

COMMUNITIES AND INDUSTRIES FORUM (CIF)

A forum for communication between industry and the community -all welcome

Minutes of the Meeting held Tuesday 3 February 2009

5.30pm – 7.00pm

at the Kwinana Recquatic, Gilmore Avenue, Kwinana

PRESENT

Don	Allanach	Homestead Ridge Progress Association
Lyle	Banks	Fremantle Ports
Karen	Boyce	Tiwest
Kim	Calver	Thomson Environmental Systems
Peter	Christian	Verve Energy
Steve	Christie	Water Corporation
Patrick	Coffey	Alcoa
Ainslie	De Vos	Fremantle Ports
Annette	Gade	Conservation of Rockingham Environment
Allan	Gade	Conservation of Rockingham Environment
Alan	Gale	Kwinana Industries Council
Stan	Hall	Kwinana Progress Association
Steve	Hesse	Kwinana Progress Association
Debbie	Hoey	Kwinana Industries Council
Brett	Howard	Newgen Power Kwinana
Ian	Hutton	James Point Pty Ltd
Peter	Knol	Dept of Environment & Conservation
Rod	Lukatelich	BP Refinery
Genevieve	Mannin	CSBP
Rod	Mapstone	Alcoa
Peter	Metcalf	BP Refinery
Greig	Mercer	Degremont
Anita	McInnes	Sound Telegraph
Peter	McRae	Dept of Consumer & Employment Protection
Frank	Mofflin	BHP Billiton Nickel West
Patricia	Moreton	Kwinana Progress Association
Barry	Nelson	Kwinana Progress Association
Chris	Oughton	Kwinana Industries Council
Lorna	Petchell	BHP Billiton Nickel West
Tom	Rose	Cockburn Sound Management Council
Chris	Tanner	Town of Kwinana
Yvonne	Thompson	Weekend Courier
Samantha	Torrens	CSBP
Alistair	Trethowan	LandCorp
Les	Vogiatzakis	Coogee Chemicals
Graeme	Warden	Coogee Chemicals
David	Whittaker	LandCorp

APOLOGIES

Cr. Val	Oliver	City of Cockburn
Thys	Heyns	BP Refinery
Tony	Wynne	Dept of Environment & Conservation
Darren	Salamon	Terminals West
Cr. Leigh	Liley	City of Rockingham
Todd	Simms	Hismelt
Graham	Davey	Kwinana Progress Association

1. Opening and Welcome

Ron Kemp (Facilitator) opened the meeting and requested all attendees sign the attendance register to ensure an accurate record of attendees was maintained. The Facilitator advised attendees of the emergency evacuation procedure for the building and the location of exit doors and muster points.

2 General Administration

Report from the CIF Executive Meeting Held 13 January 2009

Chris Oughton reported on the CIF Executive meeting held on 13 January 2009 which considered the agenda for tonight's meeting. Presentations will be given by:

- James Point (Private Port Infrastructure)
- Perth Seawater Desalination Plant – 2 years operation
- Industry Incident Communication Systems

The presentation on the Kwinana Airshed Monitoring Plan for 2009, as noted on the published agenda, has been deferred to a future meeting at the request of the DEC, due to final decisions not yet having been made about the monitoring locations.

With regard to the minutes of this and future meetings, names and organisations of those asking questions, are now included. Attendees were reminded that the local media attend these meetings and therefore people may be quoted in the local newspapers. If a question is raised at a CIF forum and there is no representative from the relevant company available to comment, the question can be 'taken on notice' and a response provided at a following meeting.

If anyone has any suggestions for future presentations or guest speakers, they were asked to advise the CIF Coordinator (Debbie Hoey) or complete one of the forms at the back of the room.

3 Matters Arising From the Previous Meeting

Steve Hesse noted that in the minutes he had been incorrectly attributed to a question on page 4. The question was asked by Allan Gade and the minutes will be amended.

Peter Knol advised that his name had been incorrectly recorded as Peter Lund. This will be amended in the minutes.

Tom Rose clarified a question he had asked relating to the Landcorp presentation. His intention had been to establish that land that is not cleared but was earmarked for development should not be cleared until development can proceed in a timely and closely coordinated way. This way, dust, heat generation, habitat loss and ugly landscapes will be minimised until development takes place. Temporary habitats can provide valuable ecosystem services until developed. He stated that LandCorp's clearing activities needed to be better coordinated between Landcorp, local government and developers when land clearing and development occurs.

The meeting then accepted the minutes as distributed, with the proviso that the three foregoing amendments be made.

4. Presentations

4.1 James Point (Private Port Infrastructure)

Ian Hutton provided an overview on the proposal to build a port at James Point. James Point is a Western Australian company with a small number of shareholders, and no individual shareholder has a controlling interest. It was formed in 1997 in response to government initiatives for a private container port operation to be

established. The company has significant expertise in maritime design, construction, project management, finance etc and has an build/own/operate agreement signed with the state government in 2000. There are provisions for third party access to the port. The WA government will be responsible for all road and rail access. A strategic review has been undertaken by Ross Whittaker who has now been appointed as the company's Chairman.

