

11 JAN 2007



Queensland
Government

Author: [REDACTED]
File: [REDACTED]
Phone: [REDACTED]

Department of
Natural Resources and Water

8 January 2006

TARONG ENERGY CORPORATION LIMITED

[REDACTED]
Wivenhoe Power Station
683 Wivenhoe-Somerset Road
Fernvale Qld 4306

Dear Sirs

**Decision on Application for Renewal of Water Licence:
Reference 104049 Application 124421**

The Department of Natural Resources and Water delegates officers to exercise the power of the chief executive to make a decision about an application for renewal of a Water Licence. As a delegated officer of this Department, I have decided to approve the above application.

Attached is your Water Licence, which has been renewed in accordance with the provisions of the *Water Act 2000*. It is the licensee's responsibility to apply for renewal of this Water Licence before it expires irrespective of the chief executive sending an expiry notice.

As your Water Licence is an important document, care should be taken to preserve it.

If you have any questions please call [REDACTED]

Yours sincerely

for [REDACTED]

Resource Management Officer (Water)
Water Services
Woolloongabba Office

Cnr Main & Vulture St
PO Box 1653 Coorparoo DC
Queensland 4151

Website www.nrm.qld.gov.au
Client Ref: 18161

TRIM

RECORD No. 01/1883

WATER LICENCE

Water Act 2000



Queensland
Government
Natural Resources
and Water

Reference 104049 **Expiry Date** 30/11/2011

Licensee TARONG ENERGY CORPORATION LIMITED

Authorised Activity Interfere with the flow of water in SPLIT YARD CREEK by impounding water on or adjoining land described as Lot 33 on CP818429 and Lot 81 on CP818429 and Lot 1 on CP845217. Maximum volume of water stored at full supply level not to exceed 28700.0 megalitres. Maximum height of impounded water at full supply level not to exceed 76.0 metres above the natural bed level at the downstream limit of the impoundment.

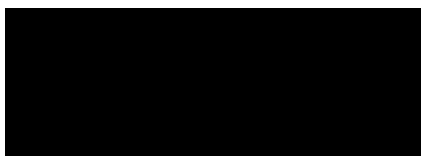
Authorised Purpose Hydro-Electric

Description of Land Attached to the land described as Lot 33 on CP818429 and Lot 1 on CP845217 and Lot 81 on CP818429

This water licence is subject to the conditions endorsed hereon or attached hereto.

Under the *Integrated Planning Act 1997* a development permit may be required for operational works to take or interfere with the water described in this licence. The licensee must ensure that the relevant development approvals have been obtained prior to installing or constructing new or additional operational works.

Given at Brisbane this EIGHTH day of JANUARY 2007.



Scott Spencer
DIRECTOR-GENERAL
DEPARTMENT OF NATURAL RESOURCES AND WATER

Water Licence Details 104049

Compiled on 8-January-2007 at 9:00 AM



**Queensland
Government**

Natural Resources
and Water

This report contains information concerning an authority under the *Water Act 2000* to take, supply or interfere with water. The report does not replace the instrument granted by the chief executive and should not be relied upon as sole evidence of the existence and currency of such an authority.

Licence To Interfere By Impounding Flow

| | | | |
|----------------------------|--|--------------------|------------|
| Reference | 104049 | Expiry Date | 30/11/2011 |
| Status | Issued | | |
| Licensee | TARONG ENERGY CORPORATION LIMITED | | |
| Authorised Activity | Interfere with the flow of water in SPLIT YARD CREEK by impounding water on or adjoining land described as Lot 33 on CP818429 and Lot 81 on CP818429 and Lot 1 on CP845217. Maximum volume of water stored at full supply level not to exceed 28700.0 megalitres. Maximum height of impounded water at full supply level not to exceed 76.0 metres above the natural bed level at the downstream limit of the impoundment. | | |
| Authorised Purpose | Hydro-Electric | | |
| Description of Land | Attached to the land described as Lot 33 on CP818429 and Lot 1 on CP845217 and Lot 81 on CP818429 | | |

Water Licence Details 104049

Compiled on 8-January-2007 at 9:00 AM



**Queensland
Government**

Natural Resources
and Water

This report contains information concerning an authority under the *Water Act 2000* to take, supply or interfere with water. The report does not replace the instrument granted by the chief executive and should not be relied upon as sole evidence of the existence and currency of such an authority.

