All investing cashflows reported in the Department's Statement of Cash Flows relate to increases in recognised assets.

##### Future impact of Australian Accounting Standards not yet operative

The Department cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 *Application of Australian Accounting Standards and Other Pronouncements*. Consequently, the Department has not applied early any following Australian Accounting Standards that have been issued and that may impact the Department. Where applicable, the Department plans to apply these Australian Accounting Standards from their application date.

AASB 2009-11 *Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12].*

The amendment to AASB 7 requires modification to the disclosure of categories of financial assets. The Department does not expect any financial impact when the Standard is first applied. The disclosure of categories of financial assets in the notes will change.

AASB 2009-12 *Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052]*

This Standard introduces a number of terminology changes. There is no financial impact resulting from the application of this revised Standard.

AASB 1053 *Application of Tiers of Australian Accounting Standards*

This Standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements.

The Standard does not have any financial impact on the Department. However it may affect disclosures in the financial statements of the Department if the reduced disclosure requirements apply. DTF has not yet determined the application or the potential impact of the new Standard for agencies.

Operative  
for reporting  
periods  
beginning  
on/after

1 Jan 2013

1 Jan 2011

1 July 2013



		Operative for reporting periods beginning on/after			Operative for reporting periods beginning on/after
AASB 2010-2	<i>Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements</i>	1 July 2013	AASB 2010-5	<i>Amendments to Australian Accounting Standards [AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 &amp; 1038 and Interpretations 112, 115, 127, 132 &amp; 1042] (October 2010)</i>	1 Jan 2011
	This Standard makes amendments to many Australian Accounting Standards, including Interpretations, to introduce reduced disclosure requirements into these pronouncements for application by certain types of entities.			This Standard introduces a number of terminology changes as well as minor presentation changes to the Notes to the Financial Statements. There is no financial impact resulting from the application of this revised Standard.	
	The Standard is not expected to have any financial impact on the Department. However this Standard may reduce some note disclosures in financial statements of the Department. DTF has not yet determined the application or the potential impact of the amendments to these Standards for agencies.		AASB 2010-6	<i>Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets [AASB 1 &amp; AASB 7]</i>	1 July 2011
AASB 2011-2	<i>Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements [AASB 101 &amp; AASB 1054]</i>	1 July 2011		his Standard makes amendments to Australian Accounting Standards, introducing additional presentation and disclosure requirements for Financial Assets.	
	This Amending Standard removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards for reduced disclosure reporting. DTF has not yet determined the application or the potential impact of the amendments to these Standards for agencies.			The Standard is not expected to have any financial impact on the Department. DTF has not yet determined the application or the potential impact of the amendments to these Standards for agencies.	

		Operative for reporting periods beginning on/after			Operative for reporting periods beginning on/after
AASB 9	<i>Financial Instruments</i>	1 Jan 2013	AASB 2011-1	<i>Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project [AASB 1, 5, 101, 107, 108, 121, 128, 132 &amp; 134 and Interpretations 2, 112 &amp; 113]</i>	1 July 2011
	This Standard supersedes AASB 139 Financial Instruments: Recognition and Measurement, introducing a number of changes to accounting treatments.			This Amending Standard, in conjunction with AASB 1054 Australian Additional Disclosures, removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards.	
	The Standard was reissued on 6 Dec 2010 and the Department is currently determining the impact of the Standard. DTF has not yet determined the application or the potential impact of the Standard for agencies.				
AASB 2010-7	<i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 &amp; 1038 and Interpretations 2, 5, 10, 12, 19 &amp; 127]</i>	1 Jan 2013			
	This Amending Standard makes consequential adjustments to other Standards as a result of issuing AASB 9 Financial Instruments in December 2010. DTF has not yet determined the application or the potential impact of the Standard for agencies.				
AASB 1054	<i>Australian Additional Disclosures</i>	1 July 2011			
	This Standard, in conjunction with AASB 2011-1 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project, removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards.				

**5 EMPLOYEE BENEFITS EXPENSE**

	2011 \$	2010 7 months \$
Wages and salaries <sup>(a)</sup>	7,013,937	4,015,423
Superannuation - defined contribution plans <sup>(b)</sup>	783,320	411,526
Long service leave <sup>(c)</sup>	529,716	72,276
Annual leave <sup>(c)</sup>	1,647,033	769,088
	<b>9,974,006</b>	<b>5,268,313</b>

(a) Includes the value of the fringe benefit to the employee plus the fringe benefits tax component.

(b) Defined contribution plans include West State and Gold State and GESB Super Scheme (contributions paid).

(c) Includes a superannuation contribution component.

Employment on-costs such as workers' compensation insurance are included at note 8 'Other expenses'.

The employment on-costs liability is included at note 17 'Provisions'.

**6 SUPPLIES AND SERVICES**

Consultants and contractors	2,633,290	2,000,991
Travel	22,532	33,608
Materials	102,001	67,917
Audit fees	23,100	23,100
Communications	160,403	34,122
Other	209,436	101,152
	<b>3,150,762</b>	<b>2,260,890</b>

**7 DEPRECIATION EXPENSE**

Information technology assets	32,183	20,762
Other plant and equipment	22,183	12,572
Total depreciation	<b>54,366</b>	<b>33,334</b>

**8 OTHER EXPENSES**

Vehicle leases	139,081	65,878
Employment on-costs <sup>(a)</sup>	33,276	18,681
	<b>172,357</b>	<b>84,559</b>

(a) Includes workers' compensation insurance and other employment on-costs.

**9 OTHER REVENUE**

Salary and vehicle scheme recoups	86,922	65,747
Cost recoup for site visits, audits and administration	157,405	-
Cost recoup for Kimberley marine survey	-	63,244
Cost recoup for EPA advice - Brookdale decommissioning	-	19,905
Grant for Fertiliser Action Program	-	610,177
	<b>244,327</b>	<b>759,073</b>

**10 INCOME FROM STATE GOVERNMENT**

Appropriations received during the year:		
Service appropriation <sup>(a)</sup>	12,402,000	6,755,000
	<b>12,402,000</b>	<b>6,755,000</b>

	2011 \$	2010 7 months \$
Resources received free of charge <sup>(b)</sup>		
Determined on the basis of the following estimates provided by agencies:		
Department of Environment and Conservation	516,500	292,000
Landgate	-	8,182
State Solicitor's Office	25,118	-
	541,618	300,182
Royalties for Regions Fund:		
- Pilbara Cities <sup>(c)</sup>	390,000	-
	390,000	-
	13,333,618	7,055,182

(a) Service appropriations fund the net cost of services delivered. Appropriation revenue comprises a cash component and a receivable (asset). The receivable (holding account) comprises the depreciation expense for the year and any agreed increase in leave liability during the year.

(b) Assets or services received free of charge or for nominal cost are recognised as revenue at fair value of the assets and/or services that can be reliably measured and which would have been purchased if they were not donated. Contributions of assets or services in the nature of contributions by owners are recognised direct to equity.

(c) This is a sub-fund within the over-arching 'Royalties for Regions Fund'. The current funds are committed to projects and programs in WA regional areas.

## 11 RESTRICTED CASH AND CASH EQUIVALENTS

### Current

Funds held for various Specific Purpose accounts <sup>(a)</sup>

	2011 \$	2010 7 months \$
Environmental Impact Assessment executive <sup>1</sup>	340,764	417,819
Gorgon Gas Development audit <sup>2</sup>	25,519	-
Fertiliser Initiatives account <sup>3</sup>	107,782	107,783
Strategic policy research and analysis account <sup>4</sup>	340,797	340,798
Marine studies <sup>5</sup>	165,000	165,000
Cockburn Sound EPP <sup>6</sup>	43,448	43,448
Terrestrial ecosystems research and analysis account <sup>7</sup>	123,015	146,853
	1,146,325	1,221,701

(a) Specific Purpose accounts

1) Funding for specific projects, for improving process and providing training for Office of the Environmental Protection Authority, and Assessment and Compliance services related to EIA.

2) Funding provided for auditing of Gorgon Gas.

3) Specific purpose funding to support Government fertiliser initiatives.

4) Funding for environmental analysis and research associate with cyclical review of statutory policies and other strategic projects.

5) Contributions from Commonwealth, state government and private organisations for marine studies to support environmental protection.

6) Funds to support the 2012 review and revision of the Cockburn Sound State Environmental Policy (2005) and associated environmental quality criteria.

7) Funding for research and analysis associated with strategic biodiversity conservation and planning.

**Non-current**Accrued salaries suspense account <sup>(b)</sup>

2011	2010
\$	7 months \$

195,229	156,267
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(b) Amount held in suspense account is only to be used for the purpose of meeting the 27th pay in a financial year that occurs every 11 years.

**12 RECEIVABLES****Current**

Receivables	467,452	26,223
Accrued revenue	22,405	-
GST receivable	38,244	31,503
	528,101	57,726

The Department does not hold any collateral as security or other credit enhancements relating to receivables.

**13 AMOUNTS RECEIVABLE FOR SERVICES**

Non-current	611,000	545,000
	611,000	545,000

Represents the non-cash component of service appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability.

**14 PLANT AND EQUIPMENT****Information technology assets**

At cost	73,964	73,964
Accumulated depreciation	(52,945)	(20,762)
Accumulated impairment losses	-	-
	21,019	53,202

**Other plant and equipment**

At cost	92,714	86,828
Accumulated depreciation	(34,755)	(12,572)
Accumulated impairment losses	-	-
	57,959	74,256

**Other plant and equipment work in progress**

In progress costs	211,276	-
	290,254	127,458

**Reconciliation of plant and equipment**

Reconciliations of the carrying amounts of plant and equipment at the beginning and end of the reporting period are set out below.

	Information technology assets \$	Other plant and equipment \$	Other plant and equipment work in progress \$	Total \$
<b>2011</b>				
Carrying amount at start of year	53,202	74,256	-	127,458
Additions	-	5,886	211,276	217,162
Depreciation	(32,183)	(22,183)	-	(54,366)
Carrying amount at end of year	21,019	57,959	211,276	290,254

**2010 7 Months**

	Information technology assets \$	Other plant and equipment \$	Other plant and equipment work in progress \$	Total \$
Carrying amount at start of year	-	-	-	-
Additions	73,964	86,828	-	160,792
Depreciation	(20,762)	(12,572)	-	(33,334)
Carrying amount at end of year	53,202	74,256	-	127,458

**15 IMPAIRMENT OF ASSETS**

There were no indications of impairment to plant and equipment at 30 June 2011.

The Department held no goodwill or intangible assets with an indefinite useful life during the reporting period and at the end of the reporting period there were no intangible assets not yet available for use.

All surplus assets at 30 June 2011 have either been classified as assets held for sale or written-off.

**16 PAYABLES****Current**

	2011 \$	2010 7 months \$
Trade payables	-	1,882
Accrued expenses	266,200	108,550
Accrued salaries	251,531	362,792
	517,731	473,224

**17 PROVISIONS****Current****Employee benefits provision**

	2011 \$	2010 7 months \$
Annual leave <sup>(a)</sup>	883,018	666,983
Long service leave <sup>(b)</sup>	712,745	594,755
	1,595,763	1,261,738

**Other provisions**

	2011 \$	2010 7 months \$
Employment on-costs <sup>(c)</sup>	13,164	11,355
	1,608,927	1,273,093

**Non-current****Employee benefits provision**

	2011 \$	2010 7 months \$
Long service leave <sup>(b)</sup>	995,463	814,121

**Other provisions**

	2011 \$	2010 7 months \$
Employment on-costs <sup>(c)</sup>	8,212	7,326
	8,212	7,326
	1,003,675	821,447

(a) Annual leave liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after the reporting period. Assessments indicate that actual settlement of the liabilities will occur as follows:

	2011 \$	2010 7 months \$
Within 12 months of the end of the reporting period	706,414	666,983
More than 12 months after the reporting period	176,604	-
	883,018	666,983

	2011 \$	2010 7 months \$
(b) Long service leave liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after the reporting period. Assessments indicate that actual settlement of the liabilities will occur as follows:		
Within 12 months of the end of the reporting period	249,461	594,755
More than 12 months after the reporting period	1,458,747	814,121
	<b>1,708,208</b>	<b>1,408,876</b>

(c) The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments. The associated expense is included at note 8 'Other expenses'.

#### Movements in other provisions

Movements in each class of provisions during the financial year, other than employee benefits, are set out below.

#### Employment on-cost provision

Carrying amount at start of year	18,681	-
Additional provisions recognised	2,695	18,681
Carrying amount at end of year	<b>21,376</b>	<b>18,681</b>

## 18 EQUITY

The Government holds the equity interest in the Department on behalf of the community. Equity represents the residual interest in the net assets of the Department.

#### Contributed equity

Balance at start of period	226,675	-
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#### Contributions by owners

Capital appropriation	45,000	356,000
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#### Transfers of net assets from other agencies

Net assets transferred from the Department of Environment and Conservation at the formation of the Office of the Environmental Protection Authority	-	(129,325)
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#### Total contribution by owners

45,000	226,675
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#### Balance at end of period

271,675	226,675
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#### Accumulated surplus

Balance at start of period	167,159	-
Result for the period	226,454	167,159
<b>Balance at end of period</b>	<b>393,613</b>	<b>167,159</b>

#### Total Equity at end of period

665,288	393,834
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**19 NOTES TO THE STATEMENT OF CASH FLOWS****Reconciliation of cash**

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	2011 \$	2010 7 months \$
Cash and cash equivalents	1,024,712	853,446
Restricted cash and cash equivalents (see note 11 'Restricted cash and cash equivalents')	1,341,554	1,377,968
	2,366,266	2,231,414

**Reconciliation of net cost of services to net cash flows used in operating activities**

Net cost of services	(13,107,164)	(6,888,023)
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**Non-cash items:**

Depreciation expense (note 7)	54,366	33,334
Resources received free of charge (note 10)	541,618	300,182
Assets less than \$5,000 expensed	-	26,461

**Increase in assets:**

Current receivables <sup>(c)</sup>	(73,634)	(26,223)
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**Increase in liabilities:**

Current payables <sup>(c)</sup>	44,507	473,224
Current provisions	335,834	34,354
Non-current provisions	182,228	(21,126)

Net GST receipts <sup>(a)</sup>	(46,852)	(33,887)
Change in GST in receivables and payables <sup>(b)</sup>	40,111	2,384

Net cash (used in) operating activities	(12,028,986)	(6,099,320)
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(a) This is the net GST paid/received, ie. cash transactions.

(b) This reverses out the GST in receivables and payables.

(c) Note that the Australian Taxation office (ATO) receivable/payable in respect of GST and the receivable/payable in respect of the sale/purchase of non-current assets are not included in these items as they do not form part of the reconciling items.

**20 RESOURCES PROVIDED FREE OF CHARGE**

During the year there were no resources provided to other agencies free of charge for functions outside the normal operations of the Department.

**21 COMMITMENTS****Lease Commitments**

Commitments in relation to leases contracted for at the end of the reporting period but not recognised in the financial statements are payable as follows:

Within 1 year	71,145	59,840
Later than 1 year and not later than 5 years	43,941	39,263
	115,086	99,103

Representing:

Non-cancellable operating leases	115,086	99,103
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The Department has entered into non cancellable operating vehicle lease commitments. The lease term varies depending on the vehicle. The lease payments are fixed for the term of the lease and are payable monthly. There is no option to renew the lease at the end of the lease term.

The commitments are inclusive of GST.

## 22 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Department has no contingent liabilities and contingent assets as at 30 June 2011.

## 23 EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

No events have occurred after the end of the reporting period which would materially impact on the financial statements.

## 24 EXPLANATORY STATEMENT

Significant variations between estimates and actual results for income and expense as presented in the financial statement titled 'Summary of Consolidated Account Appropriations and Income Estimates' are shown below: Significant variations are considered to be those greater than 10% or \$200,000.

As the reporting periods for 2009-10 and 2010-11 are of different lengths, no comparison of the actual results for the two reporting periods has been made.

### Total appropriations provided to deliver services

#### Significant variances between estimated and actual results for 2011

Although there were no significant variances in total appropriation or services expenditure, there was a significant variance in the total income:

	2011 Estimate	2011 Actual	Variance
Total Income	700,000	244,327	(455,673)

The estimate was based on the level of income received historically. This largely comprised one-off grants and these have not materialised to the same extent during the year.

### Capital contribution

#### Significant variances between estimate and actual for 2011

No significant variance in capital contribution.

## 25 FINANCIAL INSTRUMENTS

### (a) Financial risk management objectives and policies

Financial instruments held by the Department are cash and cash equivalents, restricted cash and cash equivalents, receivables, and payables. The Department has limited exposure to financial risks. The Department's overall risk management program focuses on managing the risks identified below.

#### Credit risk

Credit risk arises when there is the possibility of the Department's receivables defaulting on their contractual obligations resulting in financial loss to the Department.

The maximum exposure to credit risk at the end of the reporting period in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any provisions for impairment as shown in the table at note 25(c) 'Financial instrument disclosures' and note 12 'Receivables'.

Credit risk associated with the Department's financial assets is minimal because the main receivable is the amounts receivable for services (holding account). For receivables other than government, the Department trades only with recognised, creditworthy third parties. The Department has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the Department's exposure to bad debts is minimal. At the end of the reporting period there were no significant concentrations of credit risk.

#### Liquidity risk

Liquidity risk arises when the Department is unable to meet its financial obligations as they fall due.

The Department is exposed to liquidity risk through its trading in the normal

course of business.

The Department has appropriate procedures to manage cash flows including drawdowns of appropriations by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

### **Market risk**

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Department's income or the value of its holdings of financial instruments.

The Department does not trade in foreign currency and is not materially exposed to other price risks.

### **(b) Categories of financial instruments**

In addition to cash, the carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are as follows:

	2011 \$000	2010 \$000
<b>Financial Assets</b>		
Cash and cash equivalents	1,025	853
Restricted cash and cash equivalents	1,341	1,378
Loans and receivables <sup>(a)</sup>	1,101	571
<b>Financial Liabilities</b>		
Financial liabilities measured at amortised cost	518	473

(a) The amount of loans and receivables excludes GST recoverable from the ATO (statutory receivable).

### **c) Financial instrument disclosures**

#### *Credit risk and interest rate exposures*

The following tables disclose the Department's maximum exposure to credit

risk, interest rate exposures and the ageing analysis of financial assets. The Department's maximum exposure to credit risk at the end of the reporting period is the carrying amount of the financial assets as shown below. The table discloses the ageing of financial assets that are past due but not impaired and impaired financial assets. The table is based on information provided to senior management of the Department.

The Department does not hold any collateral as security or other credit enhancements relating to the financial assets it holds.

The Department does not hold any financial assets that had to have their terms renegotiated that would have otherwise resulted in them being past due or impaired.

Interest rate exposures and ageing analysis of financial assets <sup>(a)</sup>

	Interest rate exposure				Past due but not impaired			
	Weighted Average Effective Interest Rate %	Carrying Amount \$000	Variable interest rate \$000	Non- interest bearing \$000	1 year or less \$000	1 to 5 years \$000	More than 5 years \$000	Impaired Financial Assets \$000
<b>Financial Assets</b>								
2011								
Cash and cash equivalents	-	1,025	-	1,025	-	-	-	-
Restricted cash and cash equivalents	-	1,341	-	1,341	-	-	-	-
Receivables <sup>(a)</sup>	-	490	-	490	467	-	-	-
Amounts receivable for services	-	611	-	611	-	-	-	-
		3,467	-	3,467	467	-	-	-
2010								
Cash and cash equivalents	-	853	-	853	-	-	-	-
Restricted cash and cash equivalents	-	1,378	-	1,378	-	-	-	-
Receivables <sup>(a)</sup>	-	26	-	26	26	-	-	-
Amounts receivable for services	-	545	-	545	-	-	-	-
		2,802	-	2,802	26	-	-	-

(a) The amount of receivables excludes the GST recoverable from the ATO (statutory receivable).

**Liquidity risk**

The following table details the contractual maturity analysis for financial liabilities. The table includes interest and principal cash flows. An adjustment has been made where material.

**Interest rate exposure and maturity analysis of financial liabilities <sup>(a)</sup>**

	<b>Interest rate exposure</b>			<b>Maturity date</b>		
	Weighted Average Effective Interest Rate %	Carrying Amount \$000	Variable interest rate \$000	Non- interest bearing \$000	1 year or less \$000	More than 5 years \$000
<b>Financial Liabilities</b>						
2011						
Payables	-	518	-	518	518	-
		518	-	518	518	-
2010						
Payables	-	473	-	473	473	-
		473	-	473	473	-

(a) The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities at the end of the reporting period.

**Interest rate sensitivity analysis**

The Department is not exposed to interest rate risk because cash and cash equivalents and restricted cash are non-interest bearing.

**26 REMUNERATION OF SENIOR OFFICERS**

The number of senior officers whose total of fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year fall within the following bands are:

\$	2010	
	2011	7 Months
	No.	No.
40,001 - 50,000	1	-
50,001 - 100,000	-	1
190,001 - 200,000	1	-
	\$	\$
<b>Total remuneration of senior officers</b>	<b>234,170</b>	<b>98,415</b>

The total remuneration includes the superannuation expense incurred by the Department in respect of senior officers.

No senior officers are members of the Pension Scheme.

**27 REMUNERATION OF AUDITOR**

Remuneration paid or payable to the Auditor General in respect of the audit for the current financial year is as follows:

Auditing the accounts, financial statements and key performance indicators	23,100	23,100
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**28 RELATED AND AFFILIATED BODIES**

The Department does not provide any assistance to other agencies which would deem them to be regarded as related or affiliated bodies under the definitions included in Treasurer's Instruction 951.

**29 SUPPLEMENTARY FINANCIAL INFORMATION****(a) Write-offs**

The Department did not write off any bad debts, revenue, debts due to the State, public or other property during the financial year. (2010: nil)

**(b) Losses through theft, defaults and other causes**

The Department had no losses through theft, defaults and other causes during the financial year. (2010: nil)

**(c) Gifts of public property**

The Department had no gifts of public property during the financial year. (2010: nil)

## Key Performance Indicators

### Certification of Key Performance Indicators

I hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to access the Office of the Environmental Protection Authority's performance, and fairly represent the performance of the Office of the Environmental Protection Authority for the financial year ended 30 June 2011.



Kim Taylor

### Accountable Authority

20 September 2011

## Outcome

### An efficient and effective environmental assessment and compliance system

#### Key Effectiveness Indicators

	2010—11 Target	2009—10 Actual	2010—11 Actual	2010—11 Variance of Target to Actual	Variance of Actual 2009—10 and 2010—11
Percentage of approved projects with actual impacts not exceeding those predicted during the assessment	100%	100%	100%	0%	0%
Percentage of assessments that meet agreed initial timelines	80%	84%	82%	2%	(2%)
Percentage of implemented projects where all environmental conditions have been met	85%	n/a <sup>(a)</sup>	58%	(27%)	n/a <sup>(a)</sup>

*(a) Indicator not in place during 2009-10.*

**Note to the Indicator:** Percentage of implemented projects where all environmental conditions have been met

The variance between the actual and the target of 27% was as a result of the change in approach used in the selection of statements to be audited.

A risk priority matrix has been developed to select projects for proactive audits. This improved identification of statements ensures resources effectively target projects based on their risk priority.

The use of a risk priority matrix commenced on 1 July 2010 for use in the 2010—11 Compliance Program.



