



2009 SUSTAINABILITY REPORT

*Our future
depends on what
we do together,
today*

Together Today

Our Vision and Mission

To establish the Hunter as Australia's most energy and water efficient region by providing a complete package of information, education, communication and action programs focussed on energy and water efficiency for the Hunter Region.

Our Goals

Together Today will engage the community via:

- Education, through all tiers of learning
- Media campaigns highlighting the positive actions taken by:
 - the energy industry, to produce cleaner energy
 - business and families to be energy and water efficient
 - researchers within our community
- Assistance with the implementation of energy efficient strategies
- Development of community energy and water efficient champions.

Together Today will stimulate a market for energy and water efficient products by:

- Creating a community demand for products and services
- Creating support for businesses that are committed to energy and water efficiency
- Delivering media campaigns that enable member organisations to leverage off the Together Today brand.

Together Today Member

Name of Organisation	Port Waratah Coal Services Limited
Address	PO Box 57 Carrington NSW 2294
Reporting Period	2009 Calender Year
TT Member since	2007 (Foundation Member)
Contact Name	Nick Godfrey-Smith 02 4907 3183

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A word from our GM



It is with pleasure that I release the Port Waratah Coal Services' Together Today 2009 Sustainability Report.

Port Waratah Coal Services proudly joined Together Today as a Foundation Member in 2007. This excellent program strives to make the Hunter Region one of the most energy and water efficient regions in the country.

Community expectations towards energy and water consumption are constantly changing, with expectations that large organisations such as Port Waratah Coal Services will lead the way.

PWCS will use the progress made in 2009 as a mechanism for introducing projects and programs to educate and assist the workforce and the community to raise the awareness of Together Today's Vision, and to set an example to the Hunter Region to strive for environmental sustainability.

Port Waratah Coal Services looks forward to providing continued support to Together Today and related programs.



GRAHAM DAVIDSON
GENERAL MANAGER

Executive Summary

2009 was a significant year for PWCS. It was a record year for throughput with 92,810,848 tonnes of coal being loaded for export. The month of December also marked a record for monthly throughput with 9,271,903 tonnes being loaded. This is the first time PWCS has surpassed 9 million tonnes in a single month.

The year was marked by the continued expansion of the Kooragang Coal Terminal (KCT). The Stage 3 expansion (to increase KCT throughput capacity to 77 million tonnes per annum (Mtpa)) was approximately 75% completed by the end of 2009. In addition plant and equipment was being upgraded to further lift KCT throughput capacity towards the approved 120Mtpa with these works expected to continue until 2011.

In June 2009 the PWCS Environmental Management System (EMS) was independently certified to the ISO 14001 Standard. Following certification, the EMS framework was used to implement a number of environmental programs including improvements to Carrington Coal Terminal (CCT) dust management system and completion of a company wide audit of the water management system to identify areas where improvements can be made.

Waste recycling was improved throughout all sites with the introduction of comingled waste collection and improved recycled waste tracking.

Electricity efficiency during 2009 improved with 1.435kWh of electricity consumed per tonne of coal loaded. In contrast, 5 years ago 1.516kWh was consumed for each tonne of coal loaded, thereby representing a 5.64% improvement.

Strong engagement with the community continued during the year with regular community meetings being held at CCT.

Performance (against Together Today Goals)

2009 Targets	Achieved	Relevant Together Today Goal
Gain ISO 14001 certification for the PWCS Environmental Management System	Yes – Certification achieved in June 2009.	Education through all tiers of learning.
Minimise Water Usage – Promote water efficiency	Yes	Education, promotion and assistance for employee families to become more water efficient. Assistance in stimulating the water efficiency market.
Minimise Water Usage – Reduce potable water usage	No – Potable water reductions were not achieved in 2009 due to decreased rainfall in the second half of 2009. There was increased demand for potable water to make up supplies for washdown and dust suppression purposes.	Development of water efficiency champions.
Minimise Energy Usage – Promote energy efficiency	Yes	Education, promotion and assistance for employee families to become more energy efficient. Assistance in stimulating the energy efficiency market.
Minimise Energy Usage – Improve electricity efficiency	Yes – Electricity usage decreased from 1.446kWh/t to 1.435kWh/t. A 0.74% efficiency improvement.	Development of energy efficient champions and stimulation of market for energy efficient products.
Reduce the number of community enquiries from 2008 by 10%	No – In 2009, the number of community enquiries attributable to PWCS increased from the number in 2008.	Improving community relationships.

