



Office of the
Environmental
Protection Authority

annual report
2012—13



Acknowledgements

This report was prepared by the Strategic Policy and Planning Division,
Office of the Environmental Protection Authority.

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20 September 2013



Letter to the Minister

Hon Albert Jacob

Minister for Environment

In accordance with s21 of the *Environmental Protection Act 1986* and s63 of the *Financial Management Act 2006*, I submit for presentation to Parliament the Annual Report of the Office of the Environmental Protection Authority for the year ended 30 June 2013.

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

Kim Taylor

General Manager

20 September 2013



General Manager's overview



The Office of the Environmental Protection Authority was established in 2009.

Our work contributes to achievement of the Government's goal of 'ensuring that economic activity is managed in a socially and environmentally responsible manner for the long-term benefit of the State'.

In meeting this goal, one of our roles is to support the Environmental Protection Authority (EPA) in undertaking its statutory functions.

During the year the OEPA helped the EPA complete 39 environmental impact assessments of development proposals, planning schemes and strategic proposals.

Iron ore projects continue to dominate assessments, including the BHP Billiton strategic proposal for the Pilbara, still in progress, which considers mine and infrastructure development for the next 50 years.

Other significant assessments included uranium mining and waste-to-energy proposals, while infrastructure requirements for the resources sector, particularly construction and expansion of ports, were also a focus.

Taking cumulative impacts into account is an emerging and important consideration for future assessments, particularly in the Pilbara and Mid West-Yilgarn regions.

The EPA considered 261 planning schemes and scheme amendments during the year, and provided advice on many of them to protect environmental values.

The OEPA also contributed to a cross-agency project on the strategic environmental assessment of land and infrastructure development in the Perth-Peel region to cater for an anticipated increased population of around 3.5 million people in future decades.

Another of the OEPA's specific statutory responsibilities is to monitor compliance with Ministerial approval conditions of implementation. This continued to be a major focus for the department, with a specific focus on emissions to the environment, offsets and wastewater outfalls during 2012–13.

Consistent with Government's goal of achieving best practice approvals processes, the OEPA paid particular attention to streamlining procedures and introducing guidelines to achieve greater clarity, certainty and consistency in the assessment of proposals. This included implementing a structured, risk-based approach to the assessment process and reviewing environmental policies and guidelines to ensure that they are relevant and consistent with contemporary requirements.

Developing appropriate management and tracking systems remains a high priority. A Case Management System was progressed during the year, and will be delivered within the context of broader information requirements.

A key agency goal over recent years has been to enhance our service culture. This has continued and the OEPA has received increased positive recognition of our service delivery from companies and groups we deal with.

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.

We have appreciated the positive cross-agency working relations with other departments, particularly the Department of Environment and Conservation (now the Department of Environment Regulation and the Department of Parks and Wildlife). 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 members of the EPA who provided valuable advice and guidance to OEPA officers during the year.



Kim Taylor
GENERAL MANAGER OEPA

Our vision

An environment that is
highly valued and protected

Our purpose

We support the EPA and work
with other departments, industry
and the community to ensure
environmental values are
protected and development is
managed in an environmentally
responsible manner



Contents

Letter to the Minister	1	Improving our business	42
General Manager's overview	2	Communicating	42
About the Office of the Environmental Protection Authority	7	Organisational change	42
Our role	8	Information management and system development	42
The environmental impact assessment process	9	Disclosures and legal compliance	45
Subsidiary legislation	9	Independent Auditor's report	47
Organisational structure	10	Financial statements	50
Assessment and Compliance Division	10	Key performance indicators	92
Strategic Policy and Planning Division	10	Other disclosures	100
Business Operations Division	10	Ministerial directives	100
Performance management framework	12	Other financial disclosures (TI 903)	100
Performance analysis and trends	12	Governance disclosures (TI 903)	100
Resource agreement	12	Other legal requirements	100
Our work	15	Government policy requirements	103
Environmental impact assessment and policies	16	Appendices	105
Mining and industrial	20	Appendix 1 Public reports and recommendations to the Minister for Environment	
Infrastructure assessments	26	Appendix 2 Section 45C list of approved changes to proposals	
Environmental planning	28	Appendix 3 Other publications	
Post approval assessment	30	Appendix 4 Acronyms	
Environmental management policies, guidelines and strategic advice	34		
Environmental compliance audits	40		
Compliance and audit activity	40		
Significant proposals audited	41		



Giant baobab trees and termite mounds in north-west Western Australia.

Photo: John Carnemolla



About the Office of the Environmental Protection Authority

Our role

The Office of the Environmental Protection Authority (OEPA) was established in 2009 to service the EPA in undertaking its statutory functions, in accordance with s17A and s22(1) of the *Environmental Protection Act 1986* (EP Act).

The OEPA provides the EPA with support for environmental impact assessment (EIA) and environmental policy and strategic advice.

This support helps the EPA provide the Minister for Environment with EIA reports and recommendations on development proposals and planning schemes, and with advice on environmental policy and environmental issues generally.

In line with s22(1), the OEPA is responsible for directly servicing the Minister 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.

During the reporting year, the OEPA provided its services to the Honourable Bill Marmion MLA and, from 21 March 2013, to the Honourable Albert Jacob MLA.

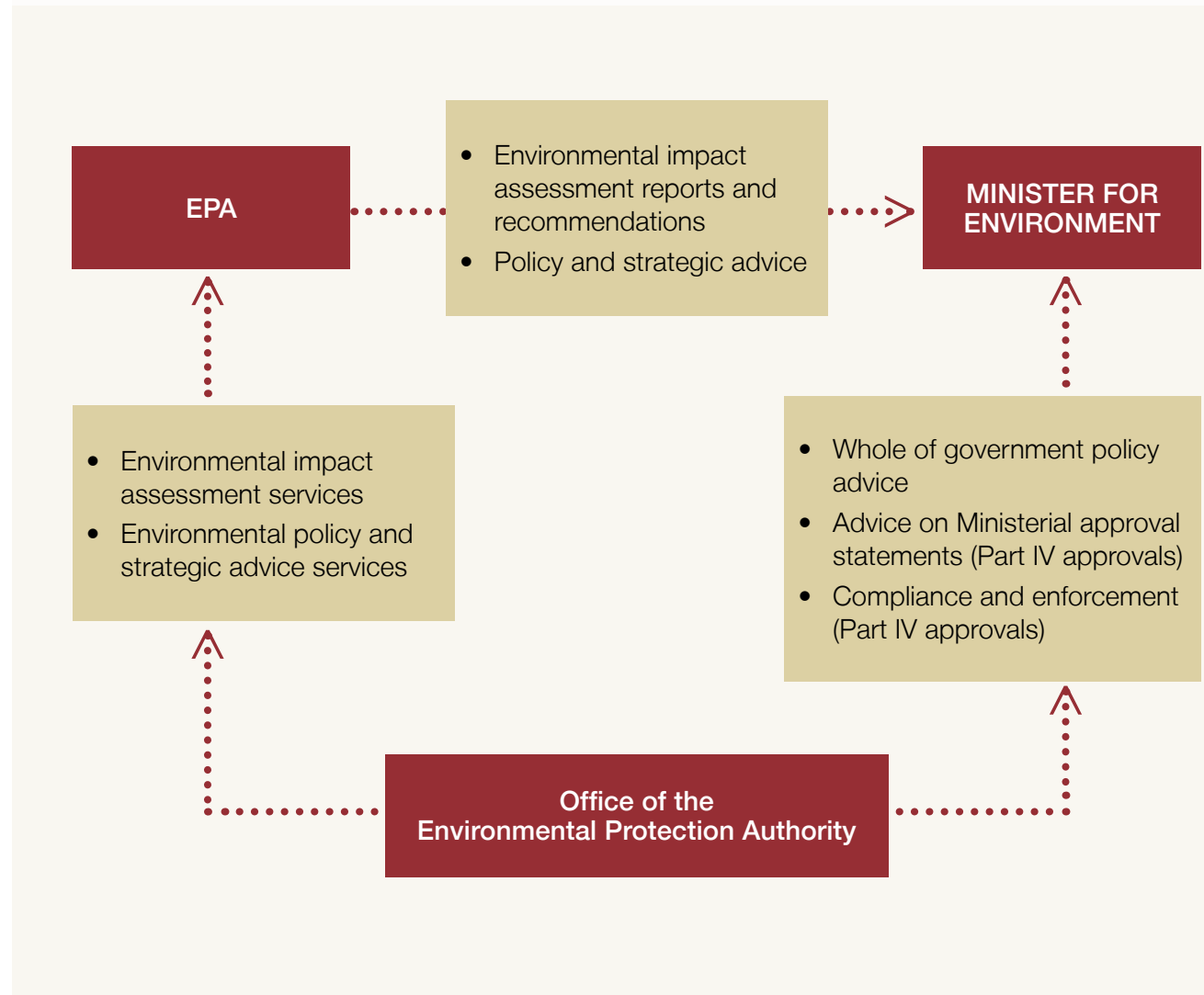


Figure 1: Relationship between the OEPA, the EPA and the Minister for Environment



The environmental impact assessment process

Environmental impact assessment (EIA) of some proposals and schemes referred to the EPA is conducted under Part IV of the EP Act.

EIA is a systematic and orderly evaluation of a proposal and its impact on the environment. The assessment includes considering ways in which the proposal, if implemented, could avoid or reduce any impact on the environment.

To that end, if a proposal is approved the Ministerial approval statement may include conditions that must be complied with and will be audited by the OEPA.

The EIA of statutory planning schemes and their amendments is undertaken in accordance with Part IV Division 3 of the EP Act and the *Planning and Development Act 2005*.

The EIA of development proposals is undertaken in accordance with Part IV Division 1 of the EP Act and a set of procedures called the *Environmental Impact Assessment Administrative Procedures 2012*.

These procedures describe the principles and practices of EIA within the context of Part IV of the EP Act.

Subsidiary legislation

Subsidiary legislation relevant to the 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 (Kwinana) (Atmospheric Wastes) Regulations 1992
- Environmental Protection (Goldfields Residential Areas) (Sulphur Dioxide) Policy 2003
- Environmental Protection (Goldfields Residential Areas) (Sulphur Dioxide) Regulations 2003
- Environmental Protection (South West Agricultural Zone Wetlands) Policy 1998
- Environmental Protection (Western Swamp Tortoise Habitat) Policy 2011

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 Regulation (previously the Department of Environment and Conservation).

EIA is a systematic and orderly evaluation of a proposal and its impact on the environment. The assessment includes considering ways in which the proposal, if implemented, could avoid or reduce any impact on the environment.

Organisational structure

The OEPA has three 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) and strategic proposals. 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 and strategic proposals;
- provides environmental impact assessment advice to the EPA on all major infrastructure proposals;
- 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.

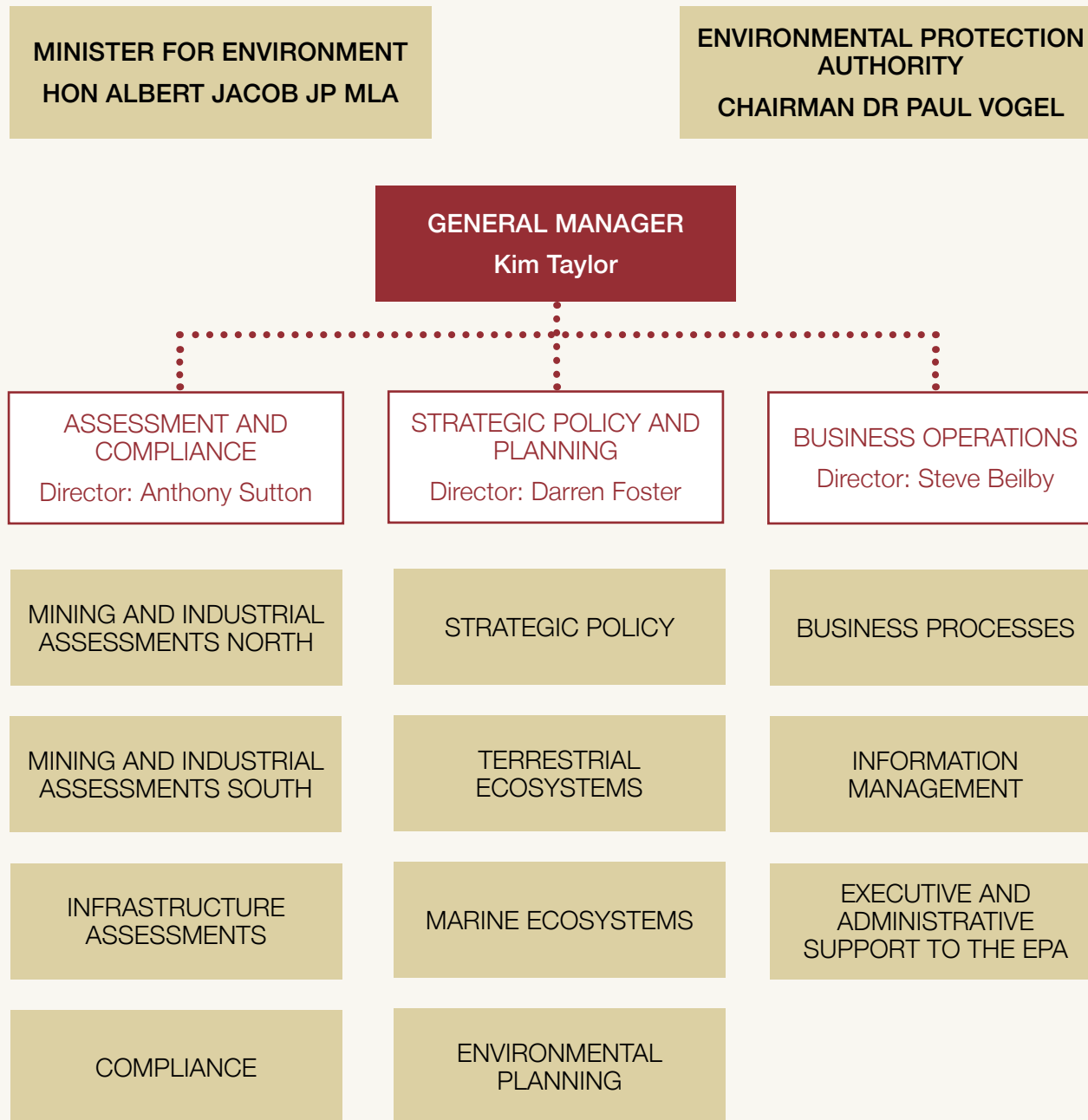
Strategic Policy and Planning Division

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;
- providing environmental impact assessment advice to the EPA on major subdivisions, town planning schemes and amendments and regional schemes;
- 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;
- providing media liaison and internal and external communications services; and
- identifying emerging environmental pressures and innovative technical or policy solutions.

Business Operations Division

During 2012–13, Business Operations provided services including ministerial liaison, legal advice and Freedom of Information (FOI) and financial analysis, as well as executive support and administrative services to the EPA. This division also facilitated and administered the shared services arrangements with the Department of Environment and Conservation during the year.





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

Performance management framework

The OEPA's management framework is consistent with the Government goal for social and environmental responsibility, which is to ensure that economic activity is managed in a socially and environmentally responsible manner for the long-term benefit of the State.

The desired outcome is an efficient and effective environmental assessment and compliance system.

To achieve this outcome, the OEPA performs two services:

1. Environmental Impact Assessment and Policies
2. Environmental Compliance Audits

To deliver our services, the OEPA undertakes three key functions:

Environmental impact assessment is undertaken to ensure the environmental impacts of development proposals and planning schemes are properly assessed and that appropriate conditions are applied.

Environmental management policies and strategic advice contribute to EPA and Government environmental policy so that environmental values are protected.

Compliance and enforcement is undertaken to ensure projects and planning schemes comply with Ministerial approval conditions. Audits monitor compliance and the Minister is advised of any non-compliance.

Performance analysis and trends

Resource agreement

Each year the OEPA is required to meet a number of targets set by the State Government. These targets relate to Government-desired outcomes, financial management, services to be delivered and performance targets to be achieved. The agreement is a transparent way for the State Government to monitor the operational performance of the OEPA.

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 tables opposite.

The OEPA's performance management framework is currently under review in order for it to be more comprehensive and informative to stakeholders. Additional performance information not forming part of our Key Performance Indicators are presented in relevant sections of 'Our work'.



Financial targets

	2012-13 TARGET ¹ \$000	2012-13 ACTUAL \$000	VARIATION ² \$000
Total cost of services (expense limit) (sourced from Statement of Comprehensive Income)	16,465	17,513	1,048
Net cost of services (sourced from Statement of Comprehensive Income)	15,615	17,246	1,631
Total equity (sourced from Statement of Financial Position)	217	(895)	(1,112)
Net increase/(decrease) in cash held	(590)	(2,081)	(1,419)
Approved fulltime equivalence (FTE) staff level	104	99	5

(1) As specified in the budget statements.

(2) Further explanations are contained in Note 27 'Explanatory statement' to the financial statements.

Key Performance Indicators

	2012-13 TARGET	2012-13 ACTUAL	VARIANCE
Key Effectiveness Indicators			
<i>Outcome: An efficient and effective environmental assessment and compliance system</i>			
Percentage of approved projects with actual impacts not exceeding those predicted during the assessment	100%	100%	0%
Percentage of assessments that meet agreed initial timelines	80%	81%	1%
Percentage of audited projects where all environmental conditions have been met	80%	84%	4%
Key Efficiency Indicators			
<i>Service 1: Environmental Impact and Assessment Policies</i>			
Average cost per environmental assessment	\$45,675	\$49,327	\$3,652
Average cost per environmental policy developed	\$179,106	\$129,410	(\$49,696)
<i>Service 2: Environmental Compliance Audits</i>			
Average cost per environmental audit completed	\$35,124	\$34,908	\$216



Koodaideri K58W East Ridge above Koodaideri Spring, 110 kilometres west-north-west of Newman in Western Australia's Pilbara region. The proposal for a major iron ore mining operation of the Koodaideri deposits is currently being assessed by the EPA.

Photo: OEPA



Our work

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.

Total cost of service

2012 ACTUAL \$	2013 ESTIMATE \$	2013 ACTUAL \$	VARIANCE \$
12,231,628	14,708,000	15,520,313	(812,313)

Efficiency indicators

Average cost per environmental assessment

2011-12 ACTUAL \$	2012-13 TARGET \$	2012-13 ACTUAL \$	2012-13 VARIANCE OF TARGET TO ACTUAL
40,688	45,675	49,327	3,652

Average cost per environmental policy developed

120,693	179,106	129,410	(49,696)
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Environmental Impact Assessment

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 333 development proposals and planning schemes were referred to the EPA for consideration in 2012–13: a decrease of approximately 18% in comparison to 2011–12.

Of these, the EPA determined that 23 referred proposals warranted formal assessment. A further 93 referrals did not require assessment but specific advice was provided to proponents and approval agencies, primarily in relation to planning schemes.

In setting the level of assessment and carrying out environmental impact assessments, the EPA is guided by the *Environmental Impact Assessment Administrative Procedures 2012*.

Under the Administrative Procedures, the EPA completed 39 assessment reports, with the type and number for 2012–13 shown in Table 1. This compares with 38 reports for 2011–12. (See Appendix 1 for a detailed list of assessments.)

Iron ore proposals continued to dominate the assessment outlook, including the BHP Billiton strategic proposal for the Pilbara which has a 50 year horizon. It is expected that economic conditions will mean fewer new proposals in 2013–14, but that there may be an increase in applications to expand or consolidate existing proposals.

Levels of assessment

There are two levels of assessment that can be applied to proposals; Assessment on Proponent Information (API) and Public Environmental Review (PER).

A proposal will not be assessed if the EPA determines the proposal will have no significant effect on the environment and/or could be appropriately regulated under other statutory provisions.

API is applied to proposals where the environmental acceptability or unacceptability of the proposal is apparent from the information provided in the referral information. For example, there is sufficient information about the proposal, its environmental impacts and management processes for the EPA to make an informed decision.

Where a proposal is straightforward and the proponent has provided sufficient information on environmental impacts at the referral stage, the EPA may set a level of API category A.

If a proposal has significant and unmanageable environmental impacts, the EPA will set a level of API category B - a “quick no”.

Both API category A and B processes give proponents a timely, simple response. There is no public review period on the API level of assessment.

Proposals that are complex, of regional or State-wide significance, or which generate a high level of public interest are subject to rigorous scrutiny through a PER level of

assessment. At this level of assessment, the proponent is required to conduct a detailed environmental review - the form, content and timing of which is determined by the EPA. Having completed the environmental review, the proponent is required to provide information to the EPA (a PER document). Provided the review and the information meets the EPA's expectations, the proponent is then required to release its PER document for a public review period.

The public review period is generally from four to 12 weeks, depending on the significance of the proposal and on level of public interest.

Table 1: Completed assessments

TYPE OF ASSESSMENT	2011-12	2012-13
Environmental Review and Management Programme (ERMP*) and Public Environmental Review	12	13
Assessment on Proponent Information – Category A	8	12
Assessment on Proponent Information – Category B	-	1
Audit - Required under Ministerial Conditions	1	-
Changes to Conditions – Section 46	15	13
Planning – Section 48A	1	-
Noise Regulation 17 Variation	1	-
TOTAL	38	39**

*ERMP refers to a form of assessment undertaken under the pre-2010 Environmental Impact Assessment Administrative Procedures

**Includes the EPA Reports 1483 and 1484 which were completed and transmitted to the Minister for Environment in June 2013, but released publicly on 1 July 2013.

