

Report and Advice on Environmental Incident at the Entrance on 20 July 2008

Background

The Environmental Management Plan (EMP) contains 58 Project Delivery Standards (PDS), which are rules about where, when and how the Channel Deepening Project (the Project) must be delivered.

The Office of the Environmental Monitor's (the Office) terms of reference outlines the arrangements to be adopted in the event of an incident. They include:

- In the event of non-conformance with the Plan, the Monitor will seek access to Port of Melbourne Corporation's (PoMC) remedy plan as soon as practicable;
- The Monitor will scrutinise implementation of PoMC's remedy plan to see that it meets the Plan requirements. When necessary, the Monitor can also provide appropriate advice to the Minister for Environment and Climate Change, or his delegate, for consideration; and
- In the first instance, it will be the Secretary of the Department of Sustainability and Environment who will, if required, provide direction to PoMC to amend the Plan or take action in relation to Plan.

Incident

On 20 July 2008, clean up operations by the *Queen of the Netherlands* were not fully completed in line with the one of the five requirements set by PDS No.42 (Attachment 1). The requirement relates to the need to clean up in no fewer than 90 per cent of the grid cells.

Sequence of events

- PoMC advised the Office of an exception to clean up requirements at the Entrance (Attachment 2).
- Office sought PoMC advice on the exception and remedy arrangements (Attachment 3a and 3b).
- PoMC provides incident report (see Attachment 4).

Office findings

The Office is satisfied with the remedial actions taken by PoMC, which included a make-up clean up of the dredged area on Rip Bank on 31 July 2008.

Opportunities for improvement

A foundation of the EMP, and PoMC's implementation of it as part of its Environmental Management System, is the concept of continuous improvement. The EMP makes it explicit that opportunities for improvement will be identified, see sections 4.1 (CDP management review meetings) and 4.2 (Management review for environmental monitoring) of the EMP for example.

In response to this incident, three recommendations are provided to the Project's regulators for consideration. The recommendations aim to ensure that the level of environmental performance expected of the Project is maintained.

The recommendations relate to:

1. Notifications;
2. Deep reef habitat assessment; and
3. Work methods.

1. Notifications

Provision of explicit reporting arrangements is a feature of the EMP and Table 6 specifies notification and reporting requirements.

There should be no doubt for either the proponent or regulators whether or not an incident that constitutes a non-conformance with a PDS, of part thereof, should be reported and when this should occur. To ensure certainty in reporting arrangements, the following recommendation is made.

Recommendation No. 1

Table 6 of the EMP to be amended to include the following:

Subject	Government Agency	Timeframe
Project Delivery Standard	DSE, EPA, DEWHA* (components relating to EPBC Act /NES only – refer to Annexure 8), independent environmental monitor	Notification within one business day of verifying non-conformance with a Project Delivery Standard (or part thereof)

2. Deep Reef Habitat Assessment

Several related PDSs provide arrangement to control, manage and monitor rock spill from dredging activities. These are:

- PDS No. 46 Construction plateau inspection
- PDS No. 47 Post construction habitat assessment
- PDS No. 49 Post construction deep reef habitat – impact & recovery assessment.

Related to these PDSs is an 'entrance clean up' notification requirement in EMP Table 6. It requires PoMC to seek confirmation that, once design depth has been reached, clean up has been completed to the satisfaction of the Minister for Environment and Climate Change.

When PoMC was developing its remedy arrangements for the Entrance, the Office suggested to PoMC that it bring forward the commencement of the assessment of the deep reef habitat (PDS No. 49) to as soon as practicable, after the completion of dredging, but no later than 30 days after the completion of the final clean up in the Entrance.

To formalise the accelerated timing of work contained in PDS No. 49, and to provide clarity between the requirement of PDS No. 46 (towed video survey following the design profile being reached) and the notification requirement, the following recommendations are made.

Recommendation No. 2

PDS No. 49 - the reference to timing is amended to:

'Timing will be:

Commence as soon as practicable after the completion of dredging, but no later than 30 days after the final Entrance clean up has been completed (once design profile is achieved) to the satisfaction of the Minister for Environment and Climate Change. And results reported as soon as practicable following the completion of the survey and its analysis.

Approximately four and 10 years after completion of dredging.'

PDS No. 46 – the following addition at the end of the second dot point paragraph is provided:

Report to be prepared following the towed video survey and additional clean up (if required).

3. Work methods

EMP - PDS No.42 specifies that the work method for clean up operations is specified in document CDP_ALL_MS_409. This document is the subject of formal Project approval. (It is also a controlled document within the Alliance Environmental Management System).

PoMC has indicated that, as part of the remedial action for this incident, it has varied its work methods to explicitly require that an office-based verification check is conducted and completed prior to the *Queen of the Netherlands* recommencing dredging in the area subject to the clean up at the Entrance.

To ensure effective document administration the following recommendation is made.

Recommendation No. 3

Document CDP_ALL_MS_409 be amended to include that 'the office-based quality check is conducted and completed prior to the *Queen of the Netherlands* recommencing dredging in the area subject to the clean up at the Entrance'.

Conclusion

The recommendations made in this report formalise what has been learnt from this incident. The Office considers that adoption of the abovementioned recommendations, combined with the operational changes PoMC has already made in response to the incident, will support the continued level of environmental performance expected of the Project.