

ORICA AMMONIA PLANT START UP COMMITTEE

Minutes: Meeting 7, 23 November 2011.

Venue: Government Offices 117 Bull Street, Newcastle, NSW

Attendees:

Chair- Greg Sullivan Chief Environmental Regulator EPA
Tony Meritt - Hunter New England Health
Trevor Shiels - NSW Police
Adam Gilligan - Compliance Services Manager Newcastle City Council
Andrew Weekes - Port Stephens Council
Dave Chamings - WorkCover
John Watson - WorkCover
Stuart Harvey - Major Hazard Facilities Team - Fire and Rescue NSW
Felicity Greenway - Department of Planning and Infrastructure
Gary Davey - Director North East Branch EPA
Grahame Clarke – Regional Manager EPA

Apologies:

Stephen Davis - Fire and Rescue NSW
John Gralton – NSW Police
Lilia Donkova - Department of Planning and Infrastructure
Paul Minett – Port Stephens Council
Laurence Richey - Team Manager WorkCover

Invitees:

Dr Wayne Davies SN2 Pty Ltd

Item 1: Apologies

The Chair opened the meeting at 9.00am and welcomed the members of the Committee. Apologies were noted.

Item 2: Previous Meeting Minutes and Actions

The draft minutes of meeting 6 confirmed as an accurate record of the meeting, with one minor correction to a name.

The Chair welcomed Dr Wayne Davies to the Committee and Dr Davies was invited to provide a brief overview of his considerations to the Committee.

Item 3 Agency Updates

WorkCover - Held a meeting with representatives of Orica on 18 November 2011 to discuss a range of issues relating to the 9 November 2011 ammonia incident. WorkCover is investigating this incident and a number of other matters are continuing.

The Chair suggested a meeting between WorkCover and EPA investigation teams to discuss the exchange of relevant information that would assist the investigations currently in progress by both Agencies.

Fire and Rescue NSW - Officers from Fire and Rescue NSW and WorkCover had met with Orica to discuss a small number of outstanding issues regarding the

Emergency Response Staff Training Package. Following this meeting, both agencies were satisfied with the training package and the Emergency Management Plan. NSW Police supported the views of NSW Fire and Rescue and WorkCover on the staff training package.

NSW Police – Reported that a review of the Local Emergency Plan had commenced and that the lessons from the development of the Botany Local Emergency Plan would be taken into consideration by the State and Local Emergency Management Committees.

Newcastle City Council - Reported that a number of members of the recently formed Newcastle Community Consultative Committee on the Environment (NCCCE) proposed that the Orica plant should not be permitted to re-open. This view was not supported by a majority of Committee members.

Department of Planning and Infrastructure – Reported that the planning focus meeting held in Newcastle for the proposed Incitec ammonia plant on Kooragang Island was a successful meeting.

Environment Protection Authority - Provided an update on the number of industries dependent on products and by-products from the Orica plant including the mining and quarrying industries, food and beverage industry and medical services. The Chair noted that the extended closure of the Orica plant is causing the rationing of a number of products and failed supplies of others. The Chair noted that while there were these impacts, the safe restarting of the plant was the primary consideration of the Committee and the EPA.

Item 4: Orica Update

A representative of Orica was available to respond to questions from the Committee but was not requested to make a presentation or to respond to questions.

Item 5: Independent Expert Update

The Chair invited Dr Wayne Davies to report on the matters the Committee had requested the Independent engineer to consider.

Dr Davies reported that he had reviewed a number of the documents submitted to the Committee by Orica, visited the plant and was given the opportunity to speak to operators of the plant. He also met with the independent auditor engaged by Orica to verify that the physical changes required to be made to the plant, and the cleaning of the plant, were completed satisfactorily.

Dr Davies identified a number of issues that required further consideration before making his final report to the Committee.

The Chair suggested that the Committee move to agenda item 6 and that Dr Davies provide comment on any of the verification items that he considered to be satisfactory or required further consideration by the Committee.

Item 6: Review of Verification Matrix Actions.

The Chair led the Committee through each item of the verification matrix. The Committee agreed that Orica had satisfactorily completed the majority of the actions required and that these items would be recorded as 'complete'.

Any outstanding items or matters requiring further information or clarification by Orica would be recorded as pending actions to be reported back to the next Committee meeting.

Actions: EPA and Dr Wayne Davies to meet with Orica to clarify or resolve the following issues:

6.1 Start-Up Procedure

- Definition of terms:
Clearer definition of criteria and thresholds in the start-up procedures. The use of words such as "major" or "significant" were used as examples.
- Emergency Shut Down Procedures:
A lack of reference to an emergency shut down procedure.
- Stop Signs:
Confirm if Stop signs were really "pause and consider" signs. The purpose was to ensure operators stopped, checked that all steps had been done/achieved before moving to the next stage.
- Abort Start-Up Triggers:
No obvious Abort triggers in the Start-Up procedure.
- Field Operator Check Lists:
Will plant operators outside the control room have a start-up checklist?
- Dress rehearsal:
Orica to conduct a dress rehearsal of the operating procedures.
- Start-up process:
At what rate does Orica intend to start-up the plant?

6.2 Nitrogen/Plant Modifications.

- Operator Safety:
Confirm that Orica has considered any risks associated with heating the catalyst with nitrogen.
- Asphyxiation Risks:
Could a nitrogen dump occur to the drains below SP-8?
- Reinstatement of boiler and installation of sheath:
Confirm the purpose of the reinstatement of the boiler and the installation of the sheath.
- Nickel carbonyl:
Potential to produce nickel carbonyl in the methonator.
Differential pressures/flows of steam and nitrogen:
Clarify if there is a potential for problems with differential pressures between the flow of nitrogen and steam.

6.3 SP8 Emissions

- Monitoring for Chrome (V1) 6 prior to start-up.

6.4 Ammonia Storage Tanks

- Submit final report Report from independent expert:

Item7: General Business

There was no general business.

Item 8: Next meeting

No date was set for the next meeting but tentatively a meeting would be held during the week of 28 November 2011.

The Chair thanked all committee members for their attendance and closed the meeting at 12:30pm.