Assessments under Public Environmental Review (PER) and Environmental Review and Management Programme (ERMP)

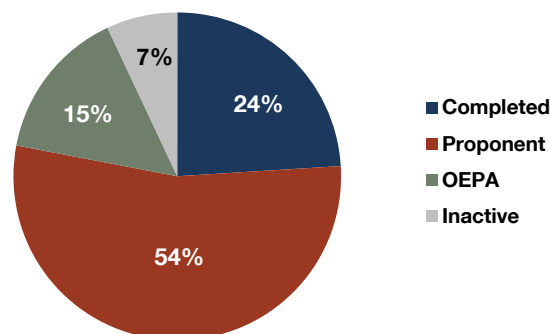


Figure 2: Status, at 30 June 2013, of assessments of development proposals under PER and ERMP

Thirteen PER assessments were completed during the year. At 30 June 2013, 42 assessments were not yet complete, of which:

- eight were at a stage requiring the EPA's completion (preparation of either the Environmental Scoping Document (ESD) or the Assessment Report);
- 29 were at a stage requiring the proponent's completion (preparation of either the ESD, the Environmental Review Document or the Final Response to Submissions); and
- four were inactive.

Assessments under Assessment on Proponent Information (API) level of assessment

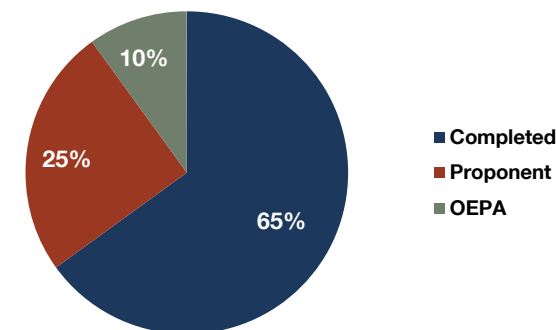


Figure 3: Status, at 30 June 2013, of assessments of development proposals under assessment on proponent information (API) level of assessment

Twelve API(A) and one API(B) assessments were completed during the year and, at 30 June 2013, seven assessments were not yet complete, of which:

- two were at a stage requiring the EPA's completion, being the preparation of either the Scoping Guideline or the Assessment Report; and
- five were at a stage requiring the proponent's completion, being the preparation of the API document.

Some of the more significant assessments are discussed in this section under the headings of Mining and Industrial, Infrastructure, and Environmental Planning.

Additional performance information

Assessments

Development proposals

The number of development proposals referred to the EPA under section 38(1) of the EP Act fell significantly in the 2012–13 financial year due to the economic climate. However, the number of referrals requiring formal assessment remained high.

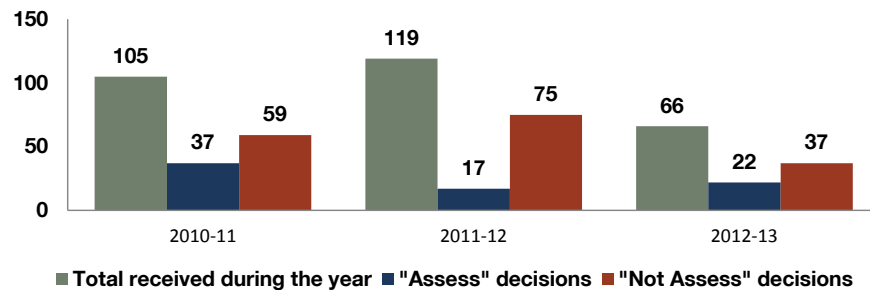


Figure 4: Referrals of development proposals under section 38(1) received, and the levels of assessment set

Statutory planning schemes and amendments

The number of statutory planning schemes and amendments referred to the EPA under section 48(1) of the EP Act also fell in the 2012–13 financial year due to the economic climate. No statutory planning schemes or amendments were determined to require formal assessment.

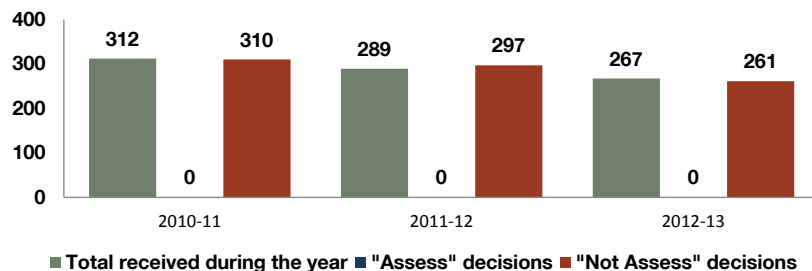


Figure 5: Referrals of statutory planning schemes and amendments under section 48(1) received, and the levels of assessment set

Condition setting

How well the OEPA's recommended conditions fare in the appeal process provides some indication of the effectiveness of the continuous improvement of the condition-setting process, although other factors may also influence appeal numbers.

Of the 24 (2011–12: 20) assessments whose appeal period closed during the year, 75% received no appeals (2011–12: 50%):

Six assessments were appealed (2011–12: 10), of which:

- one required no significant changes to its conditions (2011–12: 3);
- two required significant changes to their conditions (2011–12: 7); and
- three had not received an appeal determination by 30 June 2013.

Some more recently-completed assessments were still in the appeal process at 30 June 2013.

Explanatory notes:

Whether a change to a condition is a significant change is determined on a case-by-case basis but will generally involve one of the following:

- a substantial change to the form of a condition;
- the deletion of a condition or addition of a new condition;
- a change to the outcome or objective specified in a condition;
- a substantial change to the specified requirements of an environmental management plan or environmental monitoring plan; or
- a change to a prescribed action to be taken.

Mining and industrial

Iron ore

In 2012–13 the OEPA prepared ten assessment reports for iron ore mining proposals, eight of which were in the Pilbara and two in the Yilgarn.

Discussions with major iron ore companies indicate that current approvals will generally enable them to achieve their expansion production targets. Due to the economic outlook and reduction in iron ore prices, the focus is moving to maximising production from existing operations to maintain production targets.

The OEPA anticipates that proposals submitted by companies over the next year will generally be for smaller scale new mines or expansions of existing mines. Major iron ore companies are also exploring opportunities for a more strategic approach to their future developments and to better manage their existing projects. BHP Billiton referred their strategic assessment of the Pilbara to the EPA in 2012–13 and the OEPA expects to receive further strategic proposals for iron ore in the Pilbara in 2013–14.

The EPA is continuing to assess proposals for new mines and expansions of approved and existing mines in areas of the Pilbara that already have a high concentration of mines, such as around the margins of the Fortescue Marsh. The assessments for these proposals will examine issues such as biodiversity and water management at landscape levels.

The OEPA has continued work to develop a strategic approach to the assessment of Pilbara iron ore mines to consider cumulative issues more consistently. This work will inform the EPA's assessment of current and future proposals in the Pilbara.

BHP Billiton Iron Ore – Pilbara Expansion Strategic Proposal

The BHPB Pty Ltd Pilbara Expansion Strategic Proposal is the first regional scale strategic proposal the EPA will assess.

Covering a large area and multiple developments over a long time period, assessment of the strategic proposal will enable the EPA to more readily consider cumulative impacts.

The proposal is for the development and expansion of new and existing mining operations and associated infrastructure, and groups these proposed future developments around a series of nominal infrastructure hubs. This is intended to facilitate efficient processing and transportation of ore and allow the assessment of cumulative impacts from the proposed operations.

The Preliminary Key environmental factors identified for the project are:

- Flora and vegetation
- Terrestrial fauna
- Subterranean fauna
- Hydrological processes
- Inland waters environmental quality.

When the proposal was referred the EPA determined that it should be assessed as a PER with a four-week comment period on the Environmental Scoping Document (ESD) and an eight-week comment period on the PER document.

The assessment is in progress and the ESD is expected to be released in 2013–14.

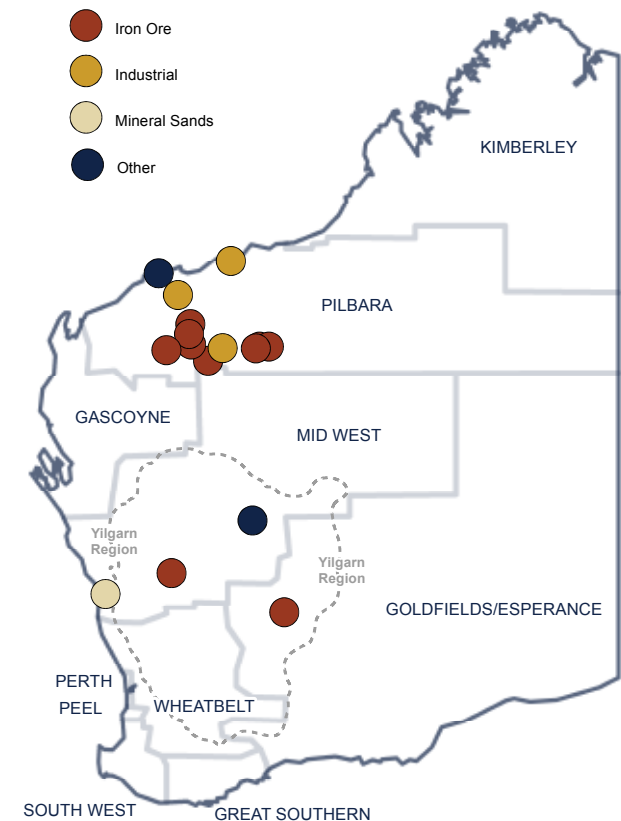


Figure 6: Location of mining and industrial assessments completed during 2012–13

Yilgarn

The iron ore industry in the Yilgarn is moving rapidly from being a prospective to an emergent industry with a number of operations now being implemented, and more being proposed.

Mining projects on the Banded Iron Formation (BIF) ranges continue to be proposed. The BIF ranges of the Yilgarn craton are isolated and ancient ranges set in a predominantly flat landscape and, as high points in the landscape, the ranges are cooler and wetter than the surrounding plains and form refugia. Each range has markedly different geology, soils, landforms and microhabitats. As a consequence each BIF range is biologically distinct, supporting different plant assemblages and often endemic flora and fauna species.

During 2012–13 the EPA completed its assessment of two iron ore proposals in the Yilgarn: Gindalbie Metals' Shine Iron Ore Project and Macarthur Minerals' Ularring Hematite Project.

While the EPA has recommended that these individual proposals can be managed to meet the EPA's objectives, the assessments highlight the continuing need for providing robust information to support assessment of projects given the significant flora and vegetation and fauna values, and the challenge of assessing multiple projects on BIF ranges in the absence of an adequate and representative reserve system.

EPA Report 1472 Shine Iron Ore Project, Shire of Yalgoo was published on 29 April 2013.

EPA Report 1480 Ularring Hematite Project was published on 17 June 2013.

Oil and gas

The EPA completed its assessment of the Browse liquefied natural gas (LNG) processing precinct at James Price Point on the Dampier Peninsula 60 km north of Broome in July 2012. The EPA declared Woodside Energy Ltd's proposal to develop an LNG plant at James Price Point a derived proposal in December 2012, recommending that the derived proposal be subject to all of the strict conditions for the overall precinct.¹

No referrals for large scale LNG proposals were received during 2012–13 and the EPA expects this trend to continue in the short term, due to global economic conditions.

The EPA did not receive any proposals for hydraulic fracturing of gas reserves (fracking) during 2012–13, however it recognises the potential for fracking proposals in the future. Building on *Environmental Protection Bulletin 15 - Hydraulic fracturing of gas reserves* (EPA, August 2011) the OEPA is part of an interagency

working group formed by the DMP, which also includes representatives from the departments of Agriculture and Food WA, Environment Regulation, Health and Water.

¹ On 19 August 2013, the Chief Justice of the Supreme Court of Western Australia made his decision in the case of *The Wilderness Society of WA (Inc) v Minister for Environment*. The result was that:

- a. The decision of Environmental Protection Authority to submit the assessment report of the Browse LNG Precinct Proposal is invalid;
- b. The decision of the Minister for Environment to the effect that the Browse LNG Precinct Proposal may be implemented is invalid; and
- c. The decision of the Environmental Protection Authority to declare the development proposal presented to the Authority by Woodside Energy Ltd a derived proposal is invalid.

Yeelirrie is the largest calcrete uranium deposit in the world and is located 60 km west of Mt Keith and 70 km south-west of Wiluna

Uranium

Australia has the largest known reserves of uranium in the world and has cooperative agreements through the Australian Safeguards and Nuclear Non-Proliferation Office with a number of countries for export of uranium. Western Australia contains a known quantity of uranium of about 211,000 tonnes and 17 deposits have been found to date with over 2,267 tonnes of uranium each. The seven largest deposits contain between 9,071 to 66,224 tonnes of uranium.

The EPA is currently assessing three uranium projects - the Kintyre, Yeelirrie and Lake Maitland uranium proposals - following assessment of Western Australia's first proposed uranium project last year.

The level of assessment the EPA has determined for these uranium proposals is Environmental Review and Management Programme (ERMP) with a 14 week public review period. The ERMP for Cameco (Australia) Ltd's Kintyre Uranium proposal, located 1,200 km north-north-east of Perth, is likely to be released for public review in the third quarter of 2013. The EPA is awaiting the submission of the ERMP documents for Cameco's Yeelirrie and Mega Uranium Ltd's Lake Maitland proposals near Wiluna.

Given the number of uranium deposits in Western Australia, the EPA expects there will be further referrals of proposals. Taking that into consideration, it is worth reviewing and reporting on events during and following completion of the EPA's assessment of Toro Energy Ltd's proposed uranium mine.

Toro Energy Uranium project

Toro Energy Ltd's uranium project proposed mining, processing and transport of uranium oxide concentrate from the Centipede deposit near Wiluna to the Western Australian border over a 14-year mine life. The EPA released its report and recommendations in late May 2012.²

The project was approved by the State Minister for Environment in October 2012 after the Minister considered the advice and recommendations of an Appeals Committee. The EPA's report, prepared under the Bilateral Agreement with the Commonwealth, also informed the Commonwealth Minister for Environment's decision to approve the project in April 2013.

The assessment involved significant review and clarification of the regulatory roles and responsibility for the national and state regulators of uranium mines. There was a particular focus by the EPA on aspects of uranium mining such as transport, emergencies, public and worker safety, and radiological impacts to bush tucker and non-human biota. Before transmitting its report to the Minister for Environment, the EPA made sure that regulators were clear on their roles and responsibilities, so uranium mines would follow a best practice approach to regulation and safety.

A critically important outcome of the EPA's assessment was the development of a Memorandum of Understanding (MoU) between the Radiological Council and the Department

² Details of the assessment were reported in the *EPA and OEPA Annual Report 2011-2012 Annual Report*.

of Mines and Petroleum. The MoU, signed in December 2012, outlines the roles and responsibilities of each organisation with regard to radiation safety and regulation, further confirming and enhancing the best practice approach to regulation and safety of uranium projects.



Figure 7: Location of uranium assessments completed and in progress in Western Australia

Waste-to-Energy

The EPA is currently assessing three waste-to-energy proposals in the metropolitan area, having released its report and recommendations on the Port Hedland Waste-to-Energy and Materials Recovery Facility in the Boodarie industrial estate in April 2013.

The Eastern Metropolitan Regional Council (EMRC) is proposing to establish a Regional Resource Recovery Facility (RRF) within the existing Red Hill Waste Management Facility. The RRF would process domestic waste collected from the kerbside (excluding recyclables) to produce resources such as compost and/or energy and recyclables. The EMRC has not yet decided on the final technology to be used, but has narrowed the choice to two options – anaerobic digestion and gasification.

Anaerobic digestion is a composting process that produces biogas for energy production and compost. Gasification is a waste-to-energy process that treats the waste at high temperatures to produce energy.

The EPA is currently completing its assessment of the EMRC proposal.³

The EPA is also assessing Phoenix Energy's proposal for a waste-to-energy facility to be located in the Kwinana Industrial Area, as well as New Energy Corporation's proposal for a waste-to-energy and materials recovery facility in East Rockingham. Details of these proposals have yet to be released for public environmental review.

³ Subsequent to the reporting period, EPA Report 1487 Resource Recovery Facility, Red Hill was released on 22 July 2013.

Port Hedland Waste-to-Energy and Materials Recovery Facility

Waste management in the Pilbara has struggled to keep up with the pressure associated with the rapid expansion of mining and oil and gas developments, and landfills in the region have seen significant increases in the amount of waste being received.

The Pilbara landfills are small and unlined. Little recycling is undertaken, with the majority of recyclables landfilled due to the distance to viable markets. Being unlined, there is also no recovery of landfill gas or energy, resulting in emissions of methane, a greenhouse gas. The assessment of the Boodarie facility is a significant step forward in addressing waste management in the Pilbara, and is described in more detail below.

The proposed Port Hedland Waste-to-Energy and Materials Recovery Facility in the Boodarie industrial estate is expected to handle up to 255,000 tonnes of waste per year and will incorporate a Materials Recovery Facility to separate out incompatible materials, metals and other recyclables, as well as five gasification modules each with a thermal capacity of 18 megawatts.

The proposal by New Energy Corporation Pty Ltd also includes a steam generating plant, best practice pollution control and associated infrastructure.

The facility would process commercial and industrial waste as well as household waste from the Town of Port Hedland. The facility would not process hazardous materials such as medical

waste, asbestos, radioactive waste, highly corrosive or toxic liquids, gases or explosives.

The assessment of the Boodarie facility occurred in conjunction with the comprehensive and independent review conducted by the EPA and the Waste Authority into waste-to-energy facilities internationally. The EPA and the Waste Authority's advice to the Minister for Environment clearly outlines that, in assessing any waste-to-energy proposal, proponents must demonstrate that the technology components have a track record in waste treatment and are capable of meeting best practice in emissions standards. The key components of the Boodarie facility are all proven technologies with examples operating elsewhere, allowing the proposal to meet the EPA's objective for air quality.

In assessing the preliminary design of the Boodarie facility, the EPA consulted closely with the Department of Environment and Conservation (DEC) to ensure there was a clear understanding of the works approval and licencing requirements provided for under Part V of the EP Act. The final design and commissioning of the facility would be handled by the DEC (now DER) under the works approval and licence requirements of the EP Act.

The works approval required by the DEC would ensure a rigorous and staged commissioning process. Emission performance would need to be demonstrated at each stage prior to proceeding to the next stage. The DEC would not issue the operating licence until it had been demonstrated that the plant could operate as claimed.

EPA Report 1469 Port Hedland Waste to Energy and Materials Recovery Facility, Boodarie Industrial Estate, Port Hedland was published on 8 April 2013.

The Minister for Environment approved the Boodarie facility and released his Ministerial Statement 935 on 21 May 2013.

Other assessments - algae farming and mineral sands

During 2012-13, the EPA also released its reports and recommendations on a commercial algae farm in Karratha and a titanium mineral sands mine near Dongara. The EPA recommended these proposals could be implemented subject to environmental conditions.

The proposal by Aurora Algae for a commercial-scale algae farm at Karratha, involved cultivation, harvesting, separation and processing of algae. Cultivation would occur in shallow open ponds in the presence of sunlight, seawater and carbon dioxide plus some nutrients and trace elements to promote algal growth. This innovative project proposes that the end products from processing would be biodiesel for use as fuel, protein-rich biomass for farmed fish and animal feed, and omega 3 oils suitable for human consumption.

The EPA's report acknowledged that the proponent committed to undertake monitoring and management actions and recommended conditions to ensure those commitments were met. These include:

- a condition ensuring that the seawater intake is constructed and operated to minimise impacts on the environment, and
- a condition to ensure that leakage from the evaporation ponds and the algae ponds associated with the proposal is managed to protect the environmental values, both ecological and social, associated with groundwater in the local area.

EPA Report 1475 Commercial Scale Algae Farm and Processing Facilities, Karratha was published on 20 May 2013.

The Dongara Mineral Sands Project by Tronox includes development of mine pits, an operating plant and supporting mine infrastructure. The proposal would potentially impact on the EPA's key environmental factors of flora and vegetation, and terrestrial fauna. This includes the potential impacts on terrestrial native vegetation and wetlands which would be cleared or potentially impacted by dewatering. The vegetation represents Carnaby's Cockatoo foraging habitat.

The proposal would result in the clearing of 1,200 ha of vegetation and wetlands. Of the three vegetation associations impacted by the proposal, two have greater than 30% pre-European extent remaining and have some representation in the conservation reserve system. The third is below 30% pre-European extent (23.9%); however the majority that remains is secure within the conservation reserve system. The location and authorised extent of native vegetation clearing would be limited to that predicted by Tronox.

During the assessment, the EPA required additional hydrological modelling and a peer review be undertaken to improve confidence in the proponent's predictions on the extent of impacts to wetlands. The EPA subsequently concluded that the hydrological modelling could be reasonably used to predict the extent of groundwater drawdown impacts. Based on this, a condition was recommended to limit dewatering impact on wetlands and groundwater dependent vegetation to 105 ha within a spatially defined impact zone.

There are significant residual impacts in relation to the cumulative impacts of clearing

of vegetation and fauna habitat. Offsets were developed by Tronox to mitigate the significant residual impacts to Carnaby's Cockatoo habitat, and wetlands and the EPA recommended the offset program be formalised as a condition of the approval.

EPA Report 1478 Dongara Titanium Minerals Project was published on 4 June 2013.

Infrastructure assessments

The EPA has considered a broad range of infrastructure proposals in the last year, including port infrastructure, road and rail infrastructure, and a number of small-scale urban developments set in sensitive and constrained environments.

The Pilbara region has again been an area of particular interest with the OEPA involved in the early stages of planning for a number of infrastructure projects for iron ore export and the expansion of existing port infrastructure and services.

