Response to Stolthaven development submission by OneSteel

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Introduction

OneSteel Wire Pty Ltd (OneSteel) operates the Newcastle Wire Mill (NWM) at Mayfield, NSW. Other OneSteel entities also occupy the same Mayfield site. The NWM is located immediately West of the existing Stolthaven Terminal and the location of the proposed expansion of this terminal. The railway line that provides the steel inputs into the NWM runs through the area of the proposed terminal expansion, and is also immediately adjacent to the boundary between the Stolthaven property and the NWM. The roadway on which Stolthaven distributes fuels from the terminal runs between OneSteel buildings. There are several office buildings immediately adjacent to this roadway. The OneSteel site typically has approximately 700 employees and contractors present during weekday working hours.

In preparing this submission OneSteel has:

- Undertaken an internal risk assessment using a qualified facilitator, and
- Engaged a qualified external process safety professional to review and comment on the risk assessments (transport, terminal operation and air quality) provided by Stolthaven

OneSteel objects to the proposed Stolthaven development because the health and safety of employees and contractors at the OneSteel site could potentially be compromised by the development. The work done by Stolthaven to assess the impact of the proposal on the health and safety of OneSteel employees and contractors is flawed and incomplete. The proposal cannot be properly assessed until these deficiencies are addressed.

Three specific areas in which the quality of the Stolthaven work is questionable are:

1. The Preliminary Hazard Analysis (PHA) for the terminal operation, which is flawed and deficient
2. The PHA for transport, which is flawed and deficient
3. The Air Quality Impact Assessment (AQIA), which is apparently flawed. This is especially of concern given Stolthaven's poor regulatory history with respect to air emissions

These concerns are expanded upon below.

1. The PHA for terminal operation is flawed and deficient

The Preliminary Hazard Analysis (PHA) for the terminal operation is flawed and deficient due to a lack of detail with respect to consequence contours and population assumptions and therefore risk assessment, a lack of consideration of toxic air emissions, and an inappropriate emphasis on so-called 'advanced' controls.

Consequence contours, population assumptions and risk assessment

OneSteel's manufacturing operations are located within 100 metres of the proposed petrol storage tanks. At this distance it seems likely that our buildings would be subject to significant heat flux radiation or explosion overpressure in the event of an incident within the proposed development. The PHA does not provide details of consequence contours to allow OneSteel to understand sufficiently the potential impact of an incident on its buildings and infrastructure.

The PHA did not show building population data in making conclusions about risk to OneSteel employees and contractors. OneSteel is concerned that without the population data and the consequence contours used in the modelling being disclosed we are unable to determine if the resultant risk profile is representative of the current level of occupation, or a reasonably expected future level of occupation, of the industrial buildings located along the Western alignment of Iron Ore Road. As such, the submitted modelling may not be representative of the level of risk posed to OneSteel's employees.

Toxic Air Emissions

The PHA for the terminal operation notes that HIPAP 4 injury risk for toxic exposure was not applicable as the PHA did not involve any release scenarios of toxic materials resulting in acute, chronic or delayed effects. This decision (not to examine potential injury risk due to toxic exposure) is contrary to the Air Quality Impact Assessment document which shows carcinogens such as benzene are contained in some streams. It is also contrary to statements by the EPA when they fined Stolthaven in 2015 for "…exceeding the limits provided by the licence for VOC's and benzene." (EPA media release 27 May 2015).

Inappropriate emphasis on so-called 'advanced' controls

The PHA in Section 8 proposes a range of risk mitigation measures and a recommendation that these be incorporated in the final design. A more thorough consideration of the consequence contours is required to determine if the proposed control measures are sufficient. Rather than advanced controls, OneSteel contends that the majority of these would be considered as standard practice for the design and operation of the proposed facility, and required under HIPAP guidelines. A significant number of the proposed control measures are placed at the lower end of the hierarchy of control and would not necessarily be effective in reducing the risk to a level as low as is

reasonably practicable. OneSteel is concerned that as detailed design of the terminal is progressed the adopted risk mitigation measures may be reduced.

2. Transport PHA is flawed and deficient

The Transport PHA documentation is flawed and deficient because:

- It has not provided details of the consequence contours and population data from which the risk contours were developed to allow transparency of the risk contour modelling, and

- No modelling of transport incidents has been included along Steelworks Road adjacent to the existing office buildings that have significant populations occupying them

It is expected that the risk contours in this location will demonstrate significant risk to the occupants of these office buildings. This level of risk is not reflected in the risk contours developed for locations along Industrial Highway and Ingall Street as there are no significant populations close to the road in these locations.

3. AQIA is apparently flawed

The Air Quality Impact Assessment (AQIA) includes in appendix F modelled emission contours which show a highly abnormal dispersion pattern. This abnormal pattern has not been explained within the documentation as relating to any topographical or weather related phenomena. OneSteel suggests that the dispersion model is flawed and requires closer examination to determine if Stolthaven have provided an accurate model of emissions that may impact OneSteel's site.

The quality of the AQIA is critical given that Stolthaven have a poor history of compliance with air emission requirements. In 2015 Stolthaven were fined $15,000 for exceeding terminal throughput by over 50%. This resulted in an exceedance of air emissions, such as carcinogenic benzene, of over 50%.

Conclusion

OneSteel objects to the proposed Stolthaven development because the health and safety of employees and contractors at the OneSteel site could potentially be compromised by the development. The work done by Stolthaven to assess the risk of the proposal to the health and safety of OneSteel employees and contractors is flawed and incomplete. The proposal cannot be properly assessed until these deficiencies are addressed.

OneSteel can provide the results of its own investigations to support this position.