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23/06/25

Department of Planning, Housing and Infrastructure NSW
4 Parramatta Square, 12 Darcy Street, Parramatta NSW 2150
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Development Consent: SSD 8448
Part Lot 1 DP 1195449
130 Cormorant Road, Kooragang NSW.
SSD 8448

Subject: SSD 8448 Independent Environmental Audit 2025

Dear Secretary,

Preliminary Overview

On 23 November 2018 consent was granted for a Liquified Petroleum Gas Storage and Distribution Facility at 130 Cormorant Road Kooragang (SSD 8448). ELGAS Limited (ELGAS) is the current proponent, managing the operational phase for SSD 8448.

Per Schedule 2, Condition C18 of SSD-8448:

'Independent Audits of the development must be carried out in accordance with:

- (a) the Independent Audit Program submitted to the Department under Condition C17 of this consent; and*
- (b) the requirements for an Independent Audit Methodology and Independent Audit Report in the Independent*

Endorsement of the independent audit team (Arcadis Australia Pacific Pty Ltd) was provided to ELGAS from the Planning Secretary Department of Planning, Housing and Infrastructure (DPHI) on 25 March 2025 (SSD-8448-PA-48).

The independent audit has assessed the environmental performance and compliance status of the operational phase of the development commencing from 13 November 2021 to 24 April 2025.

On 24th April 2025, ELGAS confirms an independent audit (site visit) was completed in accordance with:

- *Independent Audit Post Approval requirements (IAPAR) (DPIE, May 2020)*

The final Audit report '*Elgas Kooragang LPG Facility Operational Audit Report Final 27052025*' (Arcadis Report) was submitted to ELGAS on 27 May 2025.

The audit identified 10 non-compliances (nine being unique non-compliances) relating to the operation phase, with all other than a non-compliance against condition A6, being of an administrative in nature and do not pose an environmental risk to the facility. Five improvement opportunities were presented to ELGAS, four relating to omissions in the site operational management plans (OEMP), one to improvement of bunding for storeroom chemicals.

The Independent Audit report concluded that:

Key strengths were identified in relation to the management of the project including: *Monitoring of operational compliance through internal audit and the review of procedures and processes; and Improved ownership and management of the consent with ELGAS taking over responsibility for the timing, reporting and submission of requirements associated with the consent.*

The audit identified an effective Environmental Management System (EMS), induction and training and monitoring and inspections. Of note is the increased ownership of the consent by ELGAS management staff and improved process in the past six months to promote improved compliance. The audit concludes that the ELGAS Kooragang LPG Facility project is generally being undertaken in compliance with the requirements of SSD 8448.

ELGAS' Response

Per Schedule 2, Condition C19.

In accordance with the specific requirements in the Independent Audit Post Approval Requirements (Department2018), the Applicant must:

- (a) review and respond to each Independent Audit Report prepared under Condition C18 of this consent;
- (b) submit the response to the Department

Note: in accordance with Schedule 2, Condition A29 of the consent, NSW Planning provided direction for Elgas Ltd to refer to the 2020 version for all future IEAs (NSW Planning reference: SSD-8448-PA-41).

Appendix A: Summary of Audit Compliance with Development Consent Conditions sets out the audit findings and recommendations contained in the Arcadis Audit report, with an additional column added to include Proponent Response.

Appendix B: Summary of Audit Improvement Opportunities sets out opportunities for improvements identified through the audit process, with an additional column added to include Proponent Response.