A key issue in assessing projects in Port Hedland continues to be the cumulative loss of mangrove habitats. The Port Hedland harbour is located within a mangrove-fringed tidal creek system with broad intertidal mud flats. Development of the port and other industries at Port Hedland has resulted in incremental loss of mangrove and other intertidal and sub-tidal habitats associated with the inner harbour, tidal creek systems and the adjacent intertidal zone. The OEPA has had a number of preliminary discussions with proponents of future infrastructure projects in the inner harbour and expects to receive proposals that will involve further incremental losses of mangroves in Port Hedland harbour in the next year. The OEPA will continue to help proponents apply the most contemporary environmental policies and assessment guidelines to ensure clarity, consistency and timeliness of assessments where cumulative loss of mangrove habitats is a key issue.

The EPA released reports on two iron ore export facilities at Cape Preston (south-west of Dampier) and Balla Balla (midway between Port Hedland and Karratha). The Cape Preston assessment is discussed in more detail below.

Both these proposals involve the export of iron ore from a loading facility on the end of a trestle jetty, onto self-powered barges, which are then transhipped to larger vessels anchored in deep waters.

From an environmental impact perspective the transhipment of iron ore in this manner significantly reduces the potential impacts on marine benthic communities and habitats associated with capital dredging and breakwater construction. Despite this, the EPA recommended conditions to ensure that the construction impacts of the proposal on marine fauna such as dugongs, particularly from pile-driving activities, can be satisfactorily managed to acceptable levels. The experience and feedback obtained during the assessment of these two projects will help the EPA assess future iron ore export proposals involving offshore loading of iron ore and transhipment activities.

Cape Preston multi-user iron ore port

In May 2013 the EPA completed its assessment of a proposal to develop and operate the first stage of a multi-user iron ore export facility on the eastern side of Cape Preston, about 60 km south-west of Dampier. The proposal, by Iron Ore Holdings (the foundation proponent) was assessed as an API level of assessment. It includes the construction of a 1.5 km trestle jetty with conveyors to transport iron ore onto small

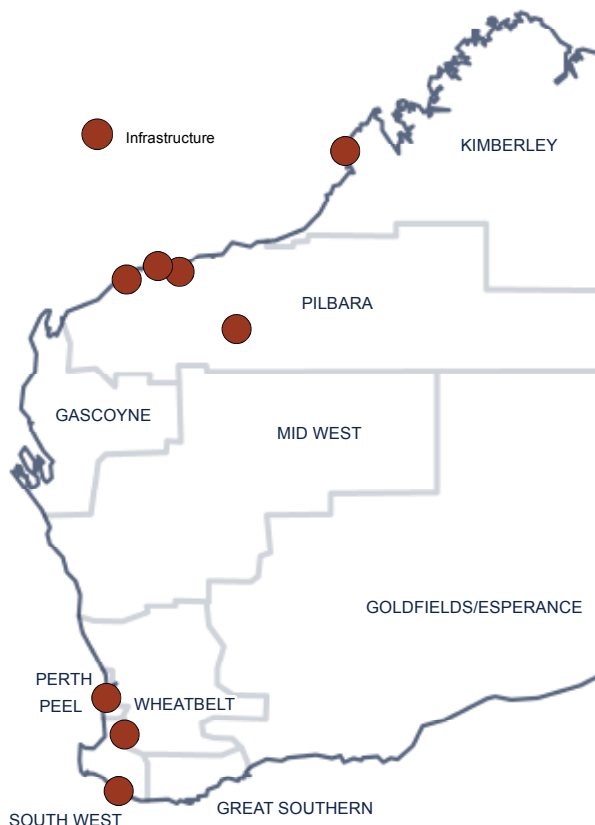


Figure 8: Location of infrastructure assessments completed during 2012-13

barges. These self-powered barges will transfer the iron ore to a large transshipment vessel moored approximately 18 km offshore in deep water.

This type of proposal avoids the need for capital dredging and construction of large breakwaters and minimises the impact to the marine environment. The proposal also includes a 20 Mtpa stockyard, a permanent desalination plant, an access road corridor from North West Coastal Highway, office buildings, a fuel farm, waste management facilities, workshops and an accommodation camp. Road trains transporting iron ore from the highway to the stockyard will use an existing causeway over a tidal creek.

The main environmental factor considered by the EPA was potential impacts to marine fauna, such as dugongs and dolphins.

The EPA concluded that the proposal could be implemented subject to recommended conditions relating to having marine fauna observers on duty during construction and maintaining a log of whale, dolphin, dugong and marine turtle behaviour. No construction is to begin until the observer has verified no whales, dolphins or dugongs are within a radius of 1000 metres or marine turtles within a radius of 300 metres.

The EPA also recommended a condition which requires that marine construction avoids the turtle nesting period between 20 October and 10 March in any given year.

Other conditions were recommended to ensure proper monitoring and management to minimise the threat of the introduction of marine pests into State waters.

[EPA Report 1476 Cape Preston East – Iron Ore Export Facilities was published on 20 May 2013.](#)

Mangles Bay marina development

The EPA also assessed a significant marina proposal in Mangles Bay at the southern end of Cockburn Sound. The proposal included pens for up to 500 boats, moorings and the development of surrounding land for public open spaces, tourism, commercial and residential uses. The key marine environmental issues were the potential loss of up to 5.2 hectares of seagrass communities and the potential impacts on the Environmental Values and Environmental Quality Objectives established in the Policy Area of the State Government's State Environmental (Cockburn Sound) Policy 2005.

The proponents committed to offset the residual seagrass impacts by rehabilitating at least twice the area of seagrass lost by the proposal. Based on the documented recent success of seagrass rehabilitation for other projects, including other projects in Cockburn Sound, the EPA had sufficient confidence that the proponent's seagrass offset can be achieved. The proponents also predicted that chlorophyll-a contributions from the marina would be over small areas of Mangles Bay, and would be mitigated in part by the nutrient-related offset measures to be implemented in the catchment of

Mangles Bay. On this basis, the EPA concluded that the proposal can be managed to meet its objectives for the key marine environmental factors and recommended strict conditions.

There is considerable public demand in Perth for coastal development to provide boating facilities and recreational and amenity facilities for communities. For these types of development the OEPA will continue to work with proponents to apply the most contemporary environmental policy frameworks such as the EPA's Marine Environmental Quality Management Framework and ensure marinas and harbours are designed and developed in an environmentally acceptable manner.

[EPA Report 1471 Mangles Bay Marina-Based Tourist Precinct was published on 29 April 2013.](#)

Environmental planning

The *Planning and Development Act 2005* and the *Metropolitan Redevelopment Authority Act 2011* require local government authorities (LGAs) and the Metropolitan Redevelopment Authority to refer schemes and scheme amendments to the EPA.

Before referral, the OEPA works with the LGAs and proponents to ensure that all environmental impacts are addressed and potential environmental effects are identified and minimised. The OEPA spends considerable time and effort ensuring that environmental issues and cumulative impacts are considered as early as possible in the strategic land use planning process. This approach means that meaningful environmental outcomes are more easily achieved.

During 2012–13, the EPA considered 261 schemes and amendments under section s48A of the EP Act. Although none of the schemes or amendments were considered to raise environmental issues significant enough to warrant a formal environmental assessment, the EPA decided to provide environmental advice to be implemented through the planning process on 71 of the referrals.

Strategic environmental planning is able to:

- specify environmental aims and objectives early in the planning process so that consideration of environmental issues is a continuous part of the planning process;
- consider cumulative environmental impacts of development over many years;

- consider environmental issues in a wider context than more detailed levels of planning;
- set long term environmental objectives and explain how these can be achieved; and
- consider a greater range of options to retain biodiversity.

During the year, the OEPA also developed a modified internal procedure for determining the level of assessment on scheme referrals under section 48A. The modified procedure uses clear decision-making criteria to streamline local scheme referrals that do not raise significant environmental issues, improving the EPA's timeliness in processing referrals.

This procedure was endorsed by the EPA in June 2013. The OEPA consulted with key stakeholders during the development of this initiative, including the Department of Planning, the Urban Development Institute of Australia (UDIA) and local government.

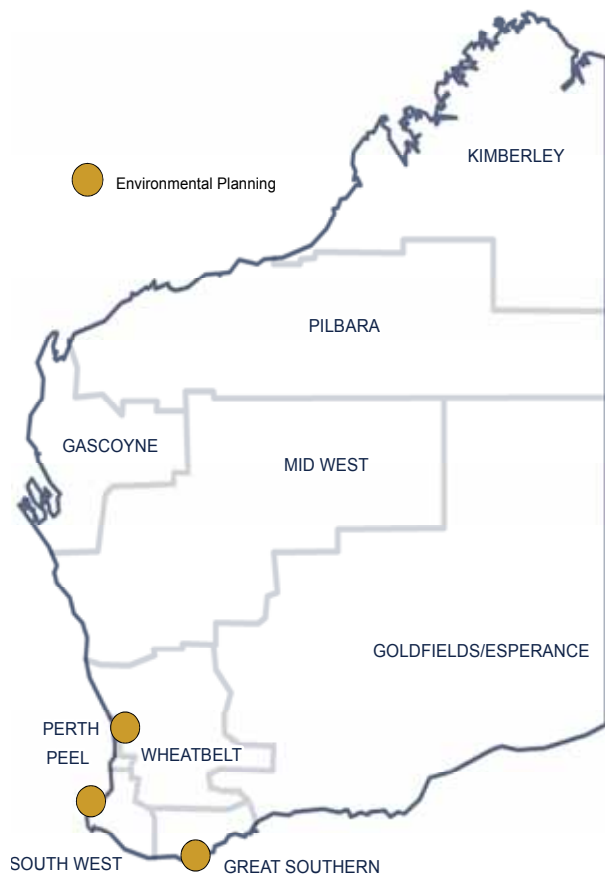


Figure 9: Location of environmental planning assessments completed during 2012–13

Residential subdivision, Bayonet Head, City of Albany

During 2012–13, the EPA finalised its assessment of a strategic proposal to develop Bayonet Head, Albany for urban purposes. The proposal identifies a future staged urban subdivision and urban development as well as a conservation area within the 191 ha Strategic Environmental Assessment (SEA) envelope.

The SEA area contains significant fauna and flora which require protection. Identifying a conservation area to protect and enhance the key environmental values within the SEA envelope was determined to be the key environmental issue in assessing this proposal.

The EPA noted that the proponents modified the strategic proposal during the course of the assessment to include a total of 62.75 ha of land within the SEA area for conservation purposes, increasing the provision of land for conservation by 23 ha. This modification comprises 58 ha for a Conservation Area and 4.75 ha for a Foreshore Reserve. The EPA also noted that in order to ensure the long term maintenance of conservation values the proponent committed to manage this proposed Conservation Area and Foreshore Reserve for ten years.

The proponents' provision of land for conservation purposes represents 32.8% of the entire SEA area, and 42% of the native vegetation present in the SEA area. The EPA considered that while the Conservation Area does not conserve all of the environmental values present within the SEA area, it provides for long-

term security of a consolidated area while still providing a substantial development area for the proponent. The EPA concluded that the proposal can be managed to meet the EPA's objectives for the environmental factors.

EPA Report 1447 Bayonet Head Plan for Development was published on 13 August 2012.

Post approval assessment

The OEPA is responsible for assessing changes to proposals and implementation conditions under s45C and s46 of the EP Act respectively following the publication of an implementation statement. The OEPA also assesses the acceptability of Environmental Management Plans (EMPs) as required by conditions of implementation statements.

Table 2: Post approval work assessed from 1 July 2012 – 30 June 2013

	Requests received	Completed	2011-12
Section 45C	51	42	49/45
Section 46	19	13	17/15
Section 46C	5	2	-
EMP	95	72	99/80

Changes to a proposal after assessment – s45C

Changes to proposals after assessment (under section 45C of the EP Act) are initiated by the proponent. The Minister must not give approval if the Minister considers the change or changes may have a significant detrimental effect on the environment in addition to, or different from, the effect of the original proposal.

The EPA assessed 42 applications for changes to proposals after assessment (s45C) initiated by proponents to change a number of characteristics of their proposals.

The majority of proposals assessed by the EPA related to changes to the following Key Characteristics:

- increases in the disturbance footprint and development envelope of projects. This constituted the majority (approximately 50%) of changes;
- redefining project components, such as additional infrastructure and utilities (approximately 20%);
- removal of characteristics not considered to be environmentally significant, such as ore reserves, mining rates, power supplies, and workforce numbers; and
- removal of characteristics managed by other regulatory authorities, such as water usage and extraction rates (Department of Water), and emission limits (Department of Environment and Conservation).

Amendment of implementation conditions by inquiry – s46

If the Minister considers that the implementation conditions relating to a proposal should be changed (whether because of changes to the proposal authorised under s45C or for any other reason) then the Minister may request the Authority to inquire into and report on the matter within such period as specified in the request.

Examples of the types of s46 amendments to conditions undertaken by the OEPA during 2012–13 include the following:

- extensions of the time limits for proposal implementation to allow for substantial commencement of projects;
- removal of implementation conditions and proponent commitments that have been complied with, or are no longer considered applicable to a project; and
- replacement of older conditions with more consolidated, up-to-date contemporary style conditions.

Environmental Management Plans

Many implementation conditions for project approvals issued under the EP Act require the preparation and implementation of Environmental Management Plans (EMPs).

During 2012–13 the OEPA assessed 72 EMPs. Environmental factors covered by EMPs and assessed by the OEPA during this period, include:

- noise impacts
- dredging and dredge spoil impacts on marine environments
- groundwater management
- mine closure and rehabilitation
- surface water discharges
- air quality
- flora and fauna.

The following four case studies are of post approval assessments completed during 2012–13.

Roy Hill Infrastructure Railway s45C - Ministerial Statement 847

The Roy Hill Infrastructure Railway proposal is to construct and operate a railway and associated infrastructure between the Roy Hill 1 Iron Ore Mining Project and port facilities in Port Hedland, and is subject to the implementation conditions of Ministerial Statement 847.

The Railway Infrastructure is to be constructed within a 2 km wide environmental approval corridor. Roy Hill Infrastructure Pty Ltd proposed the following changes to the proposal:

- The addition of a lateral access road to link the railway corridor and Great Northern Highway. No increase in the overall disturbance area would be required, but approximately 4 ha of the lateral access road disturbance area will be outside of the environmental approval corridor.
- Changes to the key characteristics table to allow for ancillary access roads to be constructed as required within the environmental approval corridor. The proposed ancillary access roads would be entirely within the approved corridor, and within the approved disturbance limits.

The EPA assessed the proposed changes under section 45C of the EP Act and against *Environmental Assessment Guideline for Changes to Proposals after Assessment – section 45C of the EP Act* (EAG2). The EPA concluded that the proposed changes were unlikely to have a significant detrimental impact on the environment that is additional to, or

different from, the effect of the original proposal, because:

- there would be no increase in the overall approved disturbance area
- the vegetation to be disturbed outside the environmental approval corridor was unlikely to be significantly different to the vegetation surveyed within the approval corridor, and
- potential impacts to fauna would be managed in accordance with existing management plans and Commonwealth Government approval requirements.

The Roy Hill Infrastructure Railway proposal is a large infrastructure development. The s45C changes are consistent with the original proposal where impacts from rail on vegetation and fauna would be limited to a relatively narrow corridor.

The s45C amendment was approved by the Minister for Environment on 10 May 2013.

Ord River Irrigation Area Stage 2 (M2 Supply Channel) s46 –Ministerial Statement 830

In June 2012, the Department of State Development on behalf of the Minister for State Development (the proponent), requested amendments to the existing implementation conditions of Ministerial Statement 830 to contemporise and rationalise implementation conditions and proponent commitments for the Ord River Irrigation Area Stage 2 (M2 Supply Channel).

The EPA recommended to the Minister for Environment (EPA Report 1467, January 2013) that:

- while retaining the environmental requirements of the original conditions, it was appropriate to replace a number of conditions with consolidated, contemporary style conditions, and
- proponent commitments of Ministerial Statement 830 should be deleted as they were considered redundant, duplicated requirements addressed by the existing implementation conditions, or were addressed by other legislation.

After the release of the EPA report, the Office of the Appeals Convenor undertook consultation with the involved decision-making authorities on the EPA's recommended conditions. The Department of State Development requested further amendments to the implementation conditions relating to removal of the following as they had been completed:

- requirements for establishing an “Environmental Management System”
- preparation of an “Environmental Management Programme”, and
- references to “Regional Conservation Initiatives”. Further, negotiations on the creation of conservation reserves in the Northern Territory would be removed as these discussions should be undertaken with the Northern Territory Government and the condition was not considered enforceable.

The EPA reviewed the above request and agreed with the proposed amendments.

In June 2013 the Minister issued a statement of the decision to replace Ministerial Statement 830 and Ministerial Statement 585 (the original Ministerial Statement for the project) with the new Ministerial Statement 938, which contains more contemporary, recent up-to-date conditions, without compromising the intent of original Ministerial Statements 830 and 585.

Ministerial Statement 938 is available on the EPA's website and is an example of contemporary implementation conditions.

Industrial Lands Development Authority s46 - Establishment of an Industrial Park at Meenaar

In November 2011 the Industrial Lands Development Authority wrote to the EPA seeking a review of the implementation conditions and proponent commitments of Ministerial Statement 293, relating to the establishment of an Industrial Park at Meenaar, near Northam, with the intention of closing out this Ministerial Statement.

Following its review, the EPA recommended to the Minister for Environment that:

- the Industrial Park was now populated by light industry rather than the heavy industry initially proposed
- the environmental risk from industries located in the Park was much lower than originally assessed by the EPA
- the implementation conditions and proponent commitments did not accurately reflect the current land use at the Park and could be deleted from Ministerial Statement 293, and
- developments in the Park could be managed under other legislation.

Throughout this s46 process, there was close consultation between the OEPA, the proponent, and the Shire of Northam. The Shire of Northam acknowledged that it was unlikely the Park would be developed for heavy industry and agreed to:

- take over the management of the current developments within the Park under the Shire's statutory processes, and
- manage future developments and decommissioning of any of the projects within



the Park through planning approvals and under the provisions of its Town Planning Scheme No. 3 and forthcoming Local Planning Scheme No. 6.

The Minister issued a statement of decision (Ministerial Statement 928) to amend Ministerial Statement 293, and effectively close out all the conditions of this Statement.

Industrial activities which constitute prescribed premises under Part V of the EP Act would be managed by works approval and licence provisions administered by the DEC (now the DER).

The removal of conditions relating to construction and management of impacts from heavy industry allows the Shire of Northam to have greater flexibility and control over development of activities within the Park.

EPA Report 1461 was published on 17 December 2012.

Ministerial Statement 928 was issued on 22 January 2013.

Wheatstone LNG Development – Chevron Australia Pty Ltd – s46, s45C and Approval of Environmental Management Plans

The OEPA works collaboratively with decision-making authorities and other external stakeholders to approve complex EMPs, and prepare reports on proposed changes to proposals after assessment (s45C) and amendments to implementation conditions (s46).

An example of this collaboration was the timely consideration and approval of the Dredging and Dredge Spoil Placement Environmental Monitoring and Management Plan which led to the start of Chevron's three-year dredging program, a key milestone in this major project for Western Australia.

The EPA also assessed four changes to the proposal and three amendments to implementation conditions, under s45C and s46 of the EP Act respectively. These changes, addressing issues raised during the proponent's post-approval detailed design process, enabled the proponent to maintain compliance during the implementation of the project.

The OEPA has allocated specific resources to significant projects which, for the Wheatstone LNG development, has seen positive outcomes for the proponent without compromising the effective management of environmental values. Chevron has provided positive feedback on the achievement of major project milestones attributable to the level of service provided by the OEPA.

Environmental management policies, guidelines and strategic advice

The OEPA prepares environmental management policies, guidelines and strategic advice for the EPA on new and emerging issues. It also aims to regularly review existing policies to ensure that the policy framework is contemporary and relevant.

Environmental assessment guidance

During 2012–13, the EPA had a specific focus on improving the EIA process through implementation of a range of reforms. The reforms are aimed at ensuring that there is clarity and consistency in how decisions are made by the EPA (including the conditions it recommends), that unnecessary duplication with other regulatory agencies is avoided, that assessments focus on the most important environmental issues, and that the EIA process is streamlined.

To communicate the new approaches and processes involved, the EPA released two complementary guidance documents which are discussed individually below. Additional guidance relating to scoping proposals and the EPA's approach to recommending conditions is in preparation and will be released during 2013–14.

Guidance on consideration of subterranean fauna in EIA was also published.

Two Environmental Protection Bulletins (EPBs) were completed (compared with five in 2011–12). *EPB 19 EPA involvement in mine closure* outlines the roles of the DMP and the EPA in

mine closure and explains the circumstances when the EPA will assess mine closure. *EPB 20 Protection of natural areas through planning and development* sets out the EPA's views and expectations for the design of urban and peri-urban development proposals in order to protect natural areas. Both will be published in 2013.

Of the suite of guidelines (EAGs, Guidance Statements, EPBs and Position Statements) a number are greater than five years old.

About 30% were reviewed during 2012–13 and the remainder will be reviewed during 2013–14 to ensure they remain contemporary and relevant.

Environmental factors and objectives – Environmental Assessment Guideline 8

The *Environmental Assessment Guideline for Environmental factors and objectives* (EAG 8) provides advice on the EPA's environmental factors and objectives for the purposes of environmental impact assessment.

Clearly defined environmental factors and objectives are critical to the environmental impact assessment process as they underpin the EPA's decision on what is environmentally acceptable in relation to the impact of a proposal or scheme.

The guideline also sets out a framework for the environmental factors, objectives, and their relationship to EPA guidance. Proponents are encouraged to use the framework for considering the impact of their proposal or scheme on the environment.

Application of a significance framework in the environmental impact assessment process – Environmental Assessment Guideline 9

The *Environmental Assessment Guideline on Application of a significance framework in the environmental impact assessment process* (EAG 9) describes how the EPA makes decisions, through the EIA process, on the likely significance of a proposal, using a risk-based approach. It outlines the EPA's significance framework for determining whether a proposal meets the environmental objectives for each relevant environmental factor.

The aim is to focus the assessment process on those factors where there is uncertainty about whether an environmental objective can be met. If there is confidence, early in the EIA process, that an environmental objective for a factor can be met or can be adequately regulated by another agency, then that factor receives no further consideration through the process. This approach is expected to avoid unnecessary documentation by proponents.

EAG 8 Environmental factors and objectives and *EAG 9 Application of a significance framework in the environmental impact assessment process* were released on 10 June 2013.

Consideration of subterranean fauna in environmental impact assessment in Western Australia – Environmental Assessment Guideline 12

Western Australia's subterranean fauna has been recognised as being globally significant because of its extraordinarily high species richness and high levels of endemism. It has been estimated that the total number of subterranean fauna species is around 4000, many of which are unnamed or yet to be recorded. This guideline was produced to improve consistency across assessments by providing a more evidence-based approach to subterranean fauna within environmental impact assessment.

In 2011 the EPA established an Advisory Group to provide advice on development of a discussion paper as the basis for preparation of an EAG. Following public comment on the discussion paper in 2012 the EPA established a Subterranean Fauna Technical Group, consisting of technical experts, to advise on the preparation of the draft EAG.

The draft EAG was released in March 2013 for an eight-week public comment period. Seventeen submissions were received from industry, environmental consultants, peak representative bodies and government and the EAG was revised to incorporate this feedback as appropriate.

The EAG provides guidance on the relevant impact assessment methods where subterranean fauna is likely to be a factor, particularly the standards of survey and type of information required to understand impacts.

The EAG endorses the use of surrogates in combination with survey to help in determining the significance of impacts. It also requires specimens and associated data to be offered to the Western Australian Museum to ensure that data is available for EIA.

EAG 12 Consideration of subterranean fauna in environmental impact assessment in Western Australia was published on 30 June 2013.

Draft Environmental Assessment Guideline - Environmental Offsets

In October 2012, the EPA released a draft EAG on environmental offsets for a two month public comment period. The draft was prepared to ensure alignment of EPA policy with the whole of government WA Environmental Offset Policy, and to reflect improved practice by the EPA in the application of offsets.

The EPA's objective for environmental offsets is 'to counterbalance any significant residual environmental impacts or uncertainty through the application of offsets' (EAG 8).

Eighteen submissions were received from industry, conservation groups, consultancies and government and the draft EAG is being revised to incorporate feedback. Once finalised, the EAG will replace all three current EPA offset policies.

The OEPA has also contributed to the development of a whole of government Offsets Register. This register will list details of all offsets applied by all government agencies and will include details on compliance with conditions. The register will help to provide further transparency and accountability.

To ensure that the register is efficiently populated, the draft EAG has been prepared to ensure that all the essential details related to offsets that will be publicly available are captured within the EIA process.

While the register is designed to capture offsets required for new proposals, the OEPA is currently working to include historical offset information.

Statutory and formal policies

During the year, one statutory Environmental Protection Policy (EPP) and one non-statutory State Environmental Policy (SEP) were reviewed.

Review of the State Environmental (Cockburn Sound) Policy 2005

The OEPA worked collaboratively with the Cockburn Sound Management Council (CSMC) and the DEC (now DER) to review and revise the State Environmental (Cockburn Sound) Policy 2005 (Cockburn Sound SEP) and the two supporting technical documents for the purpose of stakeholder consultation on behalf of the EPA.

The revised documents propose to include Owen Anchorage within the scope of the Cockburn Sound SEP, confirming the CSMC's current management responsibilities in the area. The documents also include amendments to update environmental quality criteria and to strengthen monitoring and implementation of the policy, in line with recommendations included in the Western Australian Auditor-General's report of September 2010 (*Environmental Management of Cockburn Sound (8/2010)*).

The documents are expected to be released for comment in 2013–14.

Western Swamp Tortoise habitat protection

The EPA's review of the 2003 Environmental Protection Policy for protection of Western Swamp Tortoise habitat concluded that the policy should be renewed unchanged, and the Environmental Protection (Western Swamp Tortoise Habitat) Policy 2011 (EPP) was gazetted in February 2012.

The review also identified a need for local planning laws to control inappropriate land uses and define compatible land uses and activities in the policy area to complement and fully implement the objectives of the policy.

To that end, a working group convened by the OEPA and including representatives from the DEC and DoW prepared a comprehensive report on appropriate land uses in the area. The aim of the report is to give guidance on provisions that could be included in a Special Control Area, or similar instrument, to help in the implementation of the EPP.

The EPA provided the report to the City of Swan and Department of Planning in March 2013.

Strategic advice to the Minister under section 16(e) of the EP Act

Waste-to-Energy

In April 2013 the EPA, with the WA Waste Authority, provided advice to the Minister for Environment on the environmental and health impacts of state of the art waste-to-energy plants around the world. This advice concluded that, subject to conditions and matching suitable technologies to types of waste input and appropriate plant scale, waste-to-energy plants employing best practice can be operated with acceptable impacts to our community.

There are three proposals currently being considered by the EPA, following Ministerial approval of Western Australia's first waste-to-energy facility at Port Hedland.

The strategic advice contains twenty-three recommendations and conclusions for the Minister to consider when contemplating approval for these proposals. The advice also outlines, for proponents, the expectations of the EPA around this emerging industry.

EPA Report 1468 Environmental and health performance of waste to energy technologies was published on 8 April 2013

Environmental and water assessments relating to mining and mining related activities in the Fortescue Marsh management area

The Fortescue Marsh is the largest ephemeral wetland in the Pilbara region of WA, and is recognised nationally for its significant environmental values.

In June 2013, the EPA transmitted guidance on the Fortescue Marsh to the Minister for Environment. This long-awaited advice outlines recommended management strategies related to the assessment of environmental and water aspects of mining related proposals, in order to protect the environmental values of this significant wetland.

EPA Report 1484 Environmental and water assessments relating to mining and mining-related activities in the Fortescue Marsh management area

Strategic assessment of the Perth – Peel Region and development of EPA strategic advice

In August 2011 the Western Australian and Commonwealth Governments announced that they had signed an agreement to undertake a strategic assessment of the Perth – Peel region under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) for matters of national environmental significance. To streamline the environmental approvals process in the Perth-Peel Region the WA government decided that the best

way to achieve parallel assessment of State environmental matters that are not included in the Commonwealth Government's assessment was under section 16(e) of the EP Act.

On 31 July 2012 the Minister for Environment formally requested that the EPA provide strategic advice on:

- the environmental implications of the proposed future development of the Perth-Peel regions outlined in the subregional structure plans developed by the Department of Planning (DoP) and the Western Australian Planning Commission (WAPC), and
- the policy and guidance that can be used to optimise subsequent approval processes to ensure environmental outcomes are delivered in the most efficient and timely manner.

The EPA's strategic advice will provide a mechanism to consider environmental matters early in the strategic planning process. This will allow for future streamlined environmental and planning approvals that will provide certainty for government, industry and the community.

The EPA has prepared an environmental scoping document to help DoP and WAPC in the preparation of the subregional structure plans. The scoping document identifies and provides the relevant information on the significant environmental values and objectives within the Perth-Peel region for the EPA's environmental factors. The EPA will use the scoping document to evaluate the significant environmental impacts from the subregional structure plans when the plans are released.

The OEPA has also actively contributed information to the Commonwealth Government's strategic assessment during 2012–13.

Other

Bilateral Agreement between the Commonwealth of Australia and the State of Western Australia relating to Environmental Impact Assessment and the operational arrangements that underpin the bilateral agreement

The Commonwealth and the State of Western Australia are committed to maintaining high environmental standards and working together to streamline environmental assessments and approvals. This is done in accordance with the requirements of the Commonwealth *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act), the EP Act and a Bilateral Agreement between the State and Commonwealth.

A renewed Bilateral Agreement was signed on 23 March 2012. Since then, the Department of Sustainability, Environment, Water, Population and Communities (SEWPaC) and the OEPA have been working cooperatively to prepare operational arrangements that underpin the agreement. The objective of the administrative arrangements and procedures is to help the OEPA and SEWPaC manage an efficient, timely and effective process for environmental assessment and decisions on whether to approve actions. The administrative arrangements were nearing completion in June 2013.

In December 2012, the *Environmental Impact Assessment (Part IV Divisions 1 and 2) Administrative Procedures 2012* was gazetted, updating the 2010 procedures.

As the Bilateral Agreement refers to the previous Administrative Procedures, an Amending Agreement including reference to the updated procedures is required to be approved by both the WA Minister for Environment and the Commonwealth Minister for the Environment, to enable the Bilateral Agreement to continue to apply.

The OEPA and SEWPaC have agreed to an Amending Agreement to add reference to the new Administrative Procedures and it is currently being finalised. There is no change to the accredited processes. In June 2013 the Commonwealth Ministers approved the amending agreement and invited the State Minister for Environment to agree.

Aboriginal heritage

The EP Act and the Aboriginal Heritage Act 1972 (AH Act) have the legal capacity to consider aspects of protecting Aboriginal heritage.

The focus of the AH Act is the protection of sites with social and heritage significance. A primary focus of the EP Act is to consider proposals which have the potential to have a significant impact on the environment, some of which may also have Aboriginal heritage significance.

In 2012–13 the OEPA continued to work with the Department of Aboriginal Affairs (DAA, formally Department of Indigenous Affairs) to collaborate

and share information to better understand the respective agency roles in assessments of Aboriginal sites and to be more effective in these roles. A working group has been established to progress a memorandum of understanding with the DAA, and a training workshop has been scheduled for early July 2013.

Fertiliser Partnership

In December 2012 the ministers for Agriculture and Food, Environment and Water launched the Government's Fertiliser Partnership. This included announcing \$2.85m in projects under the Partnership to help develop and demonstrate good nutrient management practices.

The OEPA facilitated the development of the Partnership and undertook stakeholder consultation with the fertiliser industry, fertiliser user groups, and peak non-government organisations.

The objectives of the *Fertiliser Partnership 2012–2016* are to:

- Contribute to a goal of 50% reduction in nutrient loss to waterways and wetlands on the Swan and Scott coastal plains.
- Optimise the content of fertiliser and nutrient binding soil amendment products to better suit conditions on the Swan and Scott coastal plains.
- Improve fertiliser and water use efficiency in both commercial and residential settings whilst maintaining productivity of agriculture and related commercial operations.

- Educate the community on the environmental and social values of aquatic ecosystems, including waterways and wetlands.
- Educate the community on fertiliser efficiency, water use efficiency and the benefits of managing soil acidity.

The Fertiliser Partnership supersedes the Fertiliser Action Plan (2007).

A Fertiliser Partnership webpage has been established by the Department of Agriculture and Food with assistance from the OEPA.

Dredging Science Node of the Western Australian Marine Science Institution

The Dredging Science Node of the Western Australian Marine Science Institution formally began in 2012–13.

The Dredging Science Node has been established to enhance the capacity of government and industry to predict and manage the impacts of dredging. The Node will address key areas of uncertainty and deliver outcomes to increase the confidence, timeliness and efficiency of the assessment, approval and regulatory processes associated with dredging projects. The OEPA's Manager Marine Ecosystems, Dr Ray Masini, is the Node Leader Policy: Dredging, working closely with the Node Leaders for the Kimberley and Science: Dredging.

The Node will involve inter-disciplinary research to be delivered through a combination of reviews, field studies and laboratory experimentation. Work will be undertaken by a range of State and Commonwealth government agencies and universities, with the first phase being a three to four year program of research.

The governance model is specifically designed to foster strong links between research providers and key end-user beneficiaries in government and the private sector. To maximise pathways to adoption, research will be 'applied' in nature. Outputs will be presented in forms that are 'fit for purpose' and accompanied by clear guidance and protocols for the application of key findings of the research. Collectively, the standard methods and protocols generated through this

research program will represent a contemporary best practice for dredging impact prediction, monitoring and management for Western Australia.

During 2012-13 Science Concept Plans for the nine themes contained in the Node Science Plan were endorsed by the WAMSI board. Of these, six detailed Science Project Plans have been developed and endorsed, which set out their program of work, timelines and deliverables against the objectives of the Node. A total of \$5.7m was allocated from WAMSI for these Science Project Plans and, with co-investment, the total value of the proposed research to date is over \$12m. There is \$2.3m still to be allocated from WAMSI for the remaining research themes.

Environmental compliance audits

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

	2012 ACTUAL \$	2013 ESTIMATE \$	2013 ACTUAL \$	VARIANCE \$
Total cost of service	1,759,936	1,757,000	1,992,689	(235,689)
	2011-12 ACTUAL \$	2012-13 TARGET \$	2012-13 ACTUAL \$	2012-13 VARIANCE OF TARGET TO ACTUAL
Efficiency indicator				
Average cost per environmental audit completed	27,594	35,124	34,908	216

Overview

The OEPA has responsibilities for monitoring compliance with the implementation of proposals and their conditions. This is typically achieved through:

- environmental management plan approvals
- changes to proposals
- review of implementation conditions, and
- compliance auditing.

While the OEPA does not control whether or not a proponent complies with all environmental conditions, the results from the compliance audits help to identify areas to improve both the compliance program and the EIA process.

An annual compliance program is developed to audit the implementation status of statements, with reference to the conditions of implementation. The program consists of proactive audits, industry reviews and reactive audits as required. Each year a series of targeted audits are included to focus on specific industries and conditions. This enables finite resources to be responsibly managed to achieve the best environmental outcome.

Compliance and audit activity

In 2012-13, 63 audits were conducted. Twenty-five industry sector audits focusing on emissions to the environment, offsets and wastewater outfalls were completed (in 2011-12 there were 11, focusing on desalination and quarrying). Of these, 92% were found to be compliant with all conditions (2011-12: 91%).

Ten of the industry sector audits were of emission-intensive industries including chemical processing plants, smelting facilities, and power-generating infrastructure, all of which may have the potential to impact on air quality, water quality or other environmental receptors. These facilities were located in Kwinana, the Burrup Peninsula, the Goldfields and the Great Southern.

Seven per cent of overall proposals with Ministerial Statements published before 1 July of the relating financial year have been audited for compliance during 2012-13 (2011-12: 6.33%).

All of the proposals identified as high priority were audited during the year (2011-12: 100%), and all were found to be compliant with all conditions (2011-12: 100%).

Compliance officers also conducted a range of audits in the Goldfields, Pilbara, Great Southern and on Barrow Island throughout 2012-13. Facilities audited included a liquified natural gas (LNG) facility, and nickel, rare earth, lead carbonate and iron ore mines.

These audits resulted in a range of positive environmental and procedural outcomes including the removal of Government agency

duplication in the regulation of facilities and proposals. An example was partnering with the Department of Fisheries to resolve a marine pest quarantine issue associated with the implementation of an LNG proposal.

A number of audits of proposals identified non-compliances throughout the 2012–13 period. These non-compliances ranged from late submission of reports to exceedence of trigger levels or limits specified within the respective Ministerial Statements. Each occurrence resulted in the proponent being sent a letter of non-compliance with corrective actions required to be undertaken to rectify the issue and regain compliance.

The Minister for Environment is informed of each non-compliance, which enables a range of actions to be undertaken if required.

The effectiveness of the compliance monitoring program in encouraging proponents to comply with the Ministerial conditions is demonstrated by examining the “percentage of non-compliances where remedial action has been taken by the proponent within the time specified in the Notice of Non-Compliance”. During the year, 100% of all actions to resolve non-compliance were completed by the required date (2011–12: 92%).

Significant proposals audited

The OEPA applies a priority rating to all proposals based on the condition of the receiving environment, potential environmental impact and level of stakeholder interest. The Gorgon Gas Development on Barrow Island and the Wheatstone LNG Development west of Onslow on the Pilbara coast of were identified as significant given their scale, project timescale and marine and terrestrial construction activities.

Gorgon Gas Development

The audit of the Gorgon Gas Development focused on compliance with its:

- Terrestrial and Marine Quarantine Management System
- Solid and Liquid Waste Management Plan
- Reverse Osmosis Brine Disposal Management and Monitoring Plan
- Offshore Domestic Gas Pipeline Installation Management Plan
- Fire Management Plan.

Several site visits to Barrow Island identified that the plans were being implemented in accordance with the conditions of Ministerial Statement 800.

Wheatstone LNG Development

The first audit of the Wheatstone LNG Development was undertaken during 2012–13, following submission of the proposal’s Annual Compliance Report.

The audit focused on compliance with the Conservation Significant Marine Fauna Interaction Management Plan and reporting requirements.

The audit identified that the management plan was being implemented in accordance with the conditions of Ministerial Statement 873.

Specific resources have been allocated to both these significant projects to ensure a high level of ongoing monitoring, which has resulted in positive compliance outcomes for both the OEPA and the project proponent.



Improving our business

Communicating

Two significant improvements to the ways the OEPA communicates information were made during 2012–13.

In August 2012, following development of social media guidelines and endorsement of a specific policy, the OEPA's Twitter account @EPA_WA began operating. As at the end of June, the page had approximately 70 followers and had tweeted nearly 200 notifications of new referrals, reports, media releases and other alerts.

In September 2012, the EPA and OEPA's online 'consultation hub' at <http://consultation.epa.wa.gov.au> went live, providing a cohesive and transparent single point of entry for the public to view all opportunities for public comment and submissions. Robust analytical tools also allow staff to analyse and report on feedback much more quickly, easily and effectively than the previous email submission methods.

Since it was launched, the hub has hosted comment on four public environmental reviews (PERs), the draft Environmental Assessment Guideline on Consideration of subterranean fauna in environmental impact assessment in Western Australia, the Forest Management Plan's Environmental Review Document and 42 new referrals.

Interested parties can subscribe to RSS feeds to be alerted to new consultations, or can follow the OEPA on Twitter @EPA_WA.

Organisational change

Organisational reforms continued in 2012–13 to improve the capacity and capability of the OEPA to deliver its services.

The Assessment and Compliance Division was restructured in December 2012 to establish two teams focussed on mining and industrial projects (North and South); and two branches focussed on infrastructure projects; and environmental planning. A further realignment took place in March 2013 with responsibility for environmental planning and communication and media transferred to the Strategic Policy and Planning Division.

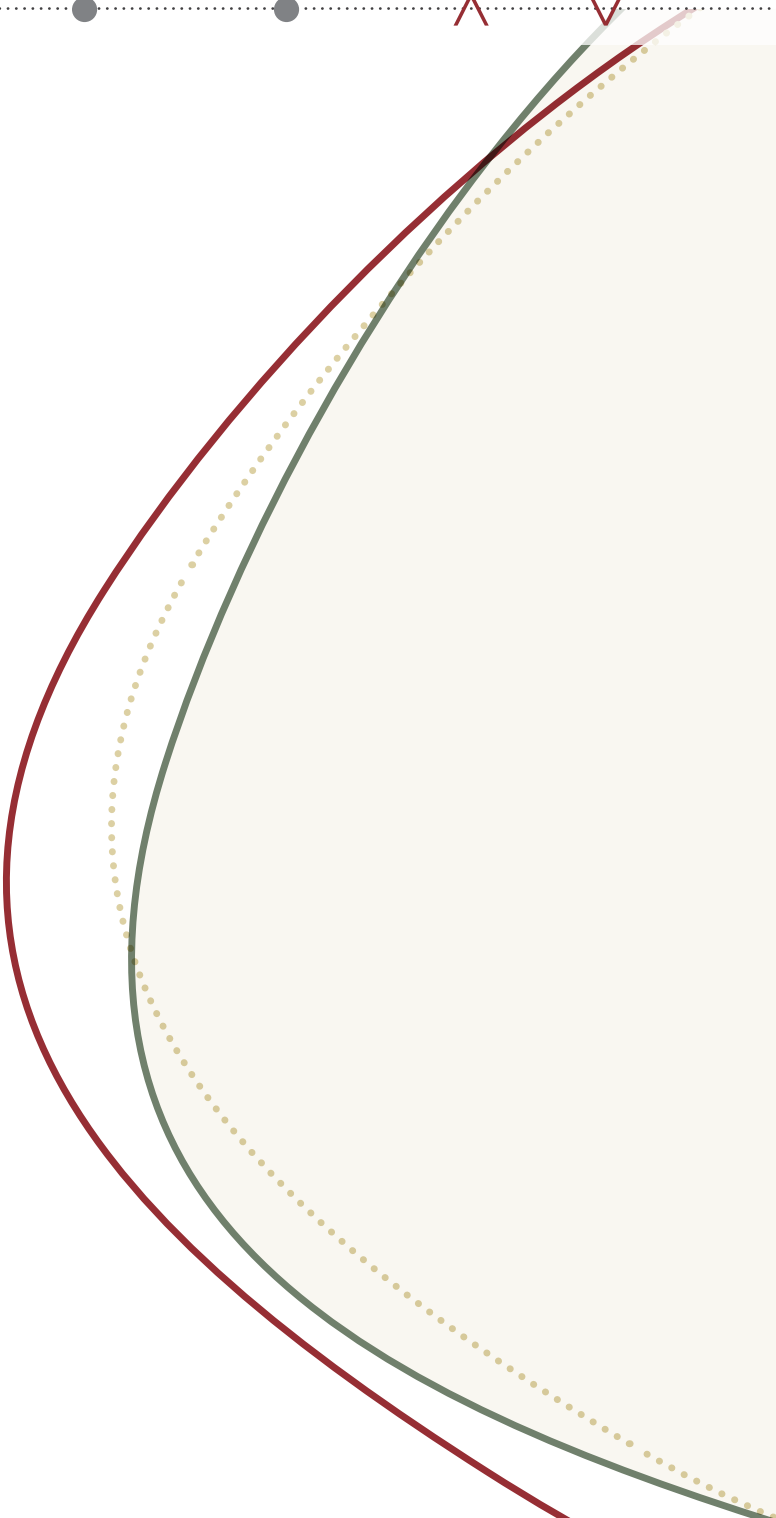
This reorganisation reflected the need to achieve greater workload balance, clearer roles and responsibilities and an improved service culture.

