

1 JULY 2021

Department of Planning, Industry and the Environment
Locked Bag 5022
PARRAMATTA NSW 2124
Attention Mr Shaun Williams
And by email: shaun.williams@planning.nsw.gov.au

Dear Sir

ORICA AMMONIUM NITRATE FACILITY UPGRADE – MP08_0129 MOD 6

Port of Newcastle Operations Pty Limited (**PON**) refers to the document 'Scoping Report Project Approval 08_0129 Orica Kooragang Island: Proposed Modification Application Ammonia Storage Improvement Project (MOD6)' dated May 2021 (**MOD6 Application**) published on the Department of Planning, Industry and the Environment's (**DPIE**) website during the week of 7 June 2021.

MOD 6 Application

The MOD6 Application is comprised of:

- installation of an approximately 46m high and 42m diameter cylindrical double walled ammonia tank immediately adjacent to the existing single walled 12,000 tonne ammonia tank (9,000 tonne operational capacity),
- installation of ancillary services including pumps, refrigeration compressors, pipes and pipe racks to enable supply of ammonia to the existing Nitric Acid Plants, and to facilitate ship loading and unloading,
- installation of an upgraded ammonia storage flare as part of the stair tower structure to the new ammonia tank to a height of approximately 50m,
- upgrade to the ammonia export/import infrastructure.

Consistent with Section 8.1.1 of the MOD6 Application (at page 22), engagement had not been undertaken by Orica with PON.

SEARS

PON also refers to the Department's 'SEARS' letter dated 25 June 2021 on its environmental assessment requirements for the preparation of the Statement of Environmental Effects. Amongst other matters the SEARS requires:

- Community and Stakeholder Engagement, including issues raised by the community and surrounding landowners and occupiers,
- Hazards and Risk, including estimation of the cumulative impacts from the overall site and the surrounding potentially hazardous developments (existing and proposed) and demonstrating that the proposed development does not increase the cumulative risk of the area to unacceptable levels,

- Planning agreement/development contributions, being demonstration that satisfactory arrangements have been or would be made to provide, or contribute to the provision of, necessary local and regional infrastructure required to support the modification.

Port Manager

PON is subject to obligations to NSW Government under the 98 year Port Lease structure to manage Newcastle Port as Port Manager and to manage and develop the Port Lease vacant and tenanted lands, roads, infrastructure and berth operations areas. The PON berths referenced in the MOD6 Application known as K2 and K3 are common user berths handling bulk product primarily fertiliser, cement, ammonia and other chemicals.

PON highly values its long standing relationship with the business and staff of Orica which is a long standing port customer, lessee and licensee from PON, and valued neighbour and community member.

PON on 10 June 2021 initiated engagement with Orica on the MOD6 Application and the first conference between PON and Orica was held on 24 June 2021.

Initial conference with Orica

At this 24 June 2021 conference PON tabled the following matters with Orica:

Berth infrastructure existing constraints:

- feasibility of Orica's objective to use larger shipping vessels (at page 6) given existing berth constraints. PON explained that proposed use of larger vessels will mean consideration of additional berth infrastructure;
- feasibility of Orica's proposed additional pipeline (at page 8) through PON road, land and berth areas (held by PON under the Port Lease from NSW Government) given existing constraints on access to this common user berth. PON noted that development plans of others at Walsh Point on Heron Road will necessarily traverse the existing Orica pipeline. PON explained a need for engagement on development plans by others accessing the PON common user berths and ensuring respect for Orica's existing licence and easement culvert right;

Cumulative hazard risk:

- clarifying additional hazard risk from the project (at page 18) on safe operation of existing operations of PON, its port tenants and customers, and of this cumulative hazard risk on current and future development plans of them. PON noted that proposed development plans of port tenants and customer neighbours include additional fuel tanks, additional infrastructure for fertilisers including urea, a potential government desalination plant, PON's plans for a potential bulk fuels berth, amongst other planned developments subject to confidentiality. PON noted information sharing will be essential for accurate hazard assessments and will share with Orica PON's port wide Land Use Safety Study of existing cumulative hazard risk;

Impact on development plans of PON, its port tenants and port customer neighbours:

- clarifying the interaction of the project with PON owned infrastructure (at page 2 and various) and existing and future potential land uses and operations of PON, its port tenants and port customer neighbours. PON noted it is aware of several development plans subject to

confidentiality and believes these should be considered in assessment of the MOD6 Application. A minor point, the photos of Walsh Point on the MOD6 Application cover and in Figures 1 and 3 are old and do not show existing operating businesses.

Port Manager input

PON and Orica will confer further on these matters. As PON and Orica engagement has only commenced, PON objects to the MOD6 Application in its current form.

PON respectfully requests the Department to have regard to:

- the Port Lease berth existing infrastructure constraints, in respect to necessary local and regional infrastructure required to support the modification,
- the development plans of PON, its port tenants and customer neighbours, in respect to community and stakeholder engagement,
- as to hazards and risk, the development plans of PON, its port tenants and customer neighbours and safety of all port users.

To assist Orica in its engagement, PON can provide Orica with a list of our tenants, licensees and holders of easements to our berth infrastructure at Walsh Point.

To discuss this letter please contact the writer.

Yours faithfully



Simon Byrnes
Chief Commercial Officer

Copy to: Mr Paul Hastie, General Manager Orica Kooragang Island