Projects

Organisational Environmental Commitment

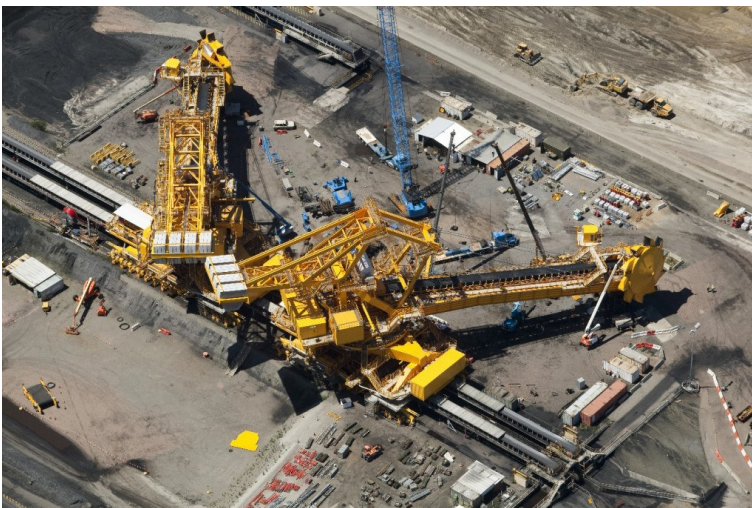
PWCS has committed to the development and implementation of an Environmental Management System (EMS) which was accredited as meeting the requirements of the ISO 14001 Standard. Final work on establishing the EMS was completed following a pre-certification audit in February 2009, with PWCS attaining final certification in June 2009.

Work with the EMS has continued following certification with the release of an updated 2009 PWCS Environmental Policy and the release of a new Greenhouse Gas and Energy Policy.

The continued development of the EMS, the update of the PWCS Environmental Policy and the release of the PWCS Greenhouse Gas and Energy Policy demonstrates the commitment of senior management towards the environment and the principles of sustainability.

Energy Efficiency

With the Kooragang Coal Terminal continuing Stage 3 Expansion activities in 2009, energy efficiency is seen as a factor in selecting the best technology available to ensure PWCS is world's best practice when it comes to reliability and an energy efficient coal terminal.



Construction of two Reclaimers as part of Kooragang Coal Terminal expansion activities

Improved energy efficiency at PWCS is demonstrated by the continued reduction of the electricity consumed per tonne of coal exported. *(Energy reduction is measured in this way as it allows PWCS operations to be compared from year to year as it continues to expand. As operations expand the consumption of electricity increases, however as a result of the improved efficiency of equipment and processes, the electricity consumed per tonne of coal exported has decreased.)*

During 2009, PWCS triggered conformance requirements relating to the Commonwealth's Energy Efficiency Opportunities legislation due to the consumption of energy exceeding legislated thresholds. Through triggering this legislation PWCS nominated several projects which will allow PWCS to use energy more efficiently at both terminals. These projects will be selected in early to mid 2010 with the implementation of these projects to commence soon after.

Water Efficiency

PWCS operates a water management system which aims to reduce dependency on potable water whilst also providing a reliable water supply to operations. The water management systems at the Carrington and Kooragang Coal Terminals each consist of a sequence of drains, sumps, pumps and lagoons. These systems collect water from within the boundaries of the site and direct it towards a series of lagoons where coal fines in the water are settled and the water is clarified. The water is then available for reuse onsite.

To ensure optimal efficiency of the systems and to maintain a high level of water quality, the drains and lagoons require periodic cleaning to remove the settled coal fines. The settled coal fines are extracted from the drains and lagoons, transported to dedicated drying areas, screened to remove contamination and on-sold where possible. This collection and treatment of coal fines from the water management systems also reduces the amount of waste generated by PWCS, and increases the beneficial use of the recovered coal.

In 2009, a new Water Management Plan was developed to collate the knowledge and processes from the various procedures across both PWCS Coal Terminals into the one document. This new Water Management Plan creates a single reference point which documents PWCS' water management principles and satisfies all relevant regulatory requirements.

A detailed water audit and diagnostic evaluation of the water management system was also completed in 2009 resulting in an action plan developed for improving water efficiency.