Information management and system development

The OEPA continued work in 2012–13 on the development of a new electronic case management system to improve project tracking and timeliness and provide robust management information.

The case management system was a recommendation of the EPA's Review of the Environmental Impact Assessment (March 2009). It is also consistent with the State Government's approvals reform agenda.

In April 2013 the OEPA implemented its own information technology network, infrastructure and systems to separate from its information technology host (the former DEC). This has better positioned the OEPA for the development and implementation of its case management system in 2013–14.





The Fortescue Marsh is the largest ephemeral wetland in the Pilbara region of Western Australia, and is recognised nationally for its significant environmental values.

Photo: Office of the EPA



Disclosures and legal compliance



Independent Auditor's Report

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 2013, 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 2013 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 during the year ended 30 June 2013.

Controls exercised by the Office of the Environmental Protection Authority are those policies and procedures established by the General Manager to ensure 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.

General Manager's Responsibility for Controls

The General Manager is responsible for maintaining an adequate system of internal control to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of public and other property, and the incurring of liabilities are in accordance with the Financial Management Act 2006 and the Treasurer's Instructions, and other relevant written law.

Auditor's Responsibility

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the controls exercised by the Office of the Environmental Protection Authority based on my audit conducted in accordance with Australian Auditing and Assurance Standards.

An audit involves performing procedures to obtain audit evidence about the adequacy of controls to ensure that the Office complies with the legislative provisions. The procedures selected depend on the auditor's judgement and include an evaluation of the design and implementation of relevant controls.

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

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 during the year ended 30 June 2013.

Report on the Key Performance Indicators

I have audited the key performance indicators of the Office of the Environmental Protection Authority for the year ended 30 June 2013.

The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide information on outcome achievement and service provision.

General Manager's Responsibility for the Key Performance Indicators

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 and for such controls as the General Manager determines necessary to ensure that the key performance indicators fairly represent indicated performance.

Auditor's Responsibility

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 and Assurance Standards.

An audit involves performing procedures to obtain audit evidence about the key performance indicators. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments the auditor considers internal control relevant to the General Manager's preparation and fair presentation of the key performance indicators in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the relevance and appropriateness of the key performance indicators for measuring the extent of outcome achievement and service provision.

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

Opinion

In my opinion, the key performance indicators of the Office of the Environmental Protection Authority are relevant and appropriate to assist

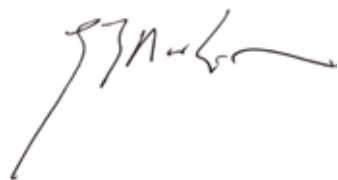
users to assess the Office's performance and fairly represent indicated performance for the year ended 30 June 2013.

Independence

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

Matters Relating to the Electronic Publication of the Audited Financial Statements and Key Performance Indicators

This auditor's report relates to the financial statements and key performance indicators of the Office of the Environmental Protection Authority for the year ended 30 June 2013 included on the Office's website. The Office's management is responsible for the integrity of the Office's website. This audit does not provide assurance on the integrity of the Office's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.



GLEN CLARKE

DEPUTY AUDITOR GENERAL

Delegate of the Auditor General for Western Australia

Perth, Western Australia

20 September 2013

Financial Statements

Certification of Financial Statements

For the year ended 30 June 2013

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 2013 and the financial position as at 30 June 2013.

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



Valma Cartwright
Chief Finance Officer

18 September 2013



Kim Taylor
Accountable Authority

18 September 2013

Statement of Comprehensive Income

For the year ended 30 June 2013

	Note	2013 \$	2012 \$
COST OF SERVICES			
Expenses			
Employee benefits expense	5	12,349,779	10,105,525
Supplies and services	6	4,519,339	3,368,741
Depreciation and amortisation expense	7	119,986	76,921
Grants and subsidies	8	50,000	-
Other expenses	9	473,899	440,377
Total cost of services		17,513,003	13,991,564
Income			
Revenue			
Other revenue	10	221,302	127,967
Total Revenue		221,302	127,967
Gains			
Gain on disposal of non-current assets	11	45,759	-
Total Gains		45,759	-
Total income other than income from State Government		267,061	127,967
NET COST OF SERVICES		17,245,942	13,863,597
Income from State Government	12		
Service appropriation		13,968,000	13,689,000
Services received free of charge		759,736	570,684
Royalties for Regions Fund		-	390,000
Total income from State Government		14,727,736	14,649,684
SURPLUS/(DEFICIT) FOR THE PERIOD		(2,518,206)	786,087
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(2,518,206)	786,087

See also the 'Schedule of Income and Expenses by Service'.

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

Statement of Financial Position

As at 30 June 2013

	Note	2013 \$	2012 \$
ASSETS			
Current Assets			
Cash and cash equivalents	23	35,267	1,443,577
Restricted cash and cash equivalents	13, 23	924,206	1,648,060
Receivables	14	244,394	124,898
Amounts receivable for services	15	146,000	-
Other current assets	16	6,524	21,853
Total Current Assets		1,356,391	3,238,388
Non-Current Assets			
Restricted cash and cash equivalents	13, 23	294,487	243,503
Amounts receivable for services	15	581,000	677,000
Plant and equipment	17	314,282	278,705
Intangible assets	18	203,971	17,100
Total Non-Current Assets		1,393,740	1,216,308
TOTAL ASSETS		2,750,131	4,454,696
LIABILITIES			
Current Liabilities			
Payables	20	430,321	333,101
Provisions	21	2,217,905	1,853,092
Total Current Liabilities		2,648,226	2,186,193
Non-Current Liabilities			
Provisions	21	996,736	713,128
Total Non-Current Liabilities		996,736	713,128
TOTAL LIABILITIES		3,644,962	2,899,321
NET ASSETS		(894,831)	1,555,375

CONTINUED ...

Statement of Financial Position (continued)

As at 30 June 2013

	Note	2013 \$	2012 \$
EQUITY	22		
Contributed equity		443,675	375,675
Accumulated surplus/(deficit)		(1,338,506)	1,179,700
TOTAL EQUITY		(894,831)	1,555,375

See also 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 2013

	Note	CONTRIBUTED EQUITY \$	ACCUMULATED SURPLUS \$	TOTAL EQUITY \$
Balance at 1 July 2011	22	271,675	393,613	665,288
Surplus/(deficit)		-	786,087	786,087
Transactions with owners in their capacity as owners:				
Capital appropriations		104,000	-	104,000
Balance at 30 June 2012		375,675	1,179,700	1,555,375
Balance at 1 July 2012		375,675	1,179,700	1,555,375
Surplus/(deficit)			(2,518,206)	(2,518,206)
Transactions with owners in their capacity as owners:				
Capital appropriations		68,000	-	68,000
Balance at 30 June 2013		443,675	(1,338,506)	(894,831)

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

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 2013

	Note	2013 \$	2012 \$
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation		13,918,000	13,623,000
Capital appropriations		68,000	104,000
Net cash provided by State Government		13,986,000	13,727,000
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(11,653,287)	(10,166,472)
Supplies and services		(3,718,652)	(3,201,355)
GST payments on purchases		(1,227,222)	(332,297)
GST payments to taxation authority		(109,031)	(11,892)
Other payments		(484,085)	(228,997)
Receipts			
GST receipts on sales		216,608	102,352
GST receipts from taxation authority		1,033,862	265,529
Other receipts		221,302	897,479
Net cash provided by/(used in) operating activities	23	(15,770,505)	(12,675,653)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments			
Purchase of non-current physical assets		(351,775)	(82,473)
Receipts			
Proceeds from sale of non-current physical assets		55,100	-
Net cash provided by/(used in) investing activities		(296,675)	(82,473)

CONTINUED ...

Statement of Cash Flows (continued)

For the year ended 30 June 2013

	Note	2013 \$	2012 \$
Net increase/(decrease) in cash and cash equivalents		(2,081,180)	968,874
Cash and cash equivalents at the beginning of the period		3,335,140	2,366,266
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	23	1,253,960	3,335,140

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

Schedule of Income and Expenses by Service

For the year ended 30 June 2013

	ENVIRONMENTAL IMPACT ASSESSMENT AND POLICIES		ENVIRONMENTAL COMPLIANCE AUDITS		TOTAL	
	2013 \$	2012 \$	2013 \$	2012 \$	2013 \$	2012 \$
COST OF SERVICES						
<i>Expenses</i>						
Employee benefits expense	10,860,892	8,805,329	1,488,887	1,300,196	12,349,779	10,105,525
Supplies and services	4,102,315	2,972,376	417,024	396,365	4,519,339	3,368,741
Depreciation and amortisation expense	109,405	67,637	10,581	9,284	119,986	76,921
Grants and subsidies	50,000	-	-	-	50,000	-
Other expenses	397,701	382,751	76,198	57,626	473,899	440,377
Total cost of services	15,520,313	12,228,093	1,992,690	1,763,471	17,513,003	13,991,564
<i>Income</i>						
Other revenue	194,415	58,490	26,887	69,477	221,302	127,967
Gain on disposal of non-current assets	45,759	-	-	-	45,759	-
Total income other than income from State Government	240,174	58,490	26,887	69,477	267,061	127,967
NET COST OF SERVICES	15,280,140	12,169,603	1,965,802	1,693,994	17,245,942	13,863,597
INCOME FROM STATE GOVERNMENT						
Service appropriation	12,373,983	11,901,177	1,594,017	1,787,823	13,968,000	13,689,000
Services received free of charge	676,165	499,349	83,571	71,335	759,736	570,684
Royalties for Regions Fund	-	390,000	-	-	-	390,000
Total income from State Government	13,050,148	12,790,526	1,677,588	1,859,158	14,727,736	14,649,684
SURPLUS/DEFICIT FOR THE PERIOD	(2,229,992)	620,923	(288,214)	165,164	(2,518,206)	786,087

Schedule of Assets and Liabilities by Service

As at 30 June 2013

	ENVIRONMENTAL IMPACT ASSESSMENT AND POLICIES		ENVIRONMENTAL COMPLIANCE AUDITS		TOTAL	
	2013 \$	2012 \$	2013 \$	2012 \$	2013 \$	2012 \$
<i>Assets</i>						
Current assets	1,267,248	2,944,638	89,143	293,750	1,356,391	3,238,388
Non-current assets	1,248,517	1,059,815	145,223	156,493	1,393,740	1,216,308
Total assets	2,515,765	4,004,453	234,366	450,243	2,750,131	4,454,696
<i>Liabilities</i>						
Current liabilities	2,356,921	1,901,988	291,305	284,205	2,648,226	2,186,193
Non-current liabilities	887,095	620,421	109,641	92,707	996,736	713,128
Total liabilities	3,244,016	2,522,409	400,946	376,912	3,644,962	2,899,321
NET ASSETS	(728,251)	1,482,044	(166,580)	73,331	(894,831)	1,555,375

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 2013

	2013 ESTIMATE \$	2013 ACTUAL \$	VARIANCE \$	2013 ACTUAL \$	2012 ACTUAL \$	VARIANCE \$
<i>Delivery of Services</i>						
Item 102 Net amount appropriated to deliver services	14,225,000	13,968,000	(257,000)	13,968,000	13,689,000	(279,000)
Total appropriations provided to deliver services	14,225,000	13,968,000	(257,000)	13,968,000	13,689,000	(279,000)
<i>Capital</i>						
Capital appropriations	68,000	68,000	-	68,000	104,000	36,000
GRAND TOTAL	14,293,000	14,036,000	(257,000)	14,036,000	13,793,000	(243,000)
<i>Details of Expenses by Service</i>						
Environmental Impact Assessment and Policies	14,708,000	15,520,313	812,313	15,520,313	12,231,628	(3,288,685)
Environmental Compliance	1,757,000	1,992,689	235,689	1,992,689	1,759,936	(232,753)
Total Cost of Services	16,465,000	17,513,002	1,048,002	17,513,002	13,991,564	(3,521,438)
Less Total Income	(850,000)	(267,061)	582,939	(267,061)	(127,967)	139,094
Net Cost of Services	15,615,000	17,245,941	1,630,942	17,245,941	13,863,597	(3,382,344)
Adjustments	(1,390,000)	(3,277,941)	(1,887,942)	(3,277,941)	(174,597)	3,103,344
Total appropriations provided to deliver services	14,225,000	13,968,000	(257,000)	13,968,000	13,689,000	-
<i>Capital Expenditure</i>						
Purchase of non-current physical assets	158,000	351,775	193,775	351,775	82,473	269,302
Adjustments for other funding sources	-	(193,775)	(193,775)	(193,775)	21,527	(215,302)
Capital appropriations	158,000	158,000	-	158,000	104,000	54,000

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

Note 27 'Explanatory statement' provides details of any significant variations between estimates and actual results for 2013 and between the actual results for 2013 and 2012.

Notes to the Financial Statements

For the year ended 30 June 2013

Note 1. Australian Accounting Standards

General

The Department's financial statements for the year ended 30 June 2013 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' includes Standards and Interpretations issued by the Australian Accounting Standards 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. There has been no early adoption of Australian Accounting Standards that have been issued or amended (but not operative) by the Department for the annual reporting period ended 30 June 2013.

Note 2. Summary of significant accounting policies

(a) General statement

The Department is a not-for-profit reporting entity that prepares general purpose financial statements in accordance with Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB 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 impose legislative provisions that govern 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

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 appropriations 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.

The transfers 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 receivable 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 of the funds at the time the funds are deposited into the Department's bank account.

Gains

Realised and unrealised gains are usually recognised on a net basis. These include gains arising on the disposal 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

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 the fair value at the date of acquisition.

Subsequent measurement

Subsequent to initial recognition of an asset, historical cost is used for 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 gain or loss is shown in the statement of Comprehensive Income.

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 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	3 to 4 years
Marine equipment	3 to 10 years

(g) Intangible assets

Capitalisation/expensing of assets

Acquisitions of intangible assets costing \$5,000 or more and internally generated intangible assets costing \$50,000 or more are capitalised. The cost of utilising the assets is expensed (amortised) over their useful lives. Costs incurred below these thresholds are immediately expensed directly to the Statement of Comprehensive Income.

Intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

The cost model is applied for subsequent measurement requiring the asset to be carried at cost less any



accumulated amortisation and accumulated impairment losses.

Amortisation for intangible assets with finite useful lives is calculated for the period of the expected benefit (estimated useful life which is reviewed annually) on the straight line basis. All intangible assets controlled by the Department have a finite useful life and zero residual value.

The expected useful lives for each class of intangible asset are:

Software ^(a)	3 to 5 years
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^(a) Software that is not integral to the operation of any related hardware.

Computer software

Software that is an integral part of the related hardware is recognised as plant and equipment. Software that is not an integral part of the related hardware is recognised as an intangible asset. Software costing less than \$5,000 is expensed in the year of acquisition.

(h) Impairment of assets

Plant and equipment and intangible assets 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. Where an asset measured at cost is written down to recoverable amount, an impairment loss is recognised in profit or loss. 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 the asset's future economic benefits and to evaluate any impairment risk from falling replacement costs.

(i) Non-current assets (or disposal groups) classified as held for sale

Non-current assets (or disposal groups) held for sale are recognised at the lower of carrying amount and fair value less costs to sell, and are disclosed separately from other assets in the Statement of Financial Position. Assets classified as held for sale are not depreciated or amortised.

The Department has no assets classified as held for sale.

(j) Leases

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

(k) Financial instruments

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

- Receivables; and
- Financial liabilities measured at amortised cost.

Financial instruments 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.

(l) 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.

(m) Accrued salaries

Accrued salaries (see note 20 '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 fair value.

The accrued salaries suspense account (See note 13 '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.

(n) 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). The accrued amount receivable is accessible on the emergence of the cash funding requirement to cover leave entitlements and asset replacement.

(o) Receivables

Receivables are recognised 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.

(p) 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 settlement is generally within 30 days.

**(q) 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

All annual leave and long service leave provisions are in respect of employees' services up to the end of the reporting period.

Annual leave

The liability for annual leave that is expected to be settled within 12 months after the end of the reporting period is recognised and measured at the undiscounted amounts expected to be paid when the liability is settled.

Annual leave that is not expected to be settled within 12 months after the end of the reporting period is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as 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.

The provision for annual leave is classified as a current liability as the Department does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Long service leave

The liability for long service leave that is expected to be settled within 12 months after the end of the reporting period is recognised and measured at the undiscounted amounts expected to be paid when the liability is settled.

Long service leave that is not expected to be settled within 12 months after the end of the reporting period is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as 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.

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 end of the reporting period. Pre-conditional and 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.

Purchased leave

The provision for purchased leave relates to Public Service employees who have entered into an agreement to self-fund up to an additional 10 weeks leave per calendar year. The provision recognises the value of salary set aside for employees and is measured at the undiscounted amounts expected to be paid when the liabilities are settled.

Superannuation

The Government Employees Superannuation Board (GESB) and other fund providers administer public sector superannuation arrangements in Western Australia in accordance with legislative requirements. Eligibility criteria for membership in particular schemes for public sector employees vary according to commencement and implementation dates.

Eligible employees contribute to the Pension Scheme, a defined benefit pension scheme closed to new members since 1987, or the Gold State Superannuation Scheme (GSS), a defined benefit lump sum scheme closed to new members since 1995.

Employees commencing employment prior to 16 April 2007 who were not members of either the Pension Scheme or the GSS 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). From 30 March 2012, existing members of the WSS or GESBS and new employees have been able to choose their preferred superannuation fund provider. The Department makes contributions to GESB or other fund provider on behalf of employees in compliance with the Commonwealth Government's *Superannuation Guarantee (Administration) Act 1992*. Contributions to

these accumulation schemes extinguish the Department's liability for superannuation charges in respect of employees who are not members of the Pension Scheme or GSS.

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 extinguish the agency's obligations to the related superannuation liability.

The Department has no liabilities under the Pension Scheme or the GSS. The liabilities for the unfunded Pension Scheme and the unfunded GSS transfer benefits attributable to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS obligations are funded by concurrent contributions made by the Department to the GESB.

The GESB makes all benefit payments in respect of the Pension Scheme and GSS, 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'.

**(u) Superannuation expense**

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

(v) Assets and services received free of charge or for nominal cost

Assets or services received free of charge or for nominal cost are recognised as income at the fair value of the assets and/or the fair value of those services that can be reliably measured and the Department would otherwise pay for. A corresponding expense is recognised for services received. Receipts of assets are recognised in the Statement of Financial Position. 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.

(w) Comparative figures

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

Note 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.

Note 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 2012 that impacted on the Department.

AASB 2011-9

Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049]

This Standard requires to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). There is no financial impact.

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 of the following Australian



Accounting Standards that have been issued that may impact the Department. Where

applicable, the Department plans to apply these Australian Accounting Standards from

their application date.

**Operative
for reporting
periods
beginning
on/after**

AASB 9

Financial Instruments

This Standard supersedes AASB 139 *Financial Instruments: Recognition and Measurement*, introducing a number of changes to accounting treatments.

AASB 2012-6 *Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transition Disclosures* amended the mandatory application date of this Standard to 1 January 2015. The Department has not yet determined the application or the potential impact of the Standard.

1 Jan 2015

AASB 10

Consolidated Financial Statements

This Standard supersedes AASB 127 *Consolidated and Separate Financial Statements and Int 112 Consolidation – Special Purpose Entities*, introducing a number of changes to accounting treatments.

Mandatory application of this Standard was deferred by one year for not-for-profit entities by AASB 2012 10 *Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments*. The Department has not yet determined the application or the potential impact of the Standard.

1 Jan 2014

AASB 11

Joint Arrangements

This Standard supersedes AASB 131 *Interests in Joint Ventures*, introducing a number of changes to accounting treatments.

Mandatory application of this Standard was deferred by one year for not-for-profit entities by AASB 2012 10. The Department has not yet determined the application or the potential impact of the Standard.

1 Jan 2014

AASB 12

Disclosure of Interests in Other Entities

This Standard supersedes disclosure requirements under AASB 127 *Consolidated and Separate Financial Statements* and AASB 131 *Interests in Joint Ventures*.

Mandatory application of this Standard was deferred by one year for not-for-profit entities by AASB 2012 10. The Department has not yet determined the application or the potential impact of the Standard.

1 Jan 2014

AASB 13

Fair Value Measurement

This Standard defines fair value, sets out a framework for measuring fair value and requires additional disclosures about fair value measurements. There is no financial impact.