Approved Operational Works

Under the provisions of the *Water Act 2000*, a development permit is required for the works used to take or interfere with the water described on Water Licence 104049. According to departmental records, the installed operational works that are currently associated with this Water Licence are listed below.

Works Reference 10885/1C

Earth Dam on SPLIT YARD CREEK with the following dimensions:

| | | | |
|-----------------|--------|-------------|--------------------|
| Height to Top | 76.0m | Length | 1120m |
| Width | 0.0m | Crest Width | 10.0m |
| Bywash Width | 190.4m | Capacity | 28700.0 megalitres |
| Outlet Diameter | 450mm | | |

Located at Lot 33 on CP818429 or at Lot 81 on CP818429 or at Lot 1 on CP845217.

Works Installed 29/07/1997.



Under the *Water Act 2000*, the chief executive of the Department of Natural Resources, Mines and Water has certain powers that are applicable to the management of water resources. For your information, those powers applicable to your water licence are outlined below. Please note that the wording in these notes does not reflect the exact wording in the *Water Act 2000* and reference should be made to the Act for precise details.

- The chief executive may grant a licence with all the conditions that are considered necessary and may amend, revoke or add to the conditions of a licence at any time.
- If a licensee contravenes or fails to carry out any conditions of a licence, the licensee may be liable to a penalty and the licence may be cancelled or suspended or amended.
- Water taken under this licence may only be used within the boundaries of the land identified on the licence as "attached" land unless a regulation or a Water Resource Plan allows water to be seasonally assigned to other land.
- Water use on an area in excess of any authorised area or in excess of any authorised volume (ie unauthorised use) is not permitted and is an offence under the *Water Act 2000*. Unauthorised use may result in prosecution. Repeat offences will result in a prosecution and/or potentially cancellation of a licence.
- Should you sell all of the land attached to this licence, the new owner of the land becomes the licensee. To assist the processing of the transfer of water licence the new owner should give this Department notice of the change of ownership.
- Should you sell part of the land attached to this licence, the licence will expire on that day. You and/or the new owners of the disposed land have only 60 business days to apply for a replacement licence or licences. Failure to meet this deadline will mean a new application will be required and there is no guarantee that such an application will be approved. Where an application or applications are made to replace the original expired licence, the allowed volume may be redistributed, reduced or revoked in a manner determined by the chief executive. To prevent your licence from expiring on disposal of part of your land, it is possible to apply to subdivide or amend the licence before the sale, so that on disposal, the original licence or a new subdivided licence will travel with the land to which it attaches.
- Water licences are issued for a stated period and will expire if not renewed. While a licensee may apply to renew a licence, there is no guarantee that the renewal application will be approved. If it is renewed, the chief executive may amend the conditions of the licence at the time of renewal.
- It is the responsibility of the licensee to apply for renewal of a licence before the licence expires. Failure to do so will cause the licence to expire. The original licensee has only 30 business days to apply for reinstatement of the licence. An application for reinstatement incurs an application fee. If the licensee has ceased to be the owner of the land that the licence attaches then the new owner of that land can make application for reinstatement of licence within 30 business days of expiry of the licence.
- The licensee must not tamper, or allow others to tamper with any measurement or recording device associated with this licence such that it fails to cooperate accurately. Tampering with any measurement or recording device is an offence under the *Water Act 2000* and may result in prosecution.
- Where the chief executive has any reason to doubt the accuracy of a meter or any other recording device, the chief executive may calculate the volume, time or rate of water diverted by any means that the chief executive deems appropriate.
- The licensee must allow an authorised officer of the Department of Natural Resources, Mines and Water full and free access to the facility at all reasonable times for the purpose of checking compliance with the licence conditions or the *Water Act 2000* generally.
- Should it be considered necessary, the chief executive may limit:
 - The times during which water may be taken during any period specified; or
 - The volumes of water which may be taken during any water year or in any other specified period; or
 - The area that may be irrigated in any water year or any other specified period, by publishing a notice in a newspaper circulating in the locality in question or by writing to a licensee. Unless otherwise specified, any such restriction shall remain in force until revoked by the chief executive.
- The licensee must pay any fee or charge prescribed by a regulation made under the *Water Act 2000*.



