

ORICA AMMONIA PLANT START UP COMMITTEE

Minutes: Meeting 8, 30 November 2011.

Venue: Government Offices 117 Bull Street, Newcastle, NSW

Attendees:

Chair- Greg Sullivan Chief Environmental Regulator EPA
Craig Dalton - Hunter New England Health
Trevor Shiels - NSW Police
Robert Murray – Fire and Rescue NSW
Adam Gilligan - Compliance Services Manager Newcastle City Council
Paul Minett - Port Stephens Council
Dave Chamings – WorkCover
Lilia Donkova - Department of Planning and Infrastructure
Gary Davey - Director North East EPA
Grahame Clarke – Regional Manager EPA

Apologies:

John Watson - WorkCover
Stuart Harvey - Major Hazard Facilities Team - Fire and Rescue NSW
Felicity Greenway - Department of Planning and Infrastructure
Stephen Davis - Fire and Rescue NSW
John Gralton – NSW Police
Laurence Richey - Team Manager WorkCover

Invitees:

Dr Wayne Davies SN2 Pty Ltd
Stockton Community Action Group (for Item 3) – Kate Johnson, Chantal ?, Tom ?, ?,
John Neely.

Note: The meeting was held via video-conference with the Chair, DP&I and Dr Wayne Davies attending at the EPA's Goulburn Street Offices and the remainder of attendees at the EPA's Bull Street Office.

Item1: Apologies

The Chair opened the meeting at 8:30am and welcomed the members of the Committee. Apologies were noted.

Item 2: Previous Meeting Minutes and Actions

The draft minutes of Meeting 7 confirmed as an accurate record of the meeting. The minutes will be posted on the EPA website.

Report back on actions was deferred to later in the agenda.

Item 3: Presentation from Stockton Community Action Group

Five members of the Stockton Community Action Group attended the meeting to provide their views and concerns. The representatives noted that their presentation did not constitute full community consultation.

The delegation indicated concerns regarding:

- Community confidence in Orica.

- Communication by Orica with the community.
- Proximity of Orica to residential areas.
- Emergency planning.
- Plant security
- Plant closure.
- Community membership on the Start – Up Committee.

The delegation presented to the Committee for approximately one hour.

The Chair explained to the delegation the grounds for his decision making in relation to whether the Orica plant would re-open. The Chair noted that the plant could not remain closed if Orica had demonstrated it had met all the requirements imposed by the regulatory agencies. The Department of Planning and Infrastructure representative explained the significance of a development consent. It was explained to the delegation that no government agency had the power to permanently close the facility, once development consent was issued. Temporary closure was possible in response to particular matters, but there was no power to permanently close the facility. The role of regulatory agencies was explained, particularly with respect to intervention powers where there were breaches of legislative requirements. It was emphasised that regulatory agencies do take action where safety issues arise.

The Chair also explained the role and function of the Committee and why community representation had not been provided.

The Chair noted that Orica would be required to undertake a program of continuous improvement. This would be imposed via notices etc from the regulators and from the mandatory environmental audit required by the EPA.

The Workcover representative undertook to follow up separately with one of the Stockton Community Action Group members regarding a security issue that he raised.

Item 4: Updates (All agencies)

- F&R NSW tabled correspondence noting that training and emergency planning had been satisfactorily addressed by Orica.
- WorkCover – see Item 6.
- EPA – see Item 5.
- No other updates were received.

Item 5: Update on EPA Actions

5.1. Actions from previous meeting:

The EPA reported back on a series of actions arising from the previous meeting (see Item 6 – Meeting 7). Following discussion in the meeting, further advice is required from Orica on:

- Emergency shut-down procedures and interaction with start-up procedure.
- Additional wording around staff safeguards in environments where nitrogen could be a hazard.
- Clarification on the document control systems in place.

- Verification the abort steps and other changes have been made in the procedures (track change document, for example).
- Further clarification around the risk of nickel carbonyl formation.
- Report on safety testing (see item 5.2).
- Report of progress to complete actions in relation to the ammonia feed tanks.

Action: EPA to meet with Orica to seek further advice on these matters.
Orica to provide a written report(s) addressing these matters.

5.2. Prevention Notice for Steam Testing

The EPA explained that following the out of session support from the Start – Up Committee for Orica to pressure test the ammonia plant system prior to start up, the EPA had issued a revised prevention notice to Orica on 29 November 2011. The revised notice enables Orica to:

- Introduce steam and natural gas to the system, while isolating the catalyst.
- Monitor the performance to the plant, including seals, turbines etc.
- Allow steam to be introduced to SP8 to enable collection of condensate for Cr 6 testing.

The notice also requires Orica to develop and implement a communication plan and to report back to the EPA at various critical points before being able to proceed to the next step.

Item 6: Update WorkCover.

WorkCover provided an update in relation to Orica's major hazardous facility permit.

Item 7: Update from Orica

Item held over to next meeting.

Item 8: General Business

The Chair sought the views of the members of the Start - Up Committee on the re-opening of the ammonia plant and the ammonia feed tanks. The Chair asked that, pending the satisfactory resolution of the issues detailed in Item 5.1 above, did the Committee believe that the ammonia plant could be operated in manner that was as safe as reasonable practical?

While some members deferred to the expertise of the EPA or other agencies, there was general agreement that subject to the resolution of the remaining outstanding requirements, the plant should be allowed to re-start. The Members also agreed that the operation of the plant should be subject to formal continuous improvement programs.

Item 9: Next Meeting

The next meeting is scheduled for 5 December 2011 from 8:30 - 10am. The meeting will be held in the EPA Offices in Bull Street, Newcastle.

The Chair thanked all committee members for their attendance and closed the meeting at 11:30am.