1 Jan 2013

		Operative for reporting periods beginning on/after
AASB 119	<i>Employee Benefits</i> This Standard supersedes AASB 119 (October 2010), making changes to the recognition, presentation and disclosure requirements. The Department does not have any defined benefit plans, and therefore the financial impact will be limited to the effect of discounting annual leave and long service leave liabilities that were previously measured at the undiscounted amounts.	1 Jan 2013
AASB 127	<i>Separate Financial Statements</i> This Standard supersedes AASB 127 <i>Consolidated and Separate Financial Statements</i> , introducing a number of changes to accounting treatments. Mandatory application of this Standard was deferred by one year for not-for-profit entities by AASB 2012 10. The Department has not yet determined the application or the potential impact of the Standard.	1 Jan 2014
AASB 128	<i>Investments in Associates and Joint Ventures</i> This Standard supersedes AASB 128 <i>Investments in Associates</i> , introducing a number of changes to accounting treatments. Mandatory application of this Standard was deferred by one year for not-for-profit entities by AASB 2012 10. The Department has not yet determined the application or the potential impact of the Standard	1 Jan 2014
AASB 1053	<i>Application of Tiers of Australian Accounting Standards</i> This Standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements. There is no financial impact.	1 Jul 2013
AASB 1055	<i>Budgetary Reporting</i> This Standard specifies the nature of budgetary disclosures, the circumstances in which they are to be included in the general purpose financial statements of not-for-profit entities within the GGS. The Department will be required to disclose additional budgetary information and explanations of major variances between actual and budgeted amounts, though there is no financial impact.	1 Jul 2014

		Operative for reporting periods beginning on/after
AASB 2010-2	<p><i>Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and Int 2, 4, 5, 15, 17, 127, 129 & 1052]</i></p> <p>This Standard makes amendments to Australian Accounting Standards and Interpretations to introduce reduced disclosure requirements for certain types of entities. There is no financial impact.</p>	1 Jul 2013
AASB 2010-7	<p><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 & 1038 and Int 2, 5, 10, 12, 19 & 127]</i></p> <p>This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in December 2010.</p> <p>AASB 2012-6 amended the mandatory application date of this Standard to 1 January 2015. The Department has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2015
AASB 2011-2	<p><i>Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements [AASB 101 & 1054]</i></p> <p>This 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. There is no financial impact.</p>	1 Jul 2013
AASB 2011-6	<p><i>Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation – Reduced Disclosure Requirements [AASB 127, 128 & 131]</i></p> <p>This Standard extends the relief from consolidation, the equity method and proportionate consolidation by removing the requirement for the consolidated financial statements prepared by the ultimate or any intermediate parent entity to be IFRS compliant, provided that the parent entity, investor or venturer and the ultimate or intermediate parent entity comply with Australian Accounting Standards or Australian Accounting Standards – Reduced Disclosure Requirements. There is no financial impact.</p>	1 Jul 2013

		Operative for reporting periods beginning on/after
AASB 2011-7	<i>Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Int 5, 9, 16 & 17]</i> This Standard gives effect to consequential changes arising from the issuance of AASB 10, AASB 11, AASB 127 Separate Financial Statements and AASB 128 Investments in Associates and Joint Ventures. For not-for-profit entities it applies to annual reporting periods beginning on or after 1 January 2014. The Department has not yet determined the application or the potential impact of the Standard.	1 Jan 2013
AASB 2011-8	<i>Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Int 2, 4, 12, 13, 14, 17, 19, 131 & 132]</i> This Standard replaces the existing definition and fair value guidance in other Australian Accounting Standards and Interpretations as the result of issuing AASB 13 in September 2011. There is no financial impact.	1 Jan 2013
AASB 2011-10	<i>Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, 8, 101, 124, 134, 1049 & 2011-8 and Int 14]</i> This Standard makes amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 119 in September 2011. There is limited financial impact.	1 Jan 2013
AASB 2011-11	<i>Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements</i> This Standard gives effect to Australian Accounting Standards – Reduced Disclosure Requirements for AASB 119 (September 2011). There is no financial impact.	1 Jul 2013
AASB 2012-1	<i>Amendments to Australian Accounting Standards - Fair Value Measurement - Reduced Disclosure Requirements [AASB 3, 7, 13, 140 & 141]</i> This Standard establishes and amends reduced disclosure requirements for additional and amended disclosures arising from AASB 13 and the consequential amendments implemented through AASB 2011-8. There is no financial impact.	1 Jul 2013

		Operative for reporting periods beginning on/after
AASB 2012-2	<p><i>Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities [AASB 7 & 132]</i></p> <p>This Standard amends the required disclosures in AASB 7 to include information that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position. There is no financial impact.</p>	1 Jan 2013
AASB 2012-3	<p><i>Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities [AASB 132]</i></p> <p>This Standard adds application guidance to AASB 132 to address inconsistencies identified in applying some of the offsetting criteria, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement. There is no financial impact.</p>	1 Jan 2014
AASB 2012-5	<p><i>Amendments to Australian Accounting Standards arising from Annual Improvements 2009-11 Cycle [AASB 1, 101, 116, 132 & 134 and Int 2]</i></p> <p>This Standard makes amendments to the Australian Accounting Standards and Interpretations as a consequence of the annual improvements process. There is no financial impact.</p>	1 Jan 2013
AASB 2012-6	<p><i>Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transition Disclosures [AASB 9, 2009-11, 2010-7, 2011-7 & 2011-8]</i></p> <p>This Standard amends the mandatory effective date of AASB 9 <i>Financial Instruments</i> to 1 January 2015. Further amendments are also made to consequential amendments arising from AASB 9 that will now apply from 1 January 2015 and to consequential amendments arising out of the Standards that will still apply from 1 January 2013. There is no financial impact.</p>	1 Jan 2013
AASB 2012-7	<p><i>Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 7, 12, 101 & 127]</i></p> <p>This Standard adds to or amends the Australian Accounting Standards to provide further information regarding the differential reporting framework and the two tiers of reporting requirements for preparing general financial statement. There is no financial impact.</p>	1 Jul 2013

Operative
for reporting
periods
beginning
on/after

AASB 2012-10 *Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments [AASB 1, 5, 7, 8, 10, 11, 12, 13, 101, 102, 108, 112, 118, 119, 127, 128, 132, 133, 134, 137, 1023, 1038, 1039, 1049, & 2011-7 and Int 12]*

This Standard makes amendments to AASB 10 and related Standards to revise the transition guidance relevant to the initial application of those Standards, and to clarify the circumstances in which adjustments to an entity's previous accounting for its involvement with other entities are required and the timing of such adjustments.

The Standard was issued in December 2012. The Department has not yet determined the application or the potential impact of the Standard.

1 Jan 2013

AASB 2012-11 *Amendments to Australian Accounting Standards – Reduced Disclosure Requirements and Other Amendments [AASB 1, 2, 8, 10, 107, 128, 133, 134 & 2011-4]*

This Standard makes various editorial corrections to Australian Accounting Standards – Reduced Disclosure Requirements (Tier 2). These corrections ensure that the Standards reflect decisions of the AASB regarding the Tier 2 requirements.

This Standard also extends the relief from consolidation and the equity method (in the new Consolidation and Joint Arrangements Standards) to entities complying with Australian Accounting Standards – Reduced Disclosure Requirements. There is no financial impact.

1 Jul 2013

Note 5. Employee benefits expense

Wages and salaries ^(a)

Superannuation – defined contribution plans ^(b)

2013 \$	2012 \$
11,370,009	9,252,702
979,770	852,823
12,349,779	10,105,525

^(a) Includes the value of the fringe benefit to the employee plus the fringe benefits tax component, leave entitlements including superannuation contribution component.

^(b) Defined contribution plans include West State, Gold State, GESB and other eligible funds. Employment on-costs expenses, such as workers' compensation insurance, are included at note 9 'Other expenses'.

Employment on-costs liability is included at note 21 'Provisions'



Note 6. Supplies and services

Communications

Consultants and contractors ^(a)

Consumables

Travel

Other

2013 \$	2012 \$
129,551	210,702
3,933,770	2,904,003
79,967	199,618
80,350	43,482
295,701	10,936
4,519,339	3,368,741

^(a) \$2,331,313 payment for services supplied by the Department of Environment and Conservation under a Service Level Agreement for corporate services.

Note 7. Depreciation and amortisation expense

Depreciation

Information technology assets

Marine equipment

Other plant and equipment

Total depreciation

17,164	14,057
62,486	61,402
4,362	1,462
84,012	76,921

Amortisation

Computer software

Total amortisation

Total depreciation and amortisation

35,974	-
35,974	-
119,986	76,921

Note 8. Grants and subsidies

Biodiversity Research

50,000	-
50,000	-

Note 9. Other expenses

Audit fees ^(a)

Employment on-costs ^(b)

Other employment costs

Lease costs

Repairs and Maintenance

^(a) Audit fees. Fee was accrued in 2011–12 and not accrued in 2012–13 to adjust for treatment on timing of service provision. Also see note 30 'Remuneration of auditor'.

^(b) Includes workers compensation insurance and other employment on-costs.

Note 10. Other revenue

Cost recoup for site visits, audits and administration

Note 11. Net gain on disposal of non-current assets

Proceeds from disposal of non-current assets

Marine equipment

Costs of disposal of non-current assets

Marine equipment

Net gain

2013 \$	2012 \$
2,600	25,400
53,269	31,226
251,298	292,112
102,969	90,253
63,763	1,386
473,899	440,377
221,302	127,967
221,302	127,967
55,100	-
(9,341)	-
45,759	-



Note 12. Income from State Government

Appropriation received during the period:

Service appropriation ^(a)

Services received free of charge from other State government agencies during the period:

Department of Environment and Conservation

State Solicitor's Office

Royalties for Regions Fund:

Pilbara Cities ^(b)

2013 \$	2012 \$
13,968,000	13,689,000
13,968,000	13,689,000
535,000	525,000
224,736	45,684
759,736	570,684
-	390,000
-	390,000
14,727,736	14,649,684

^(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 budgeted depreciation expense for the year and any agreed increase in leave liabilities during the year.

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



Note 13. Restricted cash and cash equivalents

Current

Royalties for Regions Fund ^(a)

Environmental Impact Assessment executive ^(b)

Gorgon Gas Development audit ^(c)

Fertiliser Initiatives account ^(d)

Strategic policy research and analysis account ^(e)

Marine studies ^(f)

Cockburn Sound EPP ^(g)

Terrestrial ecosystems research and analysis account ^(h)

Non-current

Accrued salaries suspense account ⁽ⁱ⁾

2013 \$	2012 \$
103,072	439,340
189,138	304,464
1,743	56,362
50,664	107,782
230,797	340,797
232,329	232,852
43,448	43,448
73,015	123,015
924,206	1,648,060
294,487	243,503
294,487	243,503

(a) Unspent funds are committed to projects and programs in WA regional areas.

(b) 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.

(c) Funding provided for auditing of Gorgon Gas

(d) Specific funding to support Government fertiliser initiatives

(e) Funding for environmental analysis and research associated with cyclical review of statutory policies and other strategic projects

(f) Marine studies to support environmental protection

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

(h) Funding for research and analysis associated with strategic biodiversity conservation and planning

(i) Funds held in the suspense account for the purpose of meeting the 27th pay in a financial year that occurs every 11 year

Note 14. Receivables

Current

Receivables	158,611	74,637
GST receivable	85,783	50,261
	244,394	124,898

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

Note 15. Amounts receivable for services (Holding Account)

Current

Asset Replacement	146,000	-
Non-current	581,000	677,000
	727,000	677,000

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.

Note 16. Other assets

Current

Prepayments	6,524	21,853
Total current	6,524	21,853

Note 17. Plant and equipment

Information technology

At cost	173,266	73,964
Accumulated depreciation	(84,166)	(67,002)
	89,100	6,962



	2013 \$	2012 \$
<i>Marine equipment</i>		
At cost	288,851	352,737
Accumulated depreciation	(101,040)	(94,236)
	187,811	258,501
<i>Other plant and equipment</i>		
At cost	45,116	16,625
Accumulated depreciation	(7,745)	(3,383)
	37,371	13,242
<i>Other marine equipment work in progress</i>		
In progress cost	-	211,276
Transfer to marine equipment	-	(211,276)
	-	-
	314,282	278,705

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 \$	Marine equipment \$	Other plant and equipment \$	Other marine equipment work in progress \$	Total \$
2013					
Carrying amount at start of period	6,962	258,501	13,242	-	278,705
Additions	99,302	1,138	28,491	-	128,931
Disposal	-	(9,342)	-	-	(9,342)
Depreciation	(17,164)	(62,486)	(4,362)	-	(84,012)
Carrying amount at end of period	89,100	187,811	37,371	-	314,282

2012

	Information technology \$	Marine equipment \$	Other plant and equipment \$	Other marine equipment work in progress \$	Total \$
Carrying amount at start of period	21,019	48,532	9,427	211,276	290,254
Additions	-	60,095	5,277	-	65,372
Transfers	-	211,276	-	(211,276)	-
Depreciation	(14,057)	(61,402)	(1,462)	-	(76,921)
Carrying amount at end of period	6,962	258,501	13,242	-	278,705

Note 18. Intangible assets*Computer software*

At cost

Accumulated amortisation

	2013 \$	2012 \$
At cost	239,945	17,100
Accumulated amortisation	(35,974)	-
	203,971	17,100
Reconciliations		
<i>Computer software</i>		
Carrying amount at start of period	17,100	-
Additions	222,845	17,100
Amortisation expense	(35,974)	-
Carrying amount at end of period	203,971	17,100

Note 19. Impairment of assets

There were no indications of impairment to plant and equipment or intangible assets at 30 June 2013.

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

All surplus assets at 30 June 2013 have either been classified as assets held for sale or written-off.

Note 20. Payables

Current

Accrued expenses

Accrued salaries

Total current

2013 \$	2012 \$
173,875	96,516
256,446	236,585
430,321	333,101
742,397	638,967
1,455,391	1,201,775
2,197,788	1,840,742
20,117	12,350
20,117	12,350
2,217,905	1,853,092
987,695	704,481
987,695	704,481
9,041	8,647
9,041	8,647
996,736	713,128

Note 21. Provisions

Current

Employee benefits provision

Annual leave ^{(a) (c)}

Long service leave ^{(b) (c)}

Other provisions

Employment on-costs ^(d)

Non-current

Employee benefits provision

Long service leave ^{(b) (c)}

Other provisions

Employment on-costs ^(d)



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

Within 12 months of the end of the reporting period

More than 12 months after the end of the reporting period

2013
\$

2012
\$

600,886

511,174

141,511

127,793

742,397

638,967

- (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 end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

Within 12 months of the end of the reporting period

More than 12 months after the end of the reporting period

450,462

420,621

1,004,929

781,154

1,455,391

1,201,775

- (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.

- (d) The associated expense is disclosed in note 9 'Other expenses'.

Movements in other provisions

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

Employment on-cost provision

Carrying amount at start of period

Additional/(reversals of) provisions recognised

Carrying amount at end of period

20,997

21,376

8,161

(379)

29,158

20,997

Note 22. 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. The asset revaluation surplus represents that portion of equity resulting from the revaluation of non-current assets.

Contributed equity

Balance at start of period

Contributions by owners

Capital appropriation

Balance at end of period

Accumulated surplus/(deficit)

Balance at start of period

Result for the period

Balance at end of period

Total Equity at end of period

Note 23. 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:

Cash and cash equivalents

Restricted cash and cash equivalents (note 13 '*Restricted cash and cash equivalents*')

2013 \$	2012 \$
375,675	271,675
68,000	104,000
443,675	375,675
1,179,700	393,613
(2,518,206)	786,087
(1,338,506)	1,179,700
(894,831)	1,555,375
35,267	1,443,577
1,218,693	1,891,563
1,253,960	3,335,140

Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities

	2013 \$	2012 \$
Net cost of services	(17,245,942)	(13,863,597)
<i>Non-cash items</i>		
Depreciation and amortisation expense (note 7 'Depreciation and amortisation expense')	119,986	76,921
Services received free of charge (note 11 'Income from State Government')	759,736	570,684
Net (gain)/loss on disposal of property, plant and equipment (note 10 'Net gain/(loss) on disposal of non-current assets')	45,759	
Adjustment for other non-cash items	(5,736)	-
<i>(Increase)/decrease in assets</i>		
Current receivables	(83,973)	805,221
Other current assets	15,329	(21,853)
<i>Increase/(decrease) in liabilities</i>		
Current payables	97,220	(184,630)
Current provisions	364,813	(99,490)
Non-current provisions	283,608	53,108
Net GST receipts/(payments) ^(a)	(85,783)	23,693
Change in GST in receivables/payables ^(b)	(35,522)	(35,710)
Net cash provided by/(used in) operating activities	(15,770,505)	(12,675,653)

^(a) This is the net GST paid/received, i.e. cash transactions

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

Note 24. Commitments

Non-cancellable operating lease commitments

Commitments for minimum lease payments are payable as follows:

Within 1 year

Later than 1 year and not later than 5 years

The Department has non-cancellable operating vehicle lease commitments. The lease terms vary dependent upon the vehicle and are for fixed terms payable monthly. The commitments are inclusive of GST.

2013 \$	2012 \$
38,320	69,959
40,446	17,211
78,766	87,170

Note 25. Contingent liabilities and contingent assets

The Department has no contingent liabilities or contingent assets as at 30 June 2013.

Note 26. 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.

Note 27. 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.

Total appropriations provided to deliver services

Significant variances between estimate and actual for 2013

	2013 ESTIMATE \$	2013 ACTUAL \$	VARIANCE \$
Appropriation provided to deliver services	14,225,000	13,968,000	(257,000) ^(a)
Total income	850,000	267,061	(582,939) ^(b)

^(a) Appropriations were reduced under the FTE Ceiling corrective measures for 2012–13.

^(b) Estimated income from one off grants was not received.

Significant variances between actual results for 2013 and 2012

	2013 \$	2012 \$	VARIANCE \$
Appropriation provided to deliver services	13,986,000	13,689,000	297,000 ^(a)

^(a) Additional appropriation was received to provide qualified staff to assist in complex environmental assessments.

Service Expenditure

Significant variances between estimate and actual for 2013

	2013 ESTIMATE \$	2013 ACTUAL \$	VARIANCE \$
Environmental Impact Assessment and Policies	14,708,000	15,520,313	812,313 ^(a)
Environmental Compliance Audits	1,757,000	1,992,689	235,689 ^(b)

^(a) Increased expenditure reflects the improvements to the Information Technology infrastructure associated with the Case Management System being developed to improve the Environmental Impact Assessment process.

^(b) More resources were provided to undertake compliance audits.

Significant variances between actual results for 2013 and 2012

	2013 \$	2012 \$	VARIANCE \$
Environmental Impact Assessment and Policies	15,520,313	12,231,628	(3,288,685) ^(a)
Environmental Compliance Audits	1,992,689	1,759,936	(232,753) ^(b)

^(a) A significant amount of progress has been achieved in the reform of the Information Systems used to assist in the Environmental Impact Assessment processes. This necessitated the setup of information technology infrastructure to provide a separate OEPA information network for a Case Management System being developed.

^(b) Previously vacant positions within the Compliance Branch have been filled.

Capital contribution

Significant variances between estimate and actual for 2013

No significant variance in Capital contribution.

Significant variances between actual results for 2013 and 2012

	2013 \$	2012 \$	VARIANCE \$
Capital contribution	68,000	104,000	(36,000) ^(a)

^(a) The capital contribution is to provide essential computing equipment to assist in the implementation of improved assessment process.

Note 28. 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 allowance for impairment as shown in the table at note 28(c) 'Financial instruments disclosures' and note 14 '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 drawdown 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

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are:

	2013 \$000	2012 \$000
<i>Financial Assets</i>		
Cash and cash equivalents	35	1,444
Restricted cash and cash equivalents	1,219	1,892
Receivables ^(a)	886	752
<i>Financial Liabilities</i>		
Financial liabilities measured at amortised cost	430	333

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

(c) Financial instrument disclosures

Credit risk

The following table details the Department's maximum exposure to credit risk 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 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 enhancement relating to the financial assets it holds.

Ageing analysis of financial assets

	CARRYING AMOUNT \$000	NOT PAST DUE AND NOT IMPAIRED \$000	PAST DUE BUT NOT IMPAIRED				MORE THAN 5 YEARS \$000	IMPAIRED FINANCIAL ASSETS \$000
			UP TO 1 MONTH \$000	1-3 MONTHS \$000	3 MONTHS TO 1 YEAR \$000	1-5 YEARS \$000		
2013								
Cash and cash equivalents	35	35	-	-	-	-	-	-
Restricted cash and cash equivalents	1,219	1,219	-	-	-	-	-	-
Receivables ^(a)	159	-	157	2	-	-	-	-
Amounts receivable for services	727	727	-	-	-	-	-	-
	2,140	1,981	157	2				
2012								
Cash and cash equivalents	1,444	1,444	-	-	-	-	-	-
Restricted cash and cash equivalents	1,892	1,892	-	-	-	-	-	-
Receivables ^(a)	75	-	-	75	-	-	-	-
Amounts receivable for services	677	677	-	-	-	-	-	-
	4,088	4,013	-	75	-	-	-	-

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

Liquidity risk and interest rate exposure

The following table details the Department's interest rate exposure and the contractual maturity analysis of financial assets and financial liabilities. The maturity analysis section includes interest and principal cash flows. The interest rate exposure section analyses only the carrying amounts of each item.