LICENCE

(Water Resources Act 1989)

Page 1 of 6



Licence 104049 Expiry Date 30/11/2006

Licensee Tarong Energy Corporation Limited

Date of Original Issue 20/08/2001

Description of Works

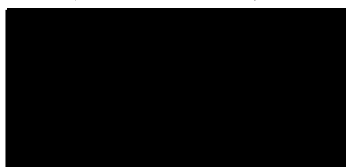
Construction of an Earth Dam
on SPLIT YARD CREEK with the following dimensions:
Height to Top 76m Crest Length 1120m
Crest Width 10m Bywash Width 190.4m
Capacity 28700 megalitres Outlet Diameter 450mm
Location of Works 33/CP818429 and 81/CP818429 and 1/CP845217

These works are licensed under the referable dam provisions of the Water Resources Act 1989.

Purpose of Works Hydro-Electric

This Licence is subject to the terms endorsed hereon or attached hereto. It is the licensee's responsibility to apply for renewal of this Licence before it expires.

Issued at BRISBANE this TWENTIETH day of AUGUST 2001



Terry Hogan
DIRECTOR-GENERAL
DEPARTMENT OF NATURAL RESOURCES AND MINES

Licence 104049

Expiry Date 30/11/2006

Page 2 of 6



Licence Terms Schedule A

- 1-1.10 The licensee shall notify the chief executive prior to any change or divestment of interest in the land whereon the licensed work is constructed or proposed to be constructed or on which the water is used or proposed to be used.
- 1-1.40 During the currency of the licence, the licensee must maintain to the satisfaction of the chief executive works constructed in accordance with the licence and must carry out any work or make any alteration deemed necessary by the chief executive for the protection or proper maintenance of the works.
- 1-2.10 The licensee must at the licensee's cost maintain to the satisfaction of the chief executive, the bed and banks of the watercourse adjacent to the works with respect to which the licence is issued.
- 1-5.10 The works with respect to which the licence is issued must not, without the written approval of that person being first obtained, cause the submergence of the property or works of any person other than the licensee.
- 1-6.10 The works authorised by this licence are subject to the provisions of the Water Resources Act 1989 relating to referable dams and the licensee shall comply with any directions of the chief executive issued in accordance with these provisions.
- 1-8.10 The licensee must pay any fee or charge prescribed by regulation made under the Water Resources Act 1989.

End of Schedule A

Licence 104049

Expiry Date 30/11/2006

Page 3 of 6



Licence Terms Schedule B

SPEC01

The dam is 1120 m long Earth and Rockfill dam. The dam is 76 metres high and contains 28700 megalitres of water at full supply level.

SPEC02

The dam owner must ensure that all the following documentation and data is stored securely with at least one set of the documents located at the dam site:

- Safety Review Report, Data Book, Emergency Action Plan,
- Standing Operating Procedures;
- Inspection and Surveillance Reports;
- Surveillance Data.

The documentation and data should be stored until such time as the dam is decommissioned.

SPEC03

The Data Book is the Split-Yard Creek Dam Data Book

- Volume 1 - Text
- Volume 2 - Drawings

Prepared by Department of Primary Industries - Water Commercial dated September 1995.

The data book is to be kept up-to-date in accordance with the Department of Natural Resources and Mines Queensland Dam Safety Management Guidelines - 1994.

SPEC04

Detailed Standing Operating Procedures SOPs for Splityard Creek dam in accordance with Department of Natural Resources and Mines Queensland Dam Safety Management Guidelines - 1994 for the above activities will be developed by 1 June 2003. Those SOPs must be maintained in accordance with the Department of Natural Resources and Mines Queensland Dam Safety Management Guidelines - 1994.

At present, the SOP information for this dam are incorporated in the Plant Preventative Maintenance System for the Wivenhoe Power Station.

The following tasks from that system are related to the Dam Safety aspects of the dam:-

Licence 104049

Expiry Date 30/11/2006

Page 4 of 6



Licence Terms Schedule B (continued)

Procedure No. - Procedure Title - Inspection Frequency

000043 - Weekly Inspection - V Notch Weirs - Weekly
000051 - Splityard Boundary Fence Inspection - 3 Monthly
000055 - Splityard Dam Inspection from boat - 6 Monthly
000056 - Splityard Outlet Works Inspection - 6 Monthly
000062 - Splityard Intake tunnels & Trash rack Inspection
- 6 Yearly
PM132 - Splityard Deformation Survey - 3 Monthly
PM217 - Guard Gate Hydraulics - 3 Yearly
PM219 - Splityard Corbel Plate Inspection - 3 Yearly
PM220 - Splityard Surge Covers - 3 Yearly
PM352 - Splityard Bulkhead Gates - 18 Months
PM134 - Boreholes & Lower Piezometer Hut - 1 Monthly
PM135 - Upper Hut Piezometer & Inclinator - 3 Monthly
PM136 - Inclinator - 6 Monthly
PM375 - Geotechnical Inspection - 1 Yearly

SPEC05

The Detailed Operation and Maintenance Manual for the dam is the Operation & Maintenance Manual - Splityard Creek Dam Water Resources Design Division 1989. The Detailed Operation and Maintenance Manual must be maintained in accordance with the Department of Natural Resources and Mines Queensland Dam Safety Management Guidelines - 1994.

SPEC06

The dam owner must carry out dam safety inspections in accordance with the Department of Natural Resources and Mines Queensland Dam Safety Management Guidelines - 1994.

Comprehensive and special inspection reports must be prepared in accordance with the Department of Natural Resources and Mines Queensland Dam Safety Management Guidelines - 1994.

Reports on comprehensive and special inspections must be submitted to the Chief Executive. A comprehensive inspection report is to be submitted by 1 June 2003 and at 5 Yearly intervals thereafter.

SPEC07

The Safety Review is made up of the following documents:-

Splityard Creek Dam Safety Review prepared for Austa Electric by the Department of Natural Resources - November 1996
Splityard Creek Dam Review Panel Report on Safety Review (Nov 1996) conducted 22-23 May 2000

Licence 104049

Expiry Date 30/11/2006

Page 5 of 6



Licence Terms Schedule B (continued)

Report - Tarong Energy Splityard Creek Dam - Dam Failure Analysis Prepared by Sunwater Engineering Services dated November 2000

Report - Tarong Energy Splityard Creek Dam - Natural Saddle Stability Prepared by Sunwater Engineering Services dated November 2000

Report - Tarong Energy Splityard Creek Dam - Filter Grading Study Prepared by Sunwater Engineering Services dated November 2000

Unless the owner or the chief executive considers an additional Safety Review is required to verify safety of the dam, a further Safety Review must be undertaken and a copy of the Safety Review Report provided to the Chief Executive before 1 June 2021 .

SPEC08

The Emergency Action Plan (EAP) for the dam is Splityard Creek - Emergency Action Plan prepared for Tarong Energy by the Department of Natural Resources dated January 2001. The EAP must be maintained, updated and tested in accordance with the Department of Natural Resources and Mines Queensland Dam Safety Management Guideline - 1994. In all emergencies the dam owner and operator must respond in accord with the EAP.

The dam owner must ensure that the EAP is provided to the local government(s) and local counter disaster agencies that would be affected by emergency events.

SPEC09

The licensed works are not to be decommissioned except in accordance with a Decommissioning Plan accepted by the chief executive.

SPEC10

In the event that alarming, unusual or otherwise unsatisfactory conditions develop such that the safety of the dam is threatened, the licensee must:-

- Immediately advise the Chief Executive; and
- Have a registered professional engineer immediately inspect, investigate and report on the condition of the works.

The licensee must within two weeks of the condition being observed furnish the Chief Executive with the report by the engineer of the incident, including details of any

Licence 104049

Expiry Date 30/11/2006

Page 6 of 6



Licence Terms Schedule B (continued)

emergency measures taken to ensure the safety of the dam.