A recent project at the Carrington Coal Terminal resulted in an additional pump and pipeline being installed to double the transfer volumes of recirculated water from the Settling Pond at the eastern end of the terminal to the 1 Megalitre Tank in the western end of the terminal. The 1 Megalitre Tank provides water for use in wash down and dust suppression. This installation means that PWCS can increase the rate at which water can be transferred to the Tank and reduce the dependence on potable water when there is a high demand for water.

Air Quality and Dust Management

In 2009, PWCS engaged a specialist consultant to audit the dust management system at the Carrington Coal Terminal. The audit involved reviewing dust management procedures, assessing potential dust sources, assessing the effectiveness of dust management methods, and providing recommendations and advice to assist PWCS to continually improve dust management.

One of the key recommendations of the audit was to improve the effectiveness of the yardsprays which wet down the coal stockpiles to prevent fugitive dust emissions. Modifications to the yard spray system included improved coverage of the sprays, improved cycling times of the sprays, increasing the 'smarts' behind when to spray stockpiles, identifying which coal types to spray more often, improving stockpile management techniques, identifying the climatic conditions which contribute to a potential 'dust risk', and appropriately managing the stockpiles during these high risk periods.

An audit of the Kooragang Coal Terminal was also completed with improvements to the Kooragang dust management system to be continued in 2010.



Stockpile Yardsprays in action at the Carrington Coal Terminal

Waste Management

In 2009, PWCS improved its onsite waste management practices with the rollout of comingled recycling bins in all meal rooms and other common areas, and improved paper recycling in offices. PWCS consulted with its waste management contractor and cleaning contractor so that the sizes, locations and central collection points of the new bins installed were appropriate and would be used correctly.

Improved waste tracking began in 2009 with all waste collected by the waste management contractor reported on a monthly basis to PWCS with many waste streams tracked to monitor the volumes being recycled and the volumes going to landfill.

Environmental Education and Training

Through 2009, PWCS increased the amount of environmental education and training provided to employees and contractors. A new regular environmentally themed flyer called an “Enviro Update” has been developed to provide further information on environmental projects, news and events such as Earth Hour. The first Enviro Update was distributed in April 2009, and is hoped that through its distribution to employees and contractors that environmental awareness is raised onsite.

Environmental Awareness Training was conducted to all PWCS teams in 2009 to educate and inform employees of the role the environment plays at PWCS and their personal roles and responsibilities in their day to day work at PWCS. The training also included education on PWCS’ environmental aspects including areas such as air quality and dust management, water management, noise management, waste management, statutory and regulatory requirements.

Community Interaction

During 2009, PWCS continued to engage the community in a number of ways. PWCS has an established 24 hour Community Enquiry line, which can be found in the Newcastle telephone directory, on the PWCS website and on signs at main site entrances. The Community Enquiry line allows members of the community to contact PWCS in relation to concerns they may have regarding PWCS activities. All enquiries received are thoroughly investigated and personally handled by PWCS Environmental Staff.

Due to the Terminal’s close proximity to residential areas, PWCS has established a Carrington Coal Terminal Community Forum. This forum allows PWCS and the community to have regular meetings to discuss the Terminal’s performance and allow community members to freely and openly discuss any concerns they may have. PWCS also invites representatives from other companies to come along and to talk with the members of the community.

Community Interaction cont...

PWCS continues to support numerous local organisations and charities such as;

- Hunter Medical Research Institute
- Hunter Prostate Cancer Alliance
- Soul Café
- Hunter Women's Centre
- Westpac Rescue Helicopter Service
- Climate Cam for Schools
- Newcastle Surf Lifesaving Club
- The Salvation Army
- Samaritans and,
- Chuck Duck and Rooster Cluck.

In 2009 PWCS donated more than \$430,000 to the above organisations and many others including the Red Cross Victorian Bushfire Appeal, where PWCS matched dollar for dollar all donations made by employees.

