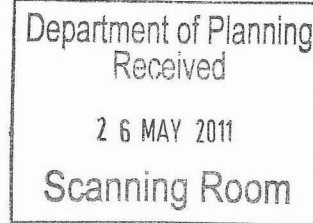




WorkCover NSW – Major Hazard Facilities Team
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Date: 24 May 2011
Our Ref: 10131 / 2009/020791
Your Ref: 11_0004

Mr Chris Ritchie
Manager – Industry
Mining & Industry Projects
Department of Planning
GPO Box 39
Sydney 2001



Dear Mr Ritchie

Caltex Jet Fuel Pipeline Upgrade Project (11_0004)

Thank you for your letter, received on 5th May 2011, requesting WorkCover's recommended conditions of approval for the above project.

The Major Hazard Facilities Team reviewed the Environmental Assessment and our comments on the Preliminary Hazard Analysis are attached for your information. WorkCover will require Caltex to address any issues arising from these comments when Caltex consults WorkCover under suggested condition 1 below.

Should the proposal be approved, the suggested conditions of approval are:

1. The facility is a Major Hazard Facility under the NSW Occupational Health and Safety Regulation 2001, and therefore the proponent should consult with WorkCover prior to commencement of detailed design, and obtain requirements for updating of the site risk assessments and the Safety Report. The proponent must comply with all requirements provided by WorkCover.
2. The updated Safety Report must be submitted to WorkCover no later than six months prior to commissioning of the proposed project, or any other date agreed with WorkCover.

Should you have any queries, please contact me on telephone (02) 8281 6303 or email jan.douglas@workcover.nsw.gov.au.

Yours sincerely

Jan Douglas
Manager
Major Hazards Facilities Team
WorkCover NSW

Caltex Jet Fuel Pipeline Upgrade Project (11_0004)

WorkCover - Major Hazard Facilities Team comments on the Preliminary Hazard Analysis (PHA)

1. Table 7 Bund Design – Surface area of a pool is in itself insufficient if fire duration in the event of a blockage of the drain system is to be estimated. Suggest that a revised table in the PHA should include additional columns for bund capacity (volume), and time to fill, in the event of a blockage of the drain system, at the maximum credible leak or spill rate. The time to fill (and then overflow) should be sufficient to allow operators to intervene and isolate flow before an overflow.
2. Clause 5.1.4 Separation distances – Para 3 should include a clear statement if the proposed system and associated plant comply with the codes and standards. Any non-compliances should be detailed.
3. References to use of methodologies in standards should be complemented with confirmation that the conditions, restrictions and caveats in the standard have been met.
4. Clause 5.4.3 Knock-on effects – Jet fuel pipeline (KBL) – The minimum depth of burial appears too low for urban areas. This value should be verified.
5. Clause 5.4.3 Knock-on effects – Jet fuel pipeline (KBL) – A clear statement of compliance with applicable codes and standards should be included with any non-compliances clearly stated.
6. Table 8 Current Risk Profile, Pumping Stations and KBL Line - Dot point 2 below table 8 gives a risk reduction (scenario 5) from intermediate to low. Some detail or explanation of the before and after risks should be included here. For example, although the new location is bundled, it is in closer proximity to other plant and tanks and therefore the risk of escalation could be higher at the new location.
7. References – Items 11 and 12 refer to HIPAPs 1993. Revised HIPAPs 2011 should be used. Also see clause A2.1.2.
8. Footnote clause 2.2 – It is noted that tank 166 is to be converted from fuel oil use to jet fuel under a different project. Caltex should review the change in risk and the adequacy of the bund material for containing jet fuel. For example, is the bund material sufficiently impervious to the less viscous jet fuel?
9. General – Static and the added risk of ignition due to increased pumping rates should be considered.