Interest rate exposure and maturity analysis of financial assets and financial liabilities

		WEIGHTED AVERAGE EFFECTIVE INTEREST RATE %	CARRYING AMOUNT \$000	INTEREST RATE EXPOSURE (NIL)		MATURITY DATES				
				NON- INTEREST BEARING \$000	NOMINAL AMOUNT \$000	UP TO 1 MONTH \$000	1-3 MONTHS \$000	3 MONTHS TO 1 YEAR \$000	1-5 YEARS \$000	MORE THAN 5 YEARS \$000
2013										
Financial Assets										
Cash and cash equivalents			35	35	35	35	-	-	-	-
Restricted cash and cash equivalents			1,219	1,219	1,219	1,219	-	-	-	-
Receivables ^(a)	-		159	159	159	157	2	-	-	-
Amounts receivable for services	-		727	727	727	-	-	146	137	444
			2,140	2,140	2,140	1,411	2	146	137	444
Financial Liabilities										
Payables	-		430	430	430	430	-	-	-	-
			430	430	430	430	-	-	-	-
2012										
Financial Assets										
Cash and cash equivalents			1,444	1,444	1,444	1,444	-	-	-	-
Restricted cash and cash equivalents			1,892	1,892	1,892	1,892	-	-	-	-
Receivables ^(a)			75	75	75	75	-	-	-	-
Amounts receivable for services			677	677	677		-	-	677	-
			4,088	4,088	4,088	3,411	-	-	677	-
Financial Liabilities										
Payables	-		333	333	333	333	-	-	-	-
			333	333	333	333	-	-	-	-

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

Note 29. Remuneration of senior officers

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

\$	2013	2012
100,001 – 150,000	1	1
150,001 – 200,00	3	2
200,001 – 250,000	-	-
250,001 – 300,000	-	1
300,001 – 350,000	1	1
	\$	\$
Base remuneration and superannuation	969,812	851,906
Annual leave and long service leave accruals	(49,905)	151,027
Other benefits	69,930	63,715
Total remuneration of senior officers	989,837	1,066,648

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

Note 30. Remuneration of auditor

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

	2013 \$	2012 \$
Auditing the accounts, financial statements and key performance indicators	26,400	25,400

Note 31. 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 Treasurers Instruction 951.

Note 32. 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, (2012: nil).

(b) Losses through theft, defaults and other causes

The Department had no losses through theft, defaults and other causes during the financial year. (2012: nil).

(c) Gifts of public property

The Department had no gifts of public property during the financial year. (2012: nil).

Key performance indicators

Certification of Key Performance Indicators

For the year ended 30 June 2013

I hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess 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 2013.



Kim Taylor
Accountable Authority

18 September 2013

Detailed Key Performance Indicators

Performance Information

The Office of the Environmental Protection Authority (OEPA) was established as a separate Department in November 2009. The OEPA works to support the Government's goal of ensuring that economic activity is managed in a socially and environmentally responsible manner for the long term benefit of the State.

It supports this goal by working to deliver the desired outcome of an efficient and effective environmental assessment and compliance system.

The OEPA has two key services that contribute to the above outcome and against which the Department's effectiveness and efficiency is reported.

1. Environmental impact assessment and policies
2. Environmental compliance audits

It should be noted that the OEPA's performance indicators are currently under review in order to develop a new set of indicators that are more robust, contemporary and fit for purpose.

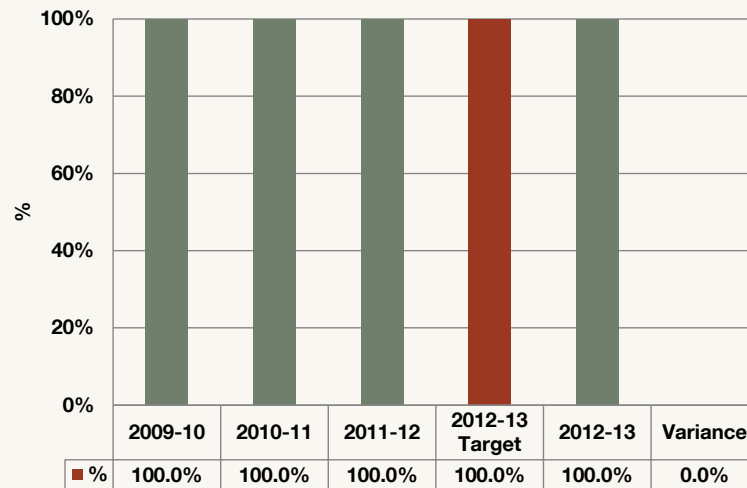
Outcomes and Key Effectiveness Indicators

There are three current effectiveness indicators for the OEPA:

	2009–10 ACTUAL	2010–11 ACTUAL	2011–12 ACTUAL	2012–13 TARGET	2012–13 ACTUAL	2012–13 VARIANCE OF TARGET TO ACTUAL	VARIANCE OF ACTUAL 2011–12 AND 2012–13
Percentage of approved projects with actual impacts not exceeding those predicted during the assessment	100%	100%	100%	100%	100%	0%	0%
Percentage of assessments that meet agreed initial timelines	84%	82%	80%	80%	81%	1%	1%
Percentage of audited projects where all environmental conditions have been met	n/a ^(a)	58%	87%	80%	84%	4%	-3%

^(a) indicator not in place during 2009–10.

Percentage of approved projects with actual impacts not exceeding those predicted during the assessment



Percentage of approved projects with actual impacts not exceeding those predicted during the assessment

Accurately predicting likely environmental impacts is essential to the development of appropriate conditions for any approval.

The OEPA assesses the effectiveness of its environmental impact assessments by determining the number of times that action needs to be taken beyond routine compliance to achieve protection of the environment as specified under conditions in an Implementation Statement.

Such action could relate to the issuing of a notice by the Minister for Environment under section 48 (4) of the *Environmental Protection Act 1986*.

Explanatory Notes:

The determination of whether a project has had impacts exceeding those predicted during the assessment is based on information from the OEPA audits, audits by other government agencies, reports submitted by project proponents and from information reported by the public.

The 2012–13 result of 100 per cent was determined by considering the following criteria:

Orders/notices issued by Minister

There were no notices issued in 2012–13 by the Minister to prevent, control or abate any pollution or environmental harm caused by non-compliance.

Information from OEPA audits

The 63 audits undertaken by the Compliance Branch in 2012–13 did not result in the detection of any projects where environmental impacts were beyond those regulated by the Ministerial conditions.

Audits by other Government agencies

No advice was received from other Government agencies in 2012–13 indicating environmental impacts beyond those regulated by the Ministerial conditions.

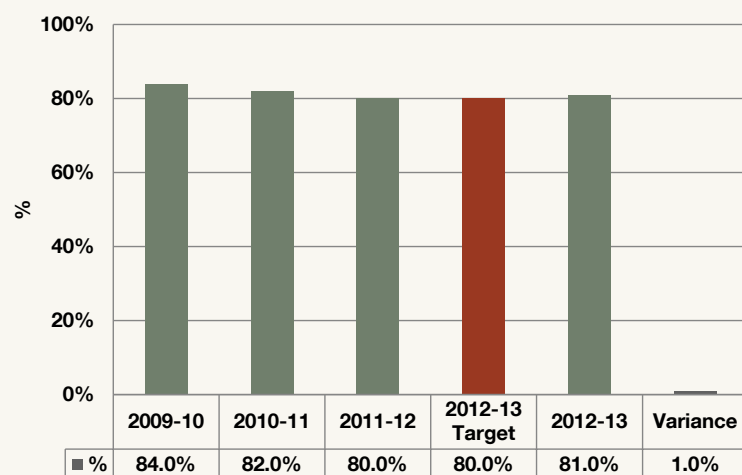
Reports submitted by project proponents

No reports were received from proponents in 2012–13 indicating environmental impacts beyond those regulated by the Ministerial conditions.

Information reported by the public

No information was received from the public in 2012–13 indicating environmental impacts beyond those regulated by the Ministerial conditions.

Percentage of assessments that met agreed initial timelines



Percentage of assessments that met agreed initial timelines

Expected timelines are usually agreed at the time an assessment is commenced. This graph illustrates the percentage of assessments where those initially agreed timelines have been met.

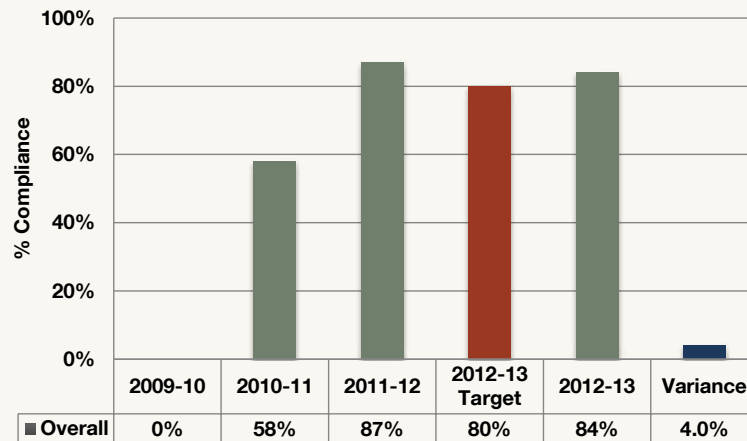
Explanatory Notes:

Timelines for an assessment may vary according to the complexity of the project and are usually agreed with the proponent soon after the level of assessment is determined.

The EPA has adopted a practice of publishing in its assessment report to the Minister whether it has met the timeline objective.

In 2012–13, the OEPA met its timeline objective in 81% of cases. Instances where the OEPA did not meet its timeline objective were generally as a result of extended consultation with proponents on complex environmental matters.

Percentage of audited projects where all environmental conditions have been met



Percentage of audited projects where all environmental conditions have been met

Explanatory Notes:

The Priority Matrix incorporates a number of factors to priority rank Ministerial Statements. An audit program of statements is developed based on the priority ranking.

Audits consist of a desk top review of all information submitted to demonstrate compliance and site audits where more detailed inspection is required to assess the compliance status. The “percentage of audited projects where all environmental conditions have been met” does not include audits where further verification was still required to ascertain the audit finding. 63 audits were undertaken in 2012–13 compared to 55 audits during 2011–12.

Compliance monitoring is managed through a structured annual Compliance Management Program. The program sets out the number of audits to be undertaken and using a priority matrix identifies the Ministerial Statements to be audited.

The priority matrix considers:

- Condition of existing receiving environment.
- Potential consequence of failed key management actions on environment and or human recipients.
- Environmental Performance.
- Stakeholder Interest.

All high priority ranked Statements are audited as part of the Compliance Management Program.

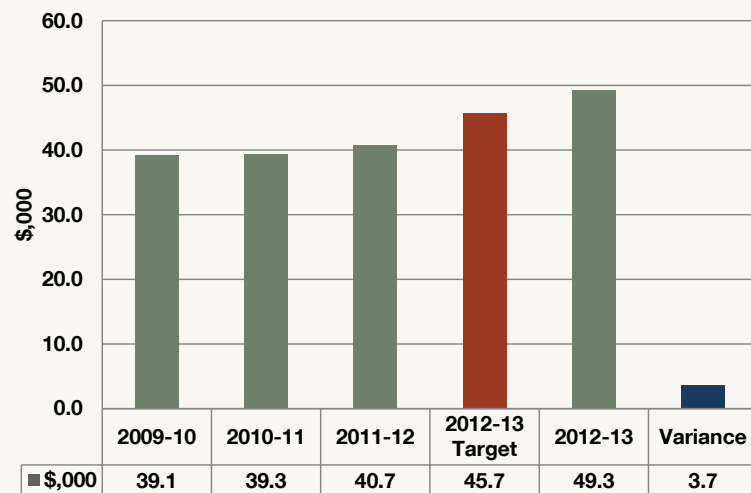
The percentage of audited projects where all environmental conditions have been met is determined from the audits of statements within this program.

Services and Key Efficiency Indicators

Service 1: Environmental Impact and Assessment Policies

	2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ACTUAL	2012-13 TARGET	2012-13 ACTUAL	2012-13 VARIANCE OF TARGET TO ACTUAL	VARIANCE OF ACTUAL 2011-12 AND 2012-13
Average cost per environmental assessment	\$ 39,138	\$ 39,336	\$ 40,688	\$ 45,675	\$ 49,327	\$ 3,652	\$ 8,639
Average cost per environmental policy developed	\$ 161,669	\$ 192,162	\$ 120,693	\$ 179,106	\$ 129,410	\$ (49,696)	\$ 8,717

Average cost per environment assessment



Average cost per environmental assessment

Environmental impact assessments and post approval reviews are categorised into several groups, depending on the complexity of the assessment or statutory process.

Each group is given a weighting of 1 to 5.

The weighted average cost is calculated by the total cost of providing the service (including overhead costs) by the weighted number of output EIA services provided.

Explanatory notes:

There can be significant variation in time taken and resources expended on individual proposals depending on a variety of factors (scale, experience of the proponent, sensitivity of the receiving environment, degree of public interest). However, the statutory process and/or level of assessment can serve as a general guide.

Strategic proposals and Public Environmental Reviews attract the highest weighting of 5 in view of the fact that they usually

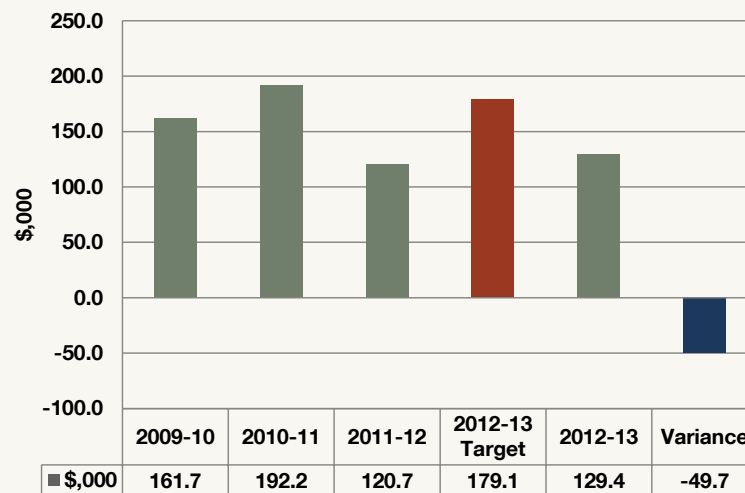
attract a high degree of public interest, and may be of a scale and complexity that would involve a significant investment of officer time by the Department. A recent example is the Browse LNG precinct strategic proposal.

Section 48A planning scheme referrals also attract a weighting of 5 because they are generally broad scale and involve multiple land uses in areas of high biodiversity.

Assessments based on proponent information are generally for more routine proposals with fewer environmental factors and as such they attract a weighting of 2.

Section 46 changes to approved Ministerial implementation conditions result in a public report by the EPA and attract a weighting of 2.

Less complex activity includes review of environmental management plans and amendments to proposals under s45(c) of the EP Act. These are given a weighting of 1.



Average cost per environmental policy developed

Average cost per environmental policy developed

The OEPA develops environmental protection policies, environmental management guidelines and strategic advice for the EPA and for Government. Policy and guidelines assist in minimising environmental impacts and protecting important parts of the environment. They also provide guidance about the EPA's expectations in relation to environmental impact assessment and assist users of the OEPA's services to navigate the statutory processes.

Policies, guidelines and strategic advice vary in type. The type of instrument, as well as the complexity of the topic, can have a significant bearing on the effort involved in its preparation.

Policy development is divided into three categories based upon the type of policy, guidance or strategic advice. These are:

- Maximum complexity (weight 3);
- Medium complexity (weight 2); and
- Low complexity (weight 1)

The average cost is calculated by dividing the total cost of policy, guidance or strategic advice by the weighted number of output services provided.

Explanatory notes:

Only those policies completed, published and/or delivered to the service recipient are counted for the purpose of calculating efficiency.

The policy output is divided into three categories which broadly reflect their statutory importance and degree of complexity.

Statutory and Cabinet endorsed policies and frameworks are given the highest weighting of 3 to reflect their relative

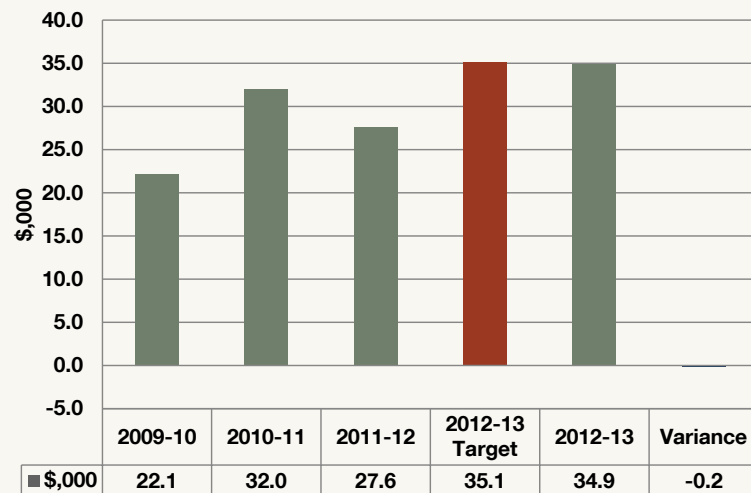
complexity. Based on judgement and past experience, it is assumed these may take an average of 600 and 900 hours to complete.

Strategic advice, guidelines and knowledge services are given a weighting of 2 to reflect their moderate level of complexity. These may take an average of 300-600 hours to complete.

The lowest level of complexity applies to environmental protection bulletins and reviews which are given a weighting of 1 to reflect that they take up to 300 hours to complete on average.

Service 2: Environmental Compliance Audits

	2009-10 ACTUAL	2010-11 ACTUAL	2011-12 ACTUAL	2012-13 TARGET	2012-13 ACTUAL	2012-13 VARIANCE OF TARGET TO ACTUAL	VARIANCE OF ACTUAL 2011-12 AND 2012-13
Average cost per environmental audit completed	\$ 22,140	\$ 32,020	\$ 27,594	\$ 35,124	\$ 34,908	\$ 216	\$ 7,314



Average cost per environmental audit completed

Average cost per environmental audit completed

The average cost of compliance auditing is calculated by dividing the total cost of compliance services by the number of audits undertaken.

Explanatory Notes:

The target average cost per compliance audit is based on a predicted 60 audits being completed during the period. While 63 audits were completed during 2012-13, the completion of more complex audits and expansion in branch capacity caused the variance between 2011-12 and 2012-13 actuals.

Other disclosures

Ministerial directives

No Ministerial Directives were received during the 2012–13 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.

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 2012–13 was \$15,233.

Expenditure was incurred in the following areas:

Advertising agencies	Nil	-
Market research organisations	Nil	-
Polling organisations	Nil	-
Direct mail organisations	\$22	key2creative
Media advertising organisations	\$15,211	Adcorp

Media advertising from 1 July 2012 to 30 December 2012 was primarily a public notice in the West Australian newspaper each Monday notifying levels of assessment set and EPA reports released. From 1 January 2013, these notifications no longer appear in printed media, but are advertised on the OEPA's website. As a transitional measure, from the beginning of December 2012 the Monday advertisement included a notice of the intent to cease print advertising and provided alternative methods of notification. No objections to the cessation of printed advertisements were received.

Disability access and inclusion plan outcomes

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

The OEPA received corporate services from the DEC during 2012–13. This included coming under the umbrella of the DEC's Disability Access and Inclusion Plan, which continues an ongoing program of improving access, facilities and services to ensure they meet the needs of customers and staff.

The OEPA is moving towards developing its own plan during 2013–14 to ensure that the specific interests of all OEPA staff and customers are taken into account.

Workforce and Diversity Plan 2012–2014

The OEPA has implemented a Workforce and Diversity Plan to help in the identification of current and future workforce needs and to provide business initiatives that align with the Strategic Directions for the Public Sector Workforce 2009-2014 and Equal Employment Opportunity.

We are building a culture that will enhance how we work together as a group of professional individuals towards our shared vision with the EPA of 'an environment that is highly valued and protected' through achieving an enhanced service culture with improved stakeholder relationships.

The OEPA is committed to an inclusive work environment that is free from any form of harassment or discrimination and is progressing through a review of all Human Resource policies and additionally, as part of the Workforce and Diversity Plan, implementing a Work Life Policy to achieve the goal of attracting a skilled diverse workforce within an efficient and flexible Public Sector.

	TARGET	ACTUAL*
FTE compared to FTE ceiling	101	99
% women in agency	50%	51%
% women in Management Tier 1 (GM) and Tier 2 (Directors)	50%	0%
% women in Management Tier 3 (Managers)	50%	50%
% people with disabilities in agency	3%	0%
% indigenous employees in agency	3%	1%
% employees aged < 25 years	5%	3%
% part-time employees in agency	20%	17%

*As at 30 June 2013

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
Public Sector Standards There were no breach claims lodged in 2012–13.	The OEPA intranet has information on the Public Sector Standards including a hyperlink to the Office of Public Sector Standards Commissioner's (OPSSC) website. Ongoing training is provided to grievance officers and made available to officers required to participate on recruitment panels to ensure compliance with the relevant standard.
WA Code of Ethics There were no reports of non-compliance with the WA Code of Ethics	The WA Code of Ethics is contained within the OEPA's Code of Conduct. The Code of Conduct includes a hyperlink to the PSC internet site for Western Australia Public Sector Code of Ethics.
Department's Code of Conduct There were no breaches of the Code of Conduct in 2012–13.	

Record Keeping Plan

The OEPA operates in compliance with the *State Records Act 2000*.

State Records Commission Standard 2, Principle 6

The OEPA implemented a new record keeping plan and new electronic document and records management system (EDRMS) in April 2013. Before deployment of the new system, OEPA records were managed by the DEC's EDRMS and the DEC's record-keeping plan applied.

The OEPA's new record-keeping plan includes the use of a new Business Classification System (BCS) to reflect the activities of the organisation to help in the capture of all records of corporate value.

All OEPA specific records have been migrated from the DEC EDRMS with the migrated records being extensively tested to ensure the capture and transfer of all records.

Evaluation of recordkeeping systems

An external consultant was appointed to help review the new BCS and create an OEPA Record Keeping Plan in line with the State Records Commission's principles, policies, and standards.

New records management procedures and policies are being developed in conjunction with the implementation of the new EDRMS.

Record keeping training

Online records awareness training is accessed through the Department of Parks and Wildlife (formerly DEC) training program and all employees undertake this training when they start work at the OEPA. The records awareness training program provides a greater awareness and understanding of record-keeping roles and responsibilities.

Records training specific to the OEPA is being developed to align with OEPA's systems and procedures.

Inclusion of record-keeping in employee induction

The existing record-keeping induction booklet is being revised and updated to suit the OEPA's needs. With the records awareness training complementing the induction process, the OEPA ensures that its induction programs meet the compliance requirements of the record keeping plan. Record keeping roles and responsibilities are also included in accountability and ethical decision-making training and the OEPA's code of conduct.

Government Policy Requirements

Occupational Safety, Health and Injury Management

(Public Sector Commissioner's Circular 2012-05: Code of Practice: Occupational Safety and Health in the Western Australian Public Sector)

Indicator	Performance	Target
Number of fatalities	0	0
Lost time injury and/or disease incidence rate	0	0 or 10% improvement on the previous three (3) years
Lost time injury severity rate	0	0 or 10% improvement on the previous three (3) years
% of injured workers returned to work within (i) 13 weeks and (ii) 26 weeks	NA	Greater than or equal to 80% return to work within 26 weeks
% of managers trained in occupational safety, health and injury management responsibilities	0	Greater than or equal to 80%



The Pilbara region continues to be a focus for iron ore mining and infrastructure proposals.

Photo: Office of the EPA

Appendices

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	Proponent	Release date
1445	Anketell Point Port Development	API Management Pty Limited	30/7/2012
1446	Barrambie Vanadium Project, Shires of Meekatharra and Sandstone	Reed Resources Ltd	13/8/2012
1448	Yandicoogina Iron Ore Project – Expansion to include Junction South West and Oxbow deposits	Hamersley Iron Pty Limited	27/8/2012
1457	Nammuldi-Silvergrass Expansion Project	Hamersley Iron Pty Ltd	21/11/2012
1459	Armstrong Reserve, Dunsborough – urban and commercial development	Ray Village Aged Services (Inc) t/a Capecare	10/12/2012
1469	Port Hedland Waste to Energy and Materials Recovery Facility, Boodarie Industrial Estate, Port Hedland	New Energy Corporation Pty Ltd	8/4/2013
1470	Access Road to Nelson Location 7965 (Sandy Peak), Doggerup Road, Shire of Manjimup	Shire of Manjimup	22/4/2013
1471	Mangles Bay Marina-Based Tourist Precinct	Cranford Pty Ltd and Western Australian Land Authority	29/4/13
1478	Dongara Titanium Minerals Project	Tronox Management Pty Ltd	4/6/2013
1479	Turee Syncline Iron Ore Project	Hamersley Iron Pty Ltd	14/6/2013
1483	Proposed Forest Management Plan 2014-2023	Conservation Commission of Western Australia	1/7/2013*

* Completed and transmitted to the Minister for Environment in June 2013, but released publicly on 1 July 2013.

Assessment on Referral Information (API) Reports: Category A

Report No	Title	Proponent	Release date
1449	FerrAus Pilbara Project	FerrAus Pty Limited	17/10/2012
1451	Borrow Pits in Millstream Chichester National Park	Robe River Mining Co Pty Ltd	29/10/2012
1455	Brockman Railway Infrastructure Project	Brockman Iron Pty Ltd	19/11/2012
1456	Flinders Pilbara Iron Ore Project – Stage 1	Flinders Mines Limited	21/11/2012
1463	Iron Valley Above Watertable Mining Project	Iron Ore Holdings Ltd	7/1/2013
1472	Shine Iron Ore Project, Shire of Yalgoo	Gindalbie Metals Ltd	24/4/13
1474	West Pilbara Iron Ore Project Stage 2 – Hardey Proposal	API Management Pty Limited	13/5/2013
1475	Commercial Scale Algae Farm and Processing Facilities, Karratha	Aurora Algae Pty Ltd	20/5/2013
1476	Cape Preston East – Iron Ore Export Facilities	Iron Ore Holdings Ltd	20/5/2013
1477	Western Turner Syncline Stage 2 – B1 and Section 17 deposits	Hamersley Iron Pty Limited	20/5/2013
1480	Ularring Hematite Project	Macarthur Minerals Limited	17/6/2013
1481	Balla Balla Export Facilities	Forge Resources Swan Pty Ltd	17/6/2013

Assessment on Proponent Information (API) Reports: Category B

Report No	Title	Proponent	Release date
1450	Subdivision proposal - Lot 504 Lexia Avenue, Upper Swan, City of Swan	Mr G & Mrs C White	22/10/2012

Strategic Proposal Reports

Report No	Title	Proponent	Release date
1444	Browse LNG Precinct	Minister for State Development	16/7/2012
1447	Bayonet Head Plan for Development	Lowe Pty Ltd; Housing Authority; K Slee; E and M Cameron; M Greer; City of Albany	13/8/2012

Section 16 Strategic Advice Reports

Report No	Title	Release date
1468	Strategic advice on waste to energy proposals	4/4/2013
1484	Environmental and water assessments relating to mining and mining-related activities in the Fortescue Marsh management area	1/7/2013*

* Completed and transmitted to the Minister for Environment in June 2013, but released publicly on 1 July 2013.

Changes to Conditions – Section 46 Reports

Report No	Title	Proponent	Release date
1452	Expansion of the Monkey Mia Dolphin Resort, Shark Bay – s46 change to Condition 4 of Ministerial Statement 709 – Extension of time limit for substantial commencement (Assessment No. 1922)	Aspen Parks Property Management Ltd	5/11/2012
1453	Waste disposal site at Narngulu (Meru Waste Disposal Facility) – inquiry under s46 of the Environmental Protection Act 1986 to remove implementation conditions and proponent commitments of Ministerial Statements 172 and 173	City of Greater Geraldton	12/11/2012

Report No	Title	Proponent	Release date
1454	Kemerton Silica Sand Mining – inquiry under s46 of the EP Act to amend implementation condition 3-1 of Ministerial Statement 703 (Assessment 1942)	Kemerton Silica Sand Pty Ltd	19/11/2012
1458	Yellowfin Tuna Aquaculture Trial, Zeewijk Channel, Abrolhos Islands	Pelsaert Pty Ltd	10/12/2012
1460	Oakajee Deepwater Port	Minister for State Development	10/12/2012
1461	Establishment of an Industrial Park at Meenaar 18 km east of Northam – inquiry under s46 of the EP Act to remove the entire implementation conditions and proponent commitments of Ministerial Statement 293	Landcorp	17/12/2012
1462	Wheatstone development - inquiry under s46 of the EP Act to change Condition 19 of Ministerial Statement 873	Chevron Australia Pty Ltd	17/12/2012
1464	Wheatstone Development – inquiry under s46 of the EP Act to change Condition 8 of Ministerial Statement 873	Chevron Australia Pty Ltd	14/1/2013
1465	Hope Downs 4 Iron Ore Project – inquiry under s46 of the EP Act to delete conditions 8-2, 9-2 and 10-2, and amend conditions 5-1 and 8-3 of Ministerial Statement 854	Hamersley Hope Management Services Pty Ltd	14/1/2013
1466	Voyager Quarry, Lots 11 & 14 Horton Road, The Lakes, Avon Location 1881, Shire of Northam – Inquiry under section 46 of the Environmental Protection Act 1986 – Change to Implementation Conditions	BGC (Australia) Pty Ltd	23/1/2013
1467	Ord river irrigation area Stage 2 (M2 supply channel) – Inquiry under Section 46 of the Environmental Protection Act 1986 to amend implementation conditions and remove all the proponent commitments of ministerial statement 830	Minister for State Development	1/2/2013
1473	Emu Point Drive Albany	Western Australian Land Authority	6/5/2013
1482	Spinifex Ridge Molybdenum Project, 50 km north-east of Marble Bar, Shire of East Pilbara – Section 46 amendment to condition 3 of Ministerial Statement 772 – extension of time limit of authorisation	Moly Metals Australia Pty Ltd	24/6/2013

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 <i>Atlas Iron Limited</i>	Increase the volume of annual dewatering and environmental discharge from 4 GL to 10 GL per annum, and increase in total disturbance footprint from 490.4 ha to 501.7 ha	24/7/12
484	Mineral Sands Mine, Dardanup <i>Doral Mineral Sands Pty Ltd</i>	Multiple amendments to the Key Characteristics Table relating to project life, groundwater influence and water supply, as a result of the Dardanup Southern Extension Project	9/8/12
884	Coastal Walk Trail from Point Ann to Hamersley Inlet - Fitzgerald River National Park <i>Department of Environment and Conservation</i>	Changes to two walk trails: an Eastern walk trail from Quoin Head to Cave Point including a spur trail to Hamersley Inlet; and a Western trail from Point Ann to Fitzgerald Inlet with shorter walk option at Lake Nameless; reduction and relocation of overnight camping, and amendment to Wilderness Management Zone boundary	28/8/12
584	Hope Downs Iron Ore Mine, 75 km north-west of Newman, Pilbara Region <i>Hamersley Hope Management Services Pty Ltd</i>	Removal of ore mining rate and expansion of disturbance footprint	28/8/12
753	Mt Gibson Iron Ore Mine and Infrastructure Project <i>Mount Gibson Mining and Extension Hill Pty Ltd</i>	Mining rate, clearance increases, and power supply changes	28/8/12
712	Orebody 25 Expansion Project, 8 kilometres north-east of Newman, Shire of East Pilbara <i>BHP Billiton Iron Ore Pty Ltd</i>	Increase in disturbance area and development envelope	19/9/12
627	Koolyanobbing Iron Ore Expansion, Windarling Range and Mt Jackson, Shire of Yilgarn <i>Cliffs Asia Pacific Iron Ore Pty Limited</i>	Reduction of project impacts to Declared Rare Flora	25/9/12
627	Koolyanobbing Iron Ore Expansion, Windarling Range and Mt Jackson, Shire of Yilgarn <i>Cliffs Asia Pacific Iron Ore Pty Limited</i>	Increase in disturbance footprint of 45 ha at Windarling to allow for stockpiling of topsoil, subsoil and vegetation materials to be used in future rehabilitation	12/10/12

Statement number	Proposal Title <i>Proponent</i>	Variation	Approval date
749	Coyote Gold Mine, Stage 2, approx 280km south-east of Hall's Creek, Tanami Desert, Shire of Hall's Creek <i>Tanami Gold NL</i>	Development of Osprey Satellite Pit	1/11/12
900	Yilgarn Operations Deception Deposit <i>Cliffs Asia Pacific Iron Ore Pty Ltd</i>	Realignment of the Deception Deposit Haul Road and the siting of the Deception Deposit Waste Rock Landform	19/11/12
199	Relocation of Herne Hill Quarry Operation <i>Hanson Construction Materials Pty Ltd</i>	Clearing of 1 ha of vegetation for the purpose of extending the stockpile and conveyor areas	19/11/12
839	Tropicana Gold Project, Shire of Menzies, Shire of Laverton and the City of Kalgoorlie-Boulder <i>Tropicana Joint Venture (AngloGold Ashanti Australia Limited and Independence Group NL)</i>	Implement a single cell tailings storage facility	19/11/12
627	Koolyanobbing Iron Ore Expansion Windarling Range and Mt Jackson Shire of Yilgarn <i>Cliffs Asia Pacific Iron Ore Pty Ltd</i>	Mining of Windarling Range W1 deposit below the groundwater table	20/11/12
478	Newman Satellite Development - Mining of Orebody 23 below the Watertable <i>BHP Iron Ore Pty Ltd</i>	Life of project and ore mining rate	4/12/12
858	Roy Hill Iron Ore Project, Port Infrastructure, Port Hedland <i>Roy Hill Infrastructure Pty Ltd</i>	Increase in terrestrial vegetation and ground disturbance area	17/12/12
875	Ammonium Nitrate Production Expansion Project: Phase 2, Kwinana, Town of Kwinana <i>CSBP Ltd</i>	Removal of "Greenhouse gas emissions"	3/1/13
648	Kwinana Ammonia Project, Kwinana Industrial Area <i>CSBP Ltd</i>	Revised Proposal description; amendments to elements in the Key Characteristics table relating to 'Gaseous Emissions', 'Natural Gas Consumption' and 'Ammonia Transfers'; and removal of characteristics managed by other regulatory authorities	3/1/13



Statement number	Proposal Title <i>Proponent</i>	Variation	Approval date
854	Hope Downs 4 Iron Ore Mine, Shire of East Pilbara <i>Hamersley HMS Pty Ltd</i>	Removal of Infrastructure Corridor Option 6, changes to Project Area	7/1/13
685	Bluewaters Power Station, Shire of Collie <i>Griffin Power Pty Ltd</i>	Removal of reference to maximum sulphur oxides in emissions and plant thermal efficiency	7/1/13
724	Bluewaters Power Station - Phase II, Shire of Collie <i>Griffin Power P/L</i>	Removal of reference to maximum sulphur oxides in emissions and plant thermal efficiency	7/1/13
873	Wheatstone Development - Gas Processing, Export Facilities and Infrastructure, Shires of Ashburton and Roebourne <i>Chevron Australia Pty Ltd</i>	An amendment to the turning basin identified in Figure 6 of Schedule 1	14/1/13
810	Keysbrook Mineral Sands Mine, Shire of Serpentine-Jarrahdale & Shire of Murray <i>MZI Resources Ltd</i>	Increase in proposal area to accommodate wet processing plant adjacent to the mining area, and change to area of vegetation to be protected	4/2/13
700	Sodium Cyanide Plants (Liquid and Solid) at Kwinana and Transport of Sodium Cyanide by Road and Rail from Kwinana <i>Australian Gold Reagents Pty Ltd</i>	Increase in the liquid sodium cyanide production capacity from 70,000 to 85,000 tonnes per annum (tpa). Minor changes to the solid sodium cyanide plant facilities to accurately reflect the requirements for achieving the currently approved production capacity of 45,000 tpa	4/2/13
391	Port Geographe - Stage 1 <i>Tallwood Nominees Pty Ltd & Minister for Transport</i>	To define the spatial components of the Port Geographe Development, identifying the Land Development Component and the Coastal Structures Component	5/2/13
814	Cundaline and Cullawa Mining Operations <i>BHP Billiton Iron Ore Pty Ltd</i>	Increase in maximum disturbance and land disturbance boundaries	11/2/13
451	Onslow Solar Salt Project <i>Onslow Salt Pty Ltd</i>	Increase in production capacity; decrease in haulage, washing and stacking rate; addition of three crystalliser ponds; decrease in bitterns discharge volume; correction of water use units	12/2/13
805	Karara Iron Ore Project <i>Karara Mining Limited</i>	Additional clearing for construction of processing plant to facilitate the phased KIOP Expansion Project	20/2/13

Statement number	Proposal Title <i>Proponent</i>	Variation	Approval date
776	Mesa K Remnant Mining Project, 11km south-west of the Town of Pannawonica, Shire of Ashburton <i>Rio Tinto Iron Ore Pty Ltd</i>	Increase in disturbance footprint and amendment of troglofauna mining avoidance areas	25/2/13
535	Upgrade of Marine Services Facility, King Bay, Dampier <i>Mermaid Marine Australia Pty Ltd</i>	Extension of existing slipway groyne by 50 metres and deletion of a number of elements as they have been completed or are not environmentally significant	26/2/13
873	Wheatstone Development - Gas Processing, Export Facilities and Infrastructure, Shires of Ashburton and Roebourne <i>Chevron Australia Pty Ltd</i>	Deletion of construction utilities, discharges and capacity elements detailed in Table 1	28/2/13
873	Wheatstone Development - Gas Processing, Export Facilities and Infrastructure, Shires of Ashburton and Roebourne <i>Chevron Australia Pty Ltd</i>	Inclusion of offshore Sand Borrow Area for trunkline installation	18/3/13
873	Wheatstone Development - Gas Processing, Export Facilities and Infrastructure, Shires of Ashburton and Roebourne <i>Chevron Australia Pty Ltd</i>	Amendment to coordinates of Overflow Control Zones	18/3/13
506	Murrin Murrin Nickel-Cobalt Project Stage 2 Expansion, 60 km east of Leonora <i>Minara Resources Ltd</i>	Changes to Schedule 1, Key Characteristics table relating to the clearing of an additional 300 ha of vegetation to allow for the development of additional Pits, Waste Dumps and Ore Stockpiles	27/3/13
756	Mesa A/Warrambo Iron Ore Project, 43km west of Pannawonica, Shire of Ashburton <i>Rio Tinto Iron Ore Pty Ltd</i>	Increase in disturbance footprint and removal of 10 year mine life limit	27/3/13
371	Murrayfield Airpark Resort Complex, Nambeelup, Shire of Murray Second Proposal <i>Royal Aero Club of WA (Inc); Mandurah Airport Pty Ltd</i>	Removal of the resort complex and golf course, creation of approximately 50 strat-titled lots for aviation related service activities, construction of taxiway access from serviced lots to main runway	28/3/13

Statement number	Proposal Title <i>Proponent</i>	Variation	Approval date
391	Port Geographe - Stage 1 <i>Tallwood Nominees Pty Ltd & Minister for Transport</i>	Delete Figure 1 and replace with a revised Figure 1 (March 2013). Provide a conceptual layout of coastal structures (Figure 2). Provide the key characteristics of the proposal (Table 1)	3/4/13
811	Koolanooka/Blue Hills direct shipping ore mining project, Shires of Morawa and Perenjori <i>Sinosteel Midwest Corporation Ltd</i>	Amendments to the Blue Hills component of the Koolanooka/Blue Hills DSO Mining Project to include expansion of the Mungada West and East pits, relocation of the processing facilities, relocation and expansion of waste stockpiles and ore stockpiles, relocate the access tracks and haul roads and reduction of clearing of the Mungada haul road between Koolanooka and Blue Hills	3/5/13
847	Roy Hill infrastructure Railway, Shire of Ashburton, Shire of East Pilbara Town of Port Hedland <i>Roy Hill Infrastructure Pty Ltd</i>	Addition of a lateral access road extending outside the environmental approval corridor, and ancillary access roads within the environmental approval corridor	10/5/13
591	Boddington and Hedges Gold Mines, Shire of Boddington <i>Newmont Boddington Gold Pty Ltd</i>	Increase to native vegetation disturbance area by 1 ha; addition of River Water Dam; increase the storage capacity of D4 Water Supply Reservoir; removal of characteristics regulated under the <i>Dangerous Goods Safety Act 2004</i> and Part V of the <i>Environmental Protection Act 1986</i>	31/5/13
439	Orebody 18 Iron Ore Mine, ML244SA, 32 km east of Newman <i>BHP Iron Ore Pty Ltd</i>	Increase to maximum area of disturbance, area of pit, and area of overburden storage areas; and administrative changes to the Key Characteristics Table	17/6/13
800	Gorgon Gas Development revised and expanded proposal: Barrow Island Nature Reserve <i>Chevron Australia Pty Ltd</i>	Deletion of construction duration and construction workforce detailed in Attachment 4 and correction of clerical error in Attachment 5	26/6/13
606	Telfer Project, Expansion of Telfer Gold Mine, Great Sandy Desert <i>Newcrest Mining Limited</i>	Increase land disturbance area, correct miscalculated land disturbance area, extend waste rock dumps, expand dump leach facilities, amend water supply and administrative changes to key characteristics table	28/6/13

Appendix 3: Other publications

Environmental Assessment Guidelines (EAGs)

DRAFT EAG for *Consideration of subterranean fauna in environmental impact assessment in Western Australia*, March 2013

Environmental factors and objectives (EAG 8), June 2013

Application of a significance framework in the environmental impact assessment process - Focusing on the key environmental factors (EAG 9), June 2013

Consideration of subterranean fauna in environmental impact assessment in Western Australia (EAG12), June 2013

Post assessment guidelines (PAGs)

Preparing a Compliance Assessment Plan (PAG2), August 2012

Preparing a Compliance Assessment Report (PAG3), August 2012

Making information publicly available (PAG4), August 2012

Environmental Protection Authority and Office of the Environmental Protection Authority 2011–2012 Annual Report, September 2012

Appendix 4: Acronyms

AH Act	<i>Aboriginal Heritage Act 1972</i>	FOI	Freedom of Information, as defined under the Freedom of Information Act 1992
API A	Assessment on Proponent Information (Category A)	KPI	Key Performance Indicator
API B	Assessment on Proponent Information (Category B)	LGA	local government authority
BCS	business classification system	LNG	liquified natural gas
CSMC	Cockburn Sound Management Council	LOA	Level of Assessment
DAA	Department of Aboriginal Affairs	MOU	Memorandum of Understanding
DEC	Department of Environment and Conservation	OEPA	Office of the Environmental Protection Authority
DER	Department of Environment Regulation	PER	Public Environmental Review
DMA	decision-making authority	RRF	Resource Recovery Facility
DMP	Department of Mines and Petroleum	SEA	Strategic Environmental Assessment
DoP	Department of Planning	SEP	State Environmental Policy
DoW	Department of Water	SEWPaC	Department of Sustainability, Environment, Water, Population and Communities
DPaW	Department of Parks and Wildlife	UDIA	Urban Development Institute of Australia
EAG	Environmental Assessment Guideline	WAMSI	Western Australian Marine Science Institution
EDRMS	electronic document and records management system	WAPC	Western Australian Planning Commission
EIA	environmental impact assessment		
EMP	Environmental Management Plan		
EMRC	Eastern Metropolitan Regional Council		
EP Act	<i>Environmental Protection Act 1986</i>		
EPA	Environmental Protection Authority		
EPB	Environmental Protection Bulletin		
EPBC Act	<i>Environment Protection and Biodiversity Conservation Act 1999</i>		
EPP	Environmental Protection Policy		
ERMP	Environmental Review and Management Programme		
ESD	Environmental Scoping Document		



Coral reefs provide food, shelter and habitat for a variety of marine plants and animals.

The health of the corals that form these reefs can be used to gauge the health of the ecosystem overall.

Developing a good understanding of their sensitivity and resilience is a focus of research being undertaken by WAMSI to better predict and manage the impacts of dredging in Western Australia.

Photo: Hans Kemps, OEPA