Questions and Answers

(All questions were answered by Ian Hutton unless otherwise stated)

Alan Gade - CORE

Q: Will live sheep exports be done through the port?

A: Stage one in the original business plan relied a lot on live exports. That is not the case today. The company has openly stated that is not a fundamental part of its business plan. The Ministerial Conditions for environmental approvals in respect of live exports are very onerous.

Q: Regarding the curved rockwall you show on the plan, is that going to directly impact on the desal plant?

A: My understanding from discussions I've had with two sources is that the intake and outlet pipes of the desal plant do not fall under any part of the JPPL development.

Q: So they'll be taking water from inside the port?

A: I believe they will be outside the port area. My advice is that the desal pipes are outside the JPPL area.

Tom Rose - CSCM

Q: To clarify risk, you said you have done a preliminary risk assessment with GHD. Say some god forsaken terrible accident occurred, how do you think a large industrial port next to a large chemical complex can handle such challenges?

A: They have looked at these scenarios and it's not a risk to either us or to the plant.

Q: What about mixture of vessel traffic?

A: I've spoken to the previous and the incoming harbour masters and to the managing director of the pilot company and we will be doing studies in terms of vessel traffic numbers and ship handling. We have looked at two alignments for the berths. The base case is one option and the alternative alignment takes berths further away from the normal vessel traffic line.

Peter Knol - DEC

Q: You mentioned it was a bulk terminal for stage one. What kind of on-loading system do you have in mind? Is it an open loading system, conveyor belt loading system?

A: I don't have any detail on this as yet. That will be a subject of design. It will depend on the product and volumes of product. Sorry I can't answer that question in any further detail at this stage.

Annette Gade - CORE

Q: Have you seen any overlays for different projects proposed for the Sound to see whether it overlaps any of the those and the desal plant? Have you used or seen overlays showing the areas that you're going to take as to whether they overlap, to change the hydrology of the Sound.

A: Stage one has environmental approval. We need to do that review for stage two. The EPA is clearly interested in the effects of the developments and they're doing some work there.

Steve Hesse, KPW and KWG

Q: Following up on Peter's question, I think it's really important to know what technology is going to be used, especially for the unloading of open product. It's even more important these days because we've see what happened at Esperance and we've seen that the DEC, the company involved, the Port, the

EPA were all asleep at the wheel. The EPA approved that without knowing what technologies were going to be used so I would certainly like our authorities to have a close look at it.

A: My understanding of the process is we've talked about construction, and there's things like ship loaders which will be subject to a separate environmental approval process.

Jodi

Q: I work for People against Cruelty in Animal Transport. One thing you do need to consider if you are going to be exporting live animals, and this affects people in Fremantle, is the smell, noise, trucks. I get calls every week from people living in Fremantle who feel very strongly about how the live export business affects them. Another thing to consider are the ethical issues and as a private company how are you going to approach this?

A: I'm not sure that James Point will be dealing with those issues. That will up to the authorities. In terms of odour issues, the environmental conditions placed on the development by the Minister require us to establish a Code of Management and Waste Management Plan and they have strict conditions about how long livestock can be in a port. I refer you to the EPA website where you will find the Ministerial Statement that deals with this.

Q: I am aware of the plans and the Australian Standards and AQUIS and it's great that you are too, but the cruelty issues are left up to environmental groups and others like ourselves to monitor and I just wanted to raise the ethical issues with you.

Alan Gade - CORE

Q: I refer to the amount of seabed you want to reclaim. For 600m of berth, you've noted 14ha. That seems to be a lot of seabed for two ships. And then you have mentioned 70 ha in stage 2 which will only give you one extra berth.

A: There will be two berths in stage 2. Seventy hectares gives us two berths and the third berth is another 28 ha associated with that. Stage two is all containers. Stage 2A is 70 ha and two container berths and stage 2B is another 28 hectares and a third container berth.

Q: I don't agree with Fremantle Port outer harbour at all but it's a better proposal than James Point to me.

A: Is your concern the amount of reclamation?

Q: Yes.

A: The containers need a lot of reclamation and the facilities to support each of those container berths are equivalent to what Fremantle and a lot of modern international ports are providing. The 14ha is a nominal land to get us started and we will need land currently owned by Landcorp. The 14 ha isn't enough for stage one to have an efficient operation.

There were no further questions and the facilitator thanked Ian for his presentation.

4.2 Perth Seawater Desalination Plant – 2 years Operation

Greg Mercer and Steve Christie made a presentation. Greg Mercer is the Plant Director managing the alliance under which the plant is managed with the Water Corporation and Degremont. Steve Christie is a senior engineer with the Water Corporation and looks after the plant. Since the last presentation the plant has been operating for two years. A brief overview of the steps that took place from the decision to build the plant to its construction was provided. Consultation began in 1999 to assess the viability of the plant and in 2005 it was decided to proceed. The Water Corporation has a "security through diversity" policy where they look at new resources as well as smarter use of water through a variety of options.

An explanation of the desalination process was provided. The plant was established on 6.5ha of land next to the NewGen power station. The site is compact and there will be no expansion of the facility. To date the plant has processed

81GL of water, 54GