

# Tomago SPL Processing Facility Capacity Expansion

## Independent Audit Report Proponent Response to Audit Findings

### Application Number

The Project is the subject of NSW Department of Planning, Industry and Environment (DPIE) Major Project Approval MP06\_0050 as modified MOD 2 dated 22 August, 2019 (MP06\_0050 MOD 2).

### Version Control

| Version | Date Prepared | Date Issued  |
|---------|---------------|--------------|
| 1.1     | 08 Sept 2020  | 15 Sept 2020 |

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## 1. Introduction

This Independent Audit Program has been prepared to support operation of the process plant required for increased processing capacity of the Spent Potlining Recycling Facility located inside the boundaries of the Tomago Smelter. The current facility operates under NSW Department of Planning, Industry and Environment (DPIE) Major Project Approval MP06\_0050 dated 7th August 2009 (MP06\_0050). The expanded capacity process plant is the subject of NSW DPIE Major Project Approval MP06\_0050 MOD 2 dated 22 August 2019 (MOD 2).

Condition 30(b) of Development Approval MP 06\_0050 MOD 2 for Independent Audits to be carried out in accordance with the requirements for an Independent Audit Methodology and Independent Audit Report in accordance with the requirements of Independent Audit Post Approval Requirements (Department 2018).

An Independent Audit of the Regain Spent Potlining Process Facility located at Tomago was conducted by Lana Shoemith, Ardent Group, during the period 28-30 July 2020. The objective of the audit was to determine the environmental performance and compliance status of the project.

The audit scope was established in accordance with the requirements specified by the NSW Department of Planning, Industry and Environment Independent Audit Post Approval Requirements (May 2020). The Final Independent Audit was issued 28 August 2020.

Section 4.3.2 of the Independent Audit Post Approval Requirements (Department 2020) Proponent response to audit findings. The proponent must submit their response to the audit findings to the Department in a separate document to the final Independent Audit Report.

## 2. Background Information

The Independent Audit Post Approval Requirements (May 2020) specifies that the scope should exclude environmental protection licences (EPL's) issued under the Protection of the Environment Operations Act 1997. The Lead Auditor determined that the assessment of compliance with the EPL's to be an important component of the overall environmental performance obligations, see Ardent Group Independent Audit Report, Section 2.4 - Audit Scope.

## 3. Response to Audit Findings

Regain's Response to the Audit Findings is set out in tables 1 and 2 where:

- Table 1 sets out that no non-compliances were identified
- Table 2 shows Observations & Opportunities for Improvement along with Proponent's proposed actions and timing.

**Table 1 – Non-Compliances**

| Condition Number (ID)         | Compliance Requirement | Independent Audit Finding | Independent Audit Recommendation | Proponent's Proposed Action/Action taken/Response (as applicable) | Proposed Action Due Date |
|-------------------------------|------------------------|---------------------------|----------------------------------|---|--------------------------|
| No Non-Compliances Identified | Not Applicable         | Not Applicable            | Not Applicable                   | Not Applicable  | Not Applicable           |

**Table 2 – Observations & Opportunities for Improvement**

| Condition Number (ID)        | Compliance Requirement | Independent Audit Observation/Opportunity for Improvement   | Proponent's Proposed Action or reason to not implement measures/changes  | Proposed Action Due Date (if Applicable) |
|------------------------------|------------------------|---|--|--|
| EPL #13269 - Condition L2.2. | Not Applicable         | <p>It is noted that Cadmium is not specified in Condition M2.2 air monitoring requirements despite it being listed in the Air Concentration Limits table at Condition L2.2. Cadmium is also not listed in the annual return, despite being assessed during the biannual monitoring program.</p> <p>An opportunity for improvement is to ensure that all monitoring parameters are included in the annual return to the EPA.</p> | <p>Regain agrees with this opportunity for improvement.</p> <p>Regain's communication with NSW EPA is that a licence variation to EPL #13269 is required for Cadmium to be included in the annual return.</p> <p>NSW EPA suggested approach is for Regain to include the Cadmium modification at the same time the licence variation application for the Air Emissions Verification Report is submitted (EPL Condition 8 - Pollution Studies and Reduction Programs).</p> <p>The Air Emissions Verification is a 12 month period, expect be completed in September 2021.</p> | 30 September 2021                        |