Thank you

Yours sincerely



Patrick Egan
Regional Depot Operations Manager NNSW



Appendix A: Summary of Audit Compliance with Development Consent Conditions

Consent Condition	Consent Detail	Audit Findings and Recommendations (Arcadis)	Compliance Status	Proponent Response (ELGAS)
A2	The development may only be carried out: a) In compliance with the conditions of this consent:	Identifier: none Audit Finding: This audit identified non-compliances against the following conditions: A6, B8, C1, C8, C11, C16, C16, C19, C21 Recommendation: A2 is a result of the other nine non-compliance	Non- Compliant	Noted, Action: Proponent to completed action across all nine unique non-compliances Status: Commenced & Open
A6	The storage of LPG on-site at any given time must not exceed 178 tonnes.	Identifier: OA2_NC1 Audit Finding: The 2024 Internal Audit (18/03/24) identified that at the time of the Internal Depot Audit, Depot DG stocktake exceeded the limit (confirmed during the site visit that tis referred to LPG). Local management recalculated of the site DG and noted the site was at 3% above the SafeWork NSW Notification NDG200406. The site continues to manage the DG levels monthly. At the time of this Compliance report the DG Calculator was sighted, and site remains within limits. This exceedance was also reported in the 2024 Compliance report. At the time of the Compliance Report the DG Calculator was sighted, and site was within limits Recommendation: Ensure monthly monitoring of the LPG storage onsite is implemented. Note that exceedance of 178 tonnes of LPG are required to be reported to the Department in accordance with condition C11. Consider reviewing storage procedures and/or increasing the frequency of monitoring should exceedances be identified.	Non-compliant	Noted, Action: 28.05.25 the Proponent updated the process to manage the site DG with an improved software application (DGLP) that calculates DG holdings and email alerts to local and NSW State Management. Local Management is monitored to ensure that the DG stocktake is entered each month. Status: Closed 28.05.25

Consent Condition	Consent Detail	Audit Findings and Recommendations (Arcadis)	Compliance Status	Proponent Response (ELGAS)
B8	Within one month of completing each audit carried out in accordance with Condition B7, the Applicant must submit a report to the satisfaction of the Planning Secretary for approval. The audit report must be accompanied by a program for the implementation of all recommendations made in the audit report. If the Applicant intends to defer the implementation of a recommendation, reasons must be documented.	Identifier: OA2_NC2 Audit Finding: The site audit was conducted on the 6-7 September 2022. The Hazard Audit Report was issued to Department on 19/11/2022, more than one month after the site audit. Approved by DPE on the 25/11/2022. The program for the implementation of the Report's recommendations is dated 08/02/2023. Delay with previous consent owner. Elgas now managing the consent. Recommendation: Ensure that the Hazard Audit report is submitted to the Department within one month of completing the site inspection for each Hazard Audit	Non-compliant	Noted, Action: From 16.10.24 the ELGAS manages the consent as the current operator/proponent via NSW Major Project Portal Status: Closed 16.10.24

Consent Condition	Consent Detail	Audit Findings and Recommendations (Arcadis)	Compliance Status	Proponent Response (ELGAS)
C1	Management plans required under this consent must be prepared in accordance with relevant guidelines, and include (a) details of: (i) any relevant limits or performance measures and criteria; and (b) a description of the measures to be implemented to comply with the relevant statutory requirements, limits, or performance measures and criteria;	Identifier: OA2_NC3 Audit Finding: The OEMP does not mention the storage limit for LPG on-site at any given time of 178 tonnes, as specified under condition A6. A non-compliance is also identified under condition A6. The OEMP does not mention the measures to be implemented to ensure compliance with the storage limit for LPG on-site at any given time of 178 tonnes, as specified under condition C6. Recommendation: Include reference to the LPG storage limit specified under Condition C6 in the OEMP. Provide details of the procedure for monitoring and recording compliance with Condition A6, including the process to be implemented should an exceedance be identified (including non-compliance notification)	Non-compliant	Noted, Action: The updated process and ongoing management of site DG will be updated by the Proponent per a review (July - Aug 2025) of the site OEMP in accordance with Condition C8. The Proponent to notify the Department of the review per condition C8 (b). Status: Open

Consent Condition	Consent Detail	Audit Findings and Recommendations (Arcadis)	Compliance Status	Proponent Response (ELGAS)
C8	Within three months of: (b) the submission of an Independent Audit under Condition C17; the strategies, plans and programs required under this consent must be reviewed, and the Department must be notified in writing that a review is being carried out	Identifier: OA2_NC4 Audit Finding: No written notification to the Department that strategies, plans and programs were being reviewed following the 2021 IEA. No review or updates following the 2021 IEA are documented in the OEMP Revisions Table. Site interviews identified a review had not been conducted. Recommendation: Ensure that a review of the strategies, plans and programs required under the consent are reviewed with 3 months of one of the triggers listed under condition C8. Ensure that the Department is notified that a review is being carried out. For transparency, consider including details of plan reviews in the relevant plan Revision Table, along with the trigger for the review, even when no updates to the plans are made	Non-compliant	Noted, Action: The updated process and ongoing management of site DG will be updated by the Proponent per a review (July - Aug 2025) of the site OEMP in accordance with Condition C8. The review will include reference to 2021 IEA (retrospective review) and 2025 IEA. The Proponent to notify the Department of the review per condition C8 (b). Status: Open

Consent Condition	Consent Detail	Audit Findings and Recommendations (Arcadis)	Compliance Status	Proponent Response (ELGAS)
C11	The Department must be notified in writing to compliance@planning.nsw.gov.au within seven days after the Applicant becomes aware of any non-compliance.	Identifier: OA2_NCS Audit Finding: This requirement for responding to non-compliances is not addressed in the OEMP. No non-compliance notifications have been issued during the audit period; however, non-compliances were identified in Compliance Reports (CR) that were not notified under this condition. 2023 CR: a non-compliance with condition C16 was identified. 2024 CR: exceedance of LPG limit identified (non-compliance with condition A6). Recommendation: Ensure that the Department is notified in writing within 7 days of becoming aware of a non-compliance. Note that this includes any non-compliances identified through the preparation of a Compliance Report under condition C15	Non-compliant	Noted, Action: 01.05.25. compliance@planning.nsw.gov.au notified: Ref: NSW Planning ref: SSD-8448-PA-49 per: 2023 CR: a non-compliance with condition C16 was identified and 2024 CR: exceedance of LPG limit identified (non-compliance with condition A6) Updated procedures required per Condition C11 by the Proponent per a review (July - Aug 2025) of the site OEMP in accordance with Condition C8. The Proponent to notify the Department of the review per condition C8 (b). Status: Commenced & Open

Consent Condition	Consent Detail	Audit Findings and Recommendations (Arcadis)	Compliance Status	Proponent Response (ELGAS)
C15	Compliance Reports of the project must be carried out in accordance with the Compliance Reporting Post Approval Requirements (Department 2018).	Identifier: OA2_NC6 Audit Finding: Assessment for this audit is against CRPAR 2018. <u>2024 CR</u>: non-compliances were identified, however, under condition B9 it states that the 2024 Internal Depot Audit identified an exceedance of DG stored at the site in relation to condition A6 (this was confirmed in the site interview). Under A6 compliance was only assessed according to records on the day the Compliance Report site inspection was conducted. As a non-compliance during the reporting period was identified, this should have been reported as a non-compliance. 2023 CR: two non-compliances were identified, one of which (C19) appears to be confusion with the condition, as C19 refers to responding to the Independent Audit report, rather than the Compliance Report. Neither of the non-compliance were identified under Condition C11. Section 3.2.4 of CPPAR (2018) sets out the requirements for reporting of all non-compliances. The non-compliances identified in the 2023 CR were not reported in accordance with these requirements. Recommendation: Ensure annual Compliance Reports are prepared in accordance CRPAR (2020) going forward. All non-compliances identified are to be reported, even if the site is compliant in relation to the condition at the time of the site inspection for the Compliance Report. Address all non-compliances in accordance with Section 3.1.3 of CRPAR (2020) (recommend using a table format, as suggested in point 3 of SSD-8448-PA-38.	Non-compliant	Noted, Action: 01.05.25. compliance @planning.nsw.gov.au notified: Ref: NSW Planning ref: SSD-8448-PA-49 per: 2023 CR: a non-compliance with condition C16 was identified and 2024 CR: exceedance of LPG limit identified (non-compliance with condition A6) Updated procedures required per Condition C11 by the Proponent per a review (July - Aug 2025) of the site OEMP in accordance with Condition C8. The Proponent to notify the Department of the review per condition C8 (b). Status: Commenced & Open

Consent Condition	Consent Detail	Audit Findings and Recommendations (Arcadis)	Compliance Status	Proponent Response (ELGAS)
C16	The Applicant must make each Compliance Report publicly available no later than 60 days after submitting it to the Department and notify the Department in writing at least 7 days before this is done.	Identifier: OA2_NC7 Audit Finding: The 2023 CR identified that the 2022 CR was published approximately 90 days after submission to the Department. No evidence that a non-compliance notification was issued to the Department in accordance with condition C11 following the non-compliance being identified Recommendation: Ensure annual compliance reports are publicly available with 60 days of submission to the Department and notify the Department in writing at least 7 days before this is done	Non-compliant	Noted, Action: 01.05.25. compliance @planning.nsw.gov.au notified: Ref: NSW Planning ref: SSD-8448-PA-49 per: 2023 CR: a non-compliance with condition C16 was identified Status: Closed 01.05.25
C19	In accordance with the specific requirements in the Independent Audit Post Approval Requirements (Department 2018): the Applicant must: (c) make each Independent Audit Report and response to it publicly available no later than 60 days after submission to the Department and notify the Department in writing at least 7 days before this is done.	Identifier: OA2_NC8 Audit Finding: The independent audit report (23/11/2021) is provided on the project website. The Department was not notified Recommendation: Ensure the Department is notified at least 7 days prior to making an Independent Audit Report Public.	Non-compliant	Noted, Action: Proponent to include details of the date when 2021 IEA Report (23/11/2021) was made public within notification of publicising the 2025 IEA (27/05/25) per condition C19 (c) post submission of the response to the 2025 IEA. Status: Open
Consent Condition	Consent Detail	Audit Findings and Recommendations (Arcadis)	Compliance Status	Proponent Response (ELGAS)

C21	At least 48 hours before the commencement of construction until the completion of all works under this consent, the Applicant must: (a) make the following information and documents (as they are obtained or approved) publicly available: (i) the documents referred to in Condition A2 of this consent and the final layout plans for the development	Identifier: OA2_NC9 Audit Finding: Response to submission (condition A2 (c) have not been uploaded for the initial IES (noting that the RtS was not prepared for MOD 1 or 2) <i>Note: the draft audit report stated that the RtS for the initial EIS and Modifications had not been uploaded to the Project website, however, review following discussions with ELGAS was identified that RtS had not been prepared for the Modifications, and the wording was updated for the final report.</i> Recommendation: Ensure the Response to Submission for the initial EIS and any modifications, as relevant, have been uploaded to the project website.	Non-compliant	Noted, Action: Proponent to retrospectively notify the Department and publicise Response to Submission for the initial EIS and any modifications, as relevant. Status: Open
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Appendix B: Summary of Audit Improvement Opportunities

Improvement Opportunities (Arcadis)	Audit Status	Proponent Response (ELGAS)
Identifier: OA2_I01 Improvement Opportunity Install a small bund in the storeroom for storage of liquid chemicals	Open	Noted, Action: 09.06.25 Proponent has updated storage of liquid chemicals to with bunded equipment Status: Closed 09.06.25
Identifier: OA2_I02 Improvement Opportunity Ensure the following is implemented at the site • Regular reviews to ensure SDS are updated within 5-year timeframe, as required under Work Health and Safety Regulations • Conduct a risk assessment for all new DG introduced at the site, including the review of adequate and appropriateness of existing controls • Review and update the Emergency Response Plan to include compressed nitrogen and consider any emergency response requirements	Open	Noted, Action: Proponent to commence • Regular reviews to ensure SDS are updated within 5-year timeframe, as required under Work Health and Safety Regulations • Conduct a risk assessment for all new DG introduced at the site, including the review of adequate and appropriateness of existing controls • Review and update the Emergency Response Plan to include compressed nitrogen and consider any emergency response requirements Status: Open
Identifier: OA2_I03 Improvement Opportunity Include the requirements of condition B43 in the TMP	Open	Noted, Action: Updated procedures of Condition B43 in the TMP by the Proponent per a review (July - Aug 2025) of the site OEMP in accordance with Condition C8. Status: Open

Improvement Opportunities (Arcadis)	Audit Status	Proponent Response (ELGAS)
Identifier: OA2_I04 Improvement Opportunity Include additional details in the OEMP regarding the legislative basis for the development, approval pathway and modifications to the consent. Consider cross referencing requirements in the OEMP to the relevant consent condition/s, so that the legal foundation is transparent	Open	Noted, Action: Updated details by the Proponent per a review (July - Aug 2025) of the site OEMP in accordance with Condition C8. Status: Open
Identifier: OA2_I05 Improvement Opportunity Update the Revision History table in the FERP to include accurate details of the current version	Open	Noted, Action: Updated details by the Proponent per a review (July - Aug 2025) of the site OEMP in accordance with Condition C8. Status: Open