## Key Efficiency Indicators

## Service 1: Environmental Impact Assessment and Policies

	2010—11 Target	2009—10 Actual	2010—11 Actual	2010—11 Variance of Target to Actual	Variance of Actual 2009—10 and 2010—11
Average cost per environmental assessment	\$37,396	\$39,138	\$39,336	\$1,940	\$198
Average cost per environmental policy developed <sup>(a)</sup>	\$189,878	\$161,669	\$192,162	\$2,284	\$30,493

(a) 'Policy' in the wording of the KPI means the full range of policy outputs of the agency, including technical advice on proposals, policy advice in response to Ministerial or central Government requests, and formal policy documents such as guidelines, bulletins, statutory policy reviews and discussion papers.

The average cost per environmental policy developed has increased between 2010 and 2011 due to additional corporate costs and income from grants and other external funding not forthcoming at anticipated levels.

## Service 2: Environmental Compliance Audits

	2010—11 Target	2009—10 Actual	2010—11 Actual	2010—11 Variance of Target to Actual	Variance of Actual 2009—10 and 2010—11
Average cost per environmental audit completed	\$23,604	\$22,140	\$32,020	\$8,416	\$9,880

The average cost per environmental audit completed is greater than target in 2011. This is due to the increased complexity and scope of a number of audits during the year.

The average cost per environmental audit completed has increased between 2010 and 2011. This is due to higher corporate costs and the number of audits completed was lower than in the previous financial year because of the scope and complexity.

## Explanation of Key Performance Indicators

### Outcome 1

#### **An efficient and effective environmental assessment and compliance system**

##### **Service 1: Environmental Impact and Assessment Policies**

Manage the environmental impact assessment process and coordinate the development of policy for the Office to enable sound environmental advice to be provided to the Government, developers and the public in accordance with statutory functions.

*Average cost per environmental assessment* - the average cost per environmental assessment largely reflects the number of significant development proposals considered each year.

*Average cost per environmental policy developed* - the measure of efficiency of the number of environmental policies developed.

##### **Service 2: Environmental Compliance Audits**

Audit the compliance with conditions set under Ministerial approvals and undertake enforcement action as appropriate.

*Average cost per environmental audit completed* - the average cost per environmental audit reflects the significance of the approved projects for which environmental audits were completed.

## Ministerial directives

No Ministerial Directives were received during the 2010-11 financial year.

## Other financial disclosures (TI 903)

### **Pricing policies of services provided**

The department is fully funded from appropriations and does not charge any fee for service.

## Employment and Industrial Relations

On June 27 2011, the WA Industrial Relations Commission registered the Public Service and Government Officers General Agreement 2011. This agreement replaces the Public Service General Agreement 2008 and the Government Officers' Salaries, Allowances and Conditions General Agreement 2008.

## Governance disclosures (TI 903)

### **Contracts with senior officers**

At the date of reporting, senior officers of the department held no contracts with the department other than normal employment contracts. No senior officers of the department had substantial interests in entities with existing or proposed contracts or agreements with the department.

## Other legal requirements

### **Expenditure on advertising, market research, polling and direct mail**

In accordance with Section 175ZE of the *Electoral Act 1907*, the department incurred the following expenditure in advertising, market research, polling, direct mail and media advertising:

Total expenditure for 2010-11 was \$39,826. Expenditure was incurred in the following areas:

Advertising agencies	NIL	
Market research organisations	NIL	
Polling organisations	NIL	
Direct mail organisations	\$13	key2design
Media advertising organisations	\$39,813	AdCorp

Media advertising is primarily a public notice each Monday notifying levels of assessment set and open to public appeal as well as EPA reports and recommendations released.

## Disability Access and inclusion plan outcomes

(*Disability Services Act 1993, s29 and Schedule 3 of the Disability Services Regulations 2004*)

The OEPA has adopted the DEC's Disability Access and Inclusion Plan (DAIP) 2007 – 2012 that continues with an ongoing program of improving access, facilities, and services to ensure they meet the needs of our customers and staff. The plan is monitored by DEC's Disability Access and Inclusion Committee, and Corporate Executive continues to meet and takes into account the interests of all OEPA staff that are covered by the plan.

## Equal Employment Opportunity and Diversity Management Outcomes

The OEPA has adopted the DEC's EEO and diversity plans and the respective management outcomes to ensure the Office's commitment to equity and diversity obligations are met.

## Recordkeeping Plans

(*State Records Act 2000 and State Records Commission Standard 2, Principle 6*)

DEC's Corporate Information Services (CIS) Section continues to support the EPA and OEPA's compliance with the *State Records Act 2000*.

The EPA and OEPA have been incorporated into DEC's revised Recordkeeping Plan DEC RK 2010043 which was approved by the State Records Commission on 15 September 2010.

In addition, a Service Level Agreement has been established outlining various services provided by CIS to the OEPA.

## Compliance with Public Sector Standards and Ethic Codes

(*Public Sector Management Act 1994, s31(1)*)

Compliance issue	Significant action taken to monitor and ensure compliance
<b>Public Sector Standards</b>  There were no breach claims lodged in 2010-11.	The DEC intranet, of which the OEPA intranet is a section, has information on the Public Sector Standards including a hyperlink to the Office of Public Sector Standards Commissioner's (OPSS) internet site.  Ongoing training is provided to grievance officers and made available to officers required to participate on recruitment panels to ensure that the relevant standard is complied with.  DEC's Management Audit Section has completed an internal audit of the department's compliance with the Public Sector Standards and is of the view "The department is continuing to take appropriate action to ensure compliance with the Public Sector Standards". The audit included OEPA's compliance.
<b>WA Code of Ethics</b>  There were no reports of non-compliance with the WA Code of Ethics	The WA Code of Ethics is contained within OEPA's Code of Conduct. The Code of Conduct was prepared and released in June 2010, and includes a hyperlink to the PSC internet site for "Western Australia Public Sector Code of Ethics".
<b>Department's Code of Conduct</b>  One allegation of a breach of the code of conduct was raised in 2010-11.	The one allegation was substantiated and finalised in 2010-2011.  The OEPA continues to hold Conflict of Interest, Code of Conduct, Accountable and Ethical Decision Making and Public Interest Disclosure awareness briefings for all staff.