End of Schedule B



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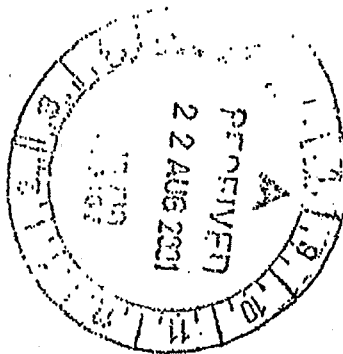
Author: [REDACTED]
File Number: [REDACTED]
Natural Resource Services
South East Region, West Moreton District
Phone: [REDACTED]

Natural Resources and Mines

REGISTERED MAIL

21 August 2001

The Manager
Tarong Energy Corporation Limited
GPO Box 800
Brisbane Qld 4001



Attention: [REDACTED]

Dear Sir

Licence Number: 104049
Expiry Date: 30/11/2006

Attached is the above Licence granted and transferred in accordance with the provisions of the *Water Resources Act 1989*. Your attention is drawn to the Schedule of Licence Terms thereon.

If you are dissatisfied with the decision of the chief executive, to grant the licence as attached you may appeal to the Land Court in accordance with Section 51 of the *Water Resources Act 1989*.

A notice of appeal must be filed in the Land Court registry within 42 days after the date of the notification of the decision is first published in the newspaper. A copy of the notice must be served on the chief executive within 14 days after filing it in the Court. The notice of appeal must state the grounds upon which you intend to rely.

At such time and place as set down by the Land Court for hearing of any appeal, it would be necessary for you or your legal representative to appear and tender evidence in support of such appeal.

Level 3 Landcentre
Cnr Main & Vulture Streets
Woolloongabba Qld 4102
PO Box 1653 Coorparoo
Queensland 4151 Australia
Telephone + 61 7 32277735
Facsimile + 61 7 32242933
Website www.dnr.qld.gov.au

- 7 SEP 2001



40

OPERATIONS DEVELOPMENT

TO : [REDACTED]
FROM : [REDACTED]
DATE : 24/08/2001
FILE : 530/5/55/20

REFERABLE DAM LICENCE FOR SPLITYARD CREEK DAM

1. Please find attached the original documents relating to the issue of the Referable Dam Licence for Splityard Creek Dam. I have retained a copy of these documents for my records and the original is for your official records.
2. Your attention is drawn to the Licence Terms attached and in particular Schedule B. All documentation relating to the dam is now up to date except for preparation of the Standing Operating Procedures. John Nankavill and myself will be converting these to the required format earlier than the requested date.
3. With respect to updating the documents it is intended to incorporate a review/update of the documents as part of the Asset Inspection review conducted annually.
4. A Comprehensive Inspection is due to be submitted to the DNR by June 2003. This will be arranged in due course.
5. Finally as a result of all recent studies and reviews on the dam and in particular the stability assessment of the natural saddle the restriction of "NOT to hold the storage at full supply level for longer than 10 days, after which the level should be brought down by 2m" can be lifted.

It is essential that if the storage is in fact held at full supply level for longer than the 10 days the frequency of routine surveillance of the dam environs be increased to daily. The surveillance officer should take all normal readings daily and be particularly observant for any abnormal occurrence. All concerns or observations should be reported to me immediately. I request that all instrument readings be forwarded to me on a daily basis during this time.

I would also request that I be notified when the storage is in fact kept at full supply level for longer than 10 days as I will conduct an on-site inspection during this time.

6. If you have any questions or concerns regarding the above please contact me.

[REDACTED]
[REDACTED]
MANAGER CIVIL ENGINEERING

© Tarong Energy Corporation Limited 1997

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ABN 078 848 738

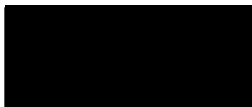
Form No. T-0544 (07/00)

A copy of Section 51 of the *Water Resources Act 1989* and Notice of Appeal forms are available from this office.

Please note it is the licensee's responsibility to apply for renewal of this Licence before it expires, irrespective of the chief executive sending an Expiry Notice.

A Licence is an important document and care should be taken to preserve it.

Yours sincerely



for

BW Brogan
Acting Operations Manager
Brisbane

Att/.