Summary Report Card

Organisational Commitment	Yes/No	Comment
Commitment: Is Senior Management committed to sound environmental management?	Yes	Senior Management has continuing commitment towards the ongoing implementation and continuous improvement of the PWCS EMS which has been accredited under the ISO 14001 Standard.
Policy: Does an Environmental Policy for the organisation exist?	Yes	PWCS has an Environmental Policy that meets the ISO 14001 Standard and is displayed in various locations across PWCS.
Communication: Does the organisation's internal and external communication plan have environmental objectives?	Yes	
Monitoring: Does a monitoring system exist for energy and water used in the organisation?	Yes	
Low-hanging-fruit: Does a program of works exist to implement energy/water efficiency measures for the organisation?	Yes	
Case Studies: Does a system exist to celebrate and report on the outcomes of the energy/water efficient projects?	Yes	Improvements are promoted and reported in a number of ways such as inclusion in the PWCS News and/or Enviro Updates.

Energy Efficiency	Reporting Period 2009	% Change from previous year OR Saving
Electricity Consumption (kWh)	133,197,839 kWh	PWCS improved its electricity efficiency from 1.446kWh/tonne in 2008 to 1.435kWh/tonne in 2009. An improvement of 0.011kWh/tonne.
Fuel Consumption (L/yr)	379,050 L*	There was a slight increase of 0.001L/tonne in fuel consumption from 2007/08 to 2008/09.
Greenhouse Gas Emissions (t CO ₂ -e/annum)	117,597 t CO ₂ -e*	Greenhouse gas emissions remained the same at 0.0013t CO₂-e/tonne from 2007/08 to 2008/2009.

* 2008/09 Financial Year figures for PWCS as reported for the Commonwealth National Greenhouse and Energy Reporting Scheme.

Water Efficiency	Reporting Period 2009	% Change from previous year OR Saving
Potable Water Consumption (kL)	586,899 kL	There was an increase of 2.63 L/tonne in potable water consumption from 2008 to 2009. The main reason for this increase was due to prolonged dry weather in the second half of 2009 and low water storages.

Other Sustainability Projects for Reporting Period	Key Outcomes for 2009 Reporting Period
Air Quality & Dust	<ul style="list-style-type: none"> • PWCS continues to have air quality and dust levels monitored by an external party for all PWCS operations, and reports results in accordance with relevant development consent requirements. • PWCS sites were maintained so as to minimise the potential generation of fugitive dust emissions. • Onsite weather stations continued to operate and automatically trigger yardsprays to function to manage fugitive dust emissions. • Completion of a company wide Air Quality and Dust Management Plan.
Noise	<ul style="list-style-type: none"> • PWCS continued to engage an external consultant to monitor noise for construction and operational activities, and report noise data in accordance with relevant development consent requirements. • The installation of low-noise or noise attenuated equipment where possible, such as a targeted roller change at the Kooragang Coal Terminal which resulted in a noise reduction of 3-4dBA.
Water	<ul style="list-style-type: none"> • The water management systems were regularly maintained at CCT and KCT to ensure optimal performance. • A major audit conducted in late 2009 found several areas where PWCS can improve water management. These recommendations will be progressively implemented in 2010 and beyond. • Completion of a company wide Water Management Plan.
Community	<ul style="list-style-type: none"> • Proactive engagement with members of the community and community groups.
Landscaping/Habitat Creation	<ul style="list-style-type: none"> • Extensive greening of PWCS sites has continued, with several sites cleared of weeds, then planted out to native species of flora. • A proactive regime of weed management has continued to prevent the spread of noxious and problematic weed species.
Other	<ul style="list-style-type: none"> • Completion of a company wide Land Use Management Plan. • Completion of a company wide Waste Management Plan.

Future Plans

Planned and Future Programs/Projects	Expected Improvement and Link to TT Goals	Timing	Desired Assistance from TT
Implementation of identified energy efficiency projects from EEO program	A reduction of energy consumption.	2010	None
Continued implementation and improvement of the EMS at PWCS	Improvements in environmental management at PWCS through better education and awareness in the workforce. Continued improvement of the EMS will ensure the continued improvement to the efficiency and sustainability of PWCS operations.	2010	None
Implement or progress recommendations identified in 2009 water management audit	Improved water efficiency, reuse, collection and management.	2010/11	None
Progress and implement improvements to CCT Dust Management	Improved management of air quality and dust management.	2010/11	None
Progress and implement improvements to KCT Dust Management	Improved management of air quality and dust management.	2010/11	None
Continued landscaping and 'greening' of areas at CCT and KCT	Landscaping areas with native flora increases the sites visual amenity and provides habitat for native fauna.	2010	None