## Occupational Safety, Health and Injury Management

(Public Sector Commissioner's Circular 2009-11: Code of Practice:  
Occupational Safety and Health in the Western Australian Public Sector)

Indicator	Performance	Target
Number of fatalities	Zero (0)	0
Lost time injury/ disease (LTI/D) incidence rate	Zero (0)	0
Lost time injury severity rate	Zero (0)	0
% of injured workers returned to work	Not applicable	Actual % result to be reported
% of managers trained in occupational safety, health and injury management responsibilities	Zero (0)	Greater than or equal to 50%

## Appendix 1: Public reports and recommendations to the Minister for Environment

### Environmental Review and Management Programme (ERMP) and Public Environmental Review (PER) Reports

Report No.	Title	Release date
1361	Tropicana Gold Project, Tropicana Joint Venture	19/7/10
1368	Carina Iron Ore Project, Polaris Metals Pty Ltd	6/10/10
1369	Warro Gas Field 3D Onshore Seismic Survey, Latent Petroleum Pty Ltd	11/10/10
1374	Hope Downs 4 Iron Ore Mine, Hamersley HMS Pty Ltd	6/12/10
1375	Gidgegannup Granite Quarry, Boral Resources (WA) Ltd	6/12/10
1376	Marillana Iron Ore Project, Brockman Resources Ltd	6/12/10
1379	Technical Ammonium Nitrate Production Facility, Burrup Peninsula, Burrup Nitrates Pty Ltd	10/1/11
1381	Red Hill Quarry Development, Hanson Construction Materials Pty Ltd	31/1/11
1382	Central West Coal Project, Central West Coal Pty Ltd (a subsidiary of Aviva Corporation Limited)	7/2/11
1383	Happy Valley Titanium Minerals Project, Bemax Resources Limited	14/2/11
1386	Solomon Iron Ore Project, Fortescue Metals Group Limited	14/3/11
1387	Oakajee Terrestrial Port Development, Oakajee Port and Rail Pty Ltd	14/3/11
1388	Oakajee Rail Development, Oakajee Port and Rail Pty Ltd	14/3/11
1392	Residential Subdivision Lots 3000 (formerly Lot 1512) & 1523 Emu Point Drive, Albany, LandCorp	18/4/11

1401	Rural Subdivision, Lots 1000, 2240, 2275, 2657 and 3045 Preston Beach Road, Lake Clifton, Cape Bouvard Investments Pty Ltd	30/5/11
1404	Wheatstone Development – Gas Processing, Export Facilities & Infrastructure, Chevron Australia Pty Ltd	15/6/11

### Assessment on Proponent Information (API) Reports: Categories A and B

Report No.	Title	Category	Release date
1380	South West Creek Dredging and Reclamation Proposal, Port Hedland Port Authority	A	10/1/11
1389	Dampier Marine Services Facility, Dampier Port Authority	A	28/3/11
1393	Brockman 2 Detrital Iron Ore Mine Extension Phase 2B, Hamersley Iron Pty Ltd	A	19/4/11
1395	Vasse Coal Project, Vasse Coal Management Pty Ltd	B	2/5/11
1396	Coastal Walk Trail from Point Ann to Hamersley Inlet, Fitzgerald River National Park, Department of Environment and Conservation	B	2/5/11
1398	Proposed extension to existing transport depot, Lot 14 (No. 1527) Great Northern Highway, Upper Swan, Mr Adrian Brajkovich	B	9/5/11
1402	Christmas Creek Water Management Scheme, Fortescue Metals Group Ltd	A	7/6/11

**Strategic Proposal Reports**

Report No.	Title	Release date
1367	Southern Source Integration Assets Pipeline Corridor, Water Corporation	20/9/10
1390	Rockingham Industrial Zone Strategic Environmental Assessment, LandCorp	4/4/11

**Noise Regulation 17 Variation Reports**

Report No.	Title	Release date
1363	Australind Plant, Millenium Inorganic Chemicals Ltd	2/8/10
1364	Western Power Transmission Substation Noise Emissions, Western Power Corporation	16/8/10
1365	Wagerup Alumina Refinery Supplementary Advice, Alcoa of Australia Ltd	16/8/10
1366	Pemberton Sawmill, Auswest Timbers Pty Ltd	20/9/10
1399	Pinjar Gas Turbine Station Noise Emissions, Verve Energy	23/5/11

**Environmental Protection Statement (EPS) and Assessment on Referral Information (ARI) Reports**

Report No.	Title	Release date
1360	Macedon Gas Development	5/7/11
1370	Roy Hill Infrastructure Railway, Roy Hill Infrastructure Pty Ltd	11/10/10
1371	Jimblebar Iron Ore Project, BHP Billiton Iron Ore Pty Ltd	18/10/10
1377	Roy Hill 1 Iron Ore Project Port Infrastructure, Roy Hill Iron Ore Pty Ltd	10/12/10

**Changes to Conditions – Section 46 Reports**

Report No.	Title	Release date
1372	Kwinana Export Facility, Ministerial Statement 549, Minister for Transport	25/10/10
1373	Pluto Liquefied Natural Gas Development (Site B option) Burrup Peninsula, Shire of Roebourne, Ministerial Statement 757, Woodside Energy Ltd	29/11/10
1385	Busselton Regional Aerodrome, Ministerial Statement 399, Shire of Busselton	14/2/11
1394	Gorgon Gas Development Revised and Expanded Proposal, Ministerial Statement 800, Chevron Australia Pty Ltd	21/4/11
1397	Coyote Gold Mine, Stage 2, Ministerial Statement 749, Tanami Gold NL	9/5/11
1400	Roy Hill Infrastructure Railway, Shire of Ashburton, Shire of East Pilbara, Town of Port Hedland, Ministerial Statement 847, Roy Hill Infrastructure Pty Ltd	23/5/11
1405	Koolyanobbing Iron Ore Expansion, Ministerial Statement 627, Cliffs Asia Pacific Iron Ore Pty Ltd	29/6/11

**Planning – Section 48A Reports**

Report No.	Title	Release date
1391	Peel Region Scheme Amendment 017/57: Rezone 87.8 ha of land at North Yunderup to permit urban development, Western Australian Planning Commission	18/4/11
1403	Shire of Chapman Valley Draft Local Planning Scheme No. 2, Lots 3, 7-12, 15-17, 154, 156 and Street No. 1891, North West Coastal Highway, Buller, Shire of Chapman Valley	7/6/11

**Section 16 Strategic Advice Reports**

Report No.	Title	Release date
1384	Shire of Murray Town Planning Scheme 4 Amendment 104 (Point Grey), Review of Ministerial Statement 519	16/2/11

**Audit Reports**

Report No.	Title	Release date
1362	Forest Management Plan 2004-2013. Mid-term audit of performance report, Conservation Commission of Western Australia	13/9/10

**Proposal Unlikely to be Environmentally Acceptable (PUEA) Reports**

Report No.	Title	Release date
1378	Development application: Clearing of native vegetation and planting of 1250 olive trees, Lot 1612 Barrett Street, Southern River, C. Campbell	10/12/10



## Appendix 2: Section 45C list of approved changes to proposals

Statement Number	Proposal Title <i>Proponent</i>	Variation	Approval date
775	Pardoo Iron Ore Mine and Direct Shipping from Port Hedland – Shire of East Pilbara and Town of Port Hedland <i>Atlas Iron Limited</i>	Increase the mining rate from 1.5 to 3 million tonnes per annum, involving the addition of two new open pits and associated infrastructure, and changes to an existing open pit.	6/7/10
789	Western Extension to the Dardanup Mineral Sands Project to Include the Burekup Mineral Sands Deposit <i>Doral Mineral Sands Pty Ltd</i>	Change to the Burekup West mine disturbance footprint area.	7/7/10
721	Pilbara Iron Ore & Infrastructure Project: Cloudbreak (No Beneficiation) <i>Fortescue Metals Group Limited</i>	Amend the layout of the Cloud Break mine-site footprint (as shown in Figure 5) and increase reinjection from 18 gigalitres per annum to 20 gigalitres per annum.	12/7/10
801	Fremantle Ports Inner Harbour and Channel Deepening, reclamation at Rous Head and Offshore Placement of Dredged Material <i>Fremantle Ports</i>	A change to the location of offshore placement of dredged material from Fremantle Ports Inner Harbour and Channel Deepening, and related works (Figure 5).	6/8/10
594	Desalinated Water and Seawater Supplies Project Burrup Peninsula <i>Water Corporation</i>	Construct and operate a six gigalitre per annum reverse osmosis desalination plant to supply industry and domestic customers.	6/8/10
627	Koolyanobbing Iron Ore Expansion, Windarling Range and Mt Jackson, Shire of Yilgarn <i>Cliffs Asia Pacific Iron Ore Limited</i>	Increase ore production at the ore handling plant at Koolyanobbing from 8.8 million tonnes per annum up to 11.5 million tonnes per annum.	20/8/10
782	Fimiston Gold Mine Operations Extension (Stage 3), and Mine Closure Planning <i>Kalgoorlie Consolidated Gold Mines Pty Ltd</i>	Clearing for Kaltails tailings storage facility, contingency clearing for infrastructure post Kaltails recommissioning, and inclusion of hydrogen peroxide dosing facility.	6/9/10

Statement Number	Proposal Title <i>Proponent</i>	Variation	Approval date
681	Esperance Port - upgrading of marine facilities and increase in iron ore export through the port to 8 million tonnes per annum <i>Esperance Ports Sea and Land</i>	Increasing iron ore exports through the Port of Esperance from 8.8 million tonnes per annum to 11.5 million tonnes per annum.	6/9/10
584	Hope Downs Iron Ore Mine, 75km North-West of Newman, Pilbara Region <i>Hamersley Hope Management Services Pty Ltd</i>	Increase to approved disturbance area and redefinition of Project Area.	6/9/10
633	Ravensthorpe Nickel Project, Bandalup Hill, Shire of Ravensthorpe <i>FQM Australia Nickel</i>	Construct and operate a Sands Reject Storage Facility.	23/9/10
478	Newman Satellite Development - Mining of Orebody 23 below the water-table <i>BHP Billiton Iron Ore Pty Ltd</i>	Extension to the life and maximum disturbance boundary of Orebody 23 Mine.	29/9/10
766	Construction of Warehouse and Transport Depot on Lot 46 Tomah Road, Welshpool <i>Merilla Pty Ltd</i>	To include Lots 47 and 56 and to limit the proposal definition to clearing and earthworks.	3/10/10
695	Yandicoogina Junction South-East mine, Mining Lease 274SA, Shire of East Pilbara <i>Hamersley Iron Pty Limited</i>	Increase in mine impact area to up to 980 ha, and increase in mining rate to 22 million tonnes per annum.	26/10/10
824	Roy Hill 1 Iron Ore Mining Project Stage 1, 110 Kilometres North of Newman, Shire of East Pilbara <i>Roy Hill Iron Ore Pty Ltd</i>	Revision of the approved realignment of Marble Bar Road.	15/12/10
756	Mesa A/Warrambo Iron Ore Project, 43 km west of Pannawonica, Shire of Ashburton <i>Robe River Mining Co Pty Ltd</i>	Alteration to the mining pit shell and the MEZ at Mesa A, plus an increase to the groundwater abstraction rate at the Warrambo borefield.	17/12/10

Statement Number	Proposal Title <i>Proponent</i>	Variation	Approval date
024	Silica Sand Project, Gnangara <i>Rocla Quarry Products &amp; Urban Resources Pty Ltd</i>	A second proponent, Urban Resources Pty Ltd, to operate an additional sand quarry and processing works under Statement 024.	20/1/11
077	Gidji Gold Roaster-Phase II Expansion, near Kalgoorlie <i>Kalgoorlie Consolidated Gold Mines Pty Ltd</i>	Increase in the size of the Gidji Tailings Storage Facility (from 36 ha to 63 ha) and alterations to related infrastructure.	21/1/11
753	Mt Gibson Iron Ore Mine and Infrastructure Project, Shire of Yalgoo <i>Mt Gibson Mining Limited &amp; Extension Hill Pty Ltd</i>	Include two haul track access roads from the mine pit to the hematite ROM processing plant; expand an existing track to the waste dump area and the revision of the layout of the approved hematite explosives depot.	2/2/11
806	Mungada Iron Ore Project, 220 kilometres east-southeast of Geraldton and 320 kms north-northeast of Perth, Shire of Perenjori <i>Karara Mining Limited</i>	Amendments to project disturbance footprint for additional haul roads and the realignment and widening of existing haul roads.	11/3/11
801	Fremantle Ports Inner Harbour and Channel deepening, reclamation at Rous Head and offshore placement of dredged material <i>Fremantle Ports</i>	Extension of dredging duration and removal of dredging timeframe indication.	24/3/11
800	Gorgon Gas Development revised and expanded proposal: Barrow Island Nature Reserve <i>Chevron Australia Pty Ltd</i>	Increase in construction duration and construction workforce.	29/4/11
840	Cape Lambert Port B Development - Shire of Roebourne <i>Pilbara Iron Pty Ltd</i>	Change to the Tug Harbour Extension dredging footprint area (i.e. updated Table 4 and Figures 2, 4b and 4c).	12/5/11
811	Koolanooka/Blue Hills direct shipping ore mining project, Shires of Morawa and Perenjori <i>Sinosteel Midwest Corporation Ltd</i>	Additional ore stockpile areas for Koolanooka Mine.	17/5/11
847	Roy Hill infrastructure Railway Shire of Ashburton, Shire of East Pilbara Town of Port Hedland <i>Roy Hill Infrastructure Pty Ltd</i>	Change to rail corridor alignment.	20/5/11

Statement Number	Proposal Title <i>Proponent</i>	Variation	Approval date
800	Gorgon Gas Development revised and expanded proposal: Barrow Island Nature Reserve  <i>Chevron Australia Pty Ltd</i>	To modify the carbon dioxide (CO2) pipeline from an above ground installation to a buried installation.	2/6/11
721	Pilbara iron ore & infrastructure project, Cloud Break (no beneficiation)  <i>Fortescue Metals Group Limited</i>	Increasing mine dewatering from 25 gigalitres per annum to 30 gigalitres and water injection from 20 gigalitres to 25 gigalitres and amend the annual rate of production.	10/6/11
816	Albany Iron Ore Project - Southdown Magnetite Proposal Mine, Ore Slurry and Water Pipelines, and Port Loading Facilities, 90 Kilometres east-north-east of Albany  <i>Grange Resources Limited</i>	Increase in production rate and pit depth, relocation of infrastructure, and changes to pipeline alignment	27/6/11
719	Worsley Alumina – production to maximum capacity of 4.4 mtpa, alumina and associated mining, Shires of Beverley, Boddington, Brookton, Collie, Harvey, Wandering & Williams  <i>BHP Billiton Worsley Alumina Pty Ltd</i>	Change to conveyor operations	27/6/11

## Appendix 3: Other publications

*Marine Technical Report 3 - Baseline petroleum hydrocarbon content of marine water, shoreline sediment and intertidal biota at selected sites in the Kimberley bioregion, Western Australia, July 2010*

*Technical Guide – Terrestrial Vertebrate Fauna Surveys for Environmental Impact Assessment, DEC and EPA, September 2010*

*DRAFT - Environmental Assessment Guideline 7 - Environmental Assessment Guideline for Marine Dredging Proposals, October 2010*

*Environmental Assessment Guideline 5 - Environmental Assessment Guideline for protecting marine turtles from light impacts, November 2010*

*Environmental Assessment Guideline 6 - Timelines for Environmental Impact Assessment of Proposals, November 2010*

*Environmental Protection Guideline No. 7 (Draft) – Marine Dredging Proposals, December 2010*

*Environmental Protection Bulletin 12 – Swan Bioplan – Peel Regionally Significant Natural Areas, December 2010*

*Environmental Protection Bulletin 13 – Guidance for use of the Albany Regional Vegetation Survey, May 2011*

*Guidelines for Preparing Mine Closure Plans, DMP and EPA, June 2011*

*EPAnews Issue 1, June 2011*

*Fact sheet - The EPA, OEPA, DEC and the OAC – what is the difference?, June 2011*

*Fact sheet - What is environmental impact assessment?, June 2011*

*Fact sheet - Referral of a proposal to the EPA, June 2011*

*Fact sheet - Does the EPA need to assess my proposal?, June 2011*

*What are levels of assessment?, June 2011*

*Fact sheet - Assessment on Proponent Information, June 2011*

*Fact sheet - Public Environmental Review, June 2011*

## Appendix 4: Acronyms

API A	Assessment on Proponent Information (Category A)	LNG	Liquified natural gas
API B	Assessment on Proponent Information (Category B)	LoA	Level of Assessment
DEC	Department of Environment and Conservation	MRS	Metropolitan Regions Scheme
DMA	Decision-making authority	mtpa	million tonnes per annum
DMP	Department of Mines and Petroleum	NWQMS	National Water Quality Management Strategy
EAG	Environmental Assessment Guideline	OEPA	Office of the Environmental Protection Authority
EIA	Environmental Impact Assessment	PEC	Priority Ecological Community
EMP	Environmental Management Plan	PER	Public Environmental Review
EP Act	<i>Environmental Protection Act 1986</i>	RIZ	Rockingham Industrial Zone
EPA	Environmental Protection Authority	SEA	Strategic Environmental Assessment
EPB	Environmental Protection Bulletin	SEAK	Shared Environmental Assessment Knowledge
EPP	Environmental Protection Policy	SEP	State Environmental Policy
EPS	Environmental Position Statement	SEWPaC	Department of Sustainability, Environment, Water, Population and Communities
ERMP	Environmental Review and Management Programme	SRG	Stakeholder Reference Group
ESC	Environmental Science Coordinator (under Westplan's Marine Oil Spill response)	WAMSI	Western Australian Marine Science Institution
FOI	Freedom of Information, as defined under the <i>Freedom of Information Act 1992</i>	WAPC	Western Australian Planning Commission
FMP	Forest Management Plan 2004–2013		
ha	hectare/s		
km	kilometre/s		
KPI	Key Performance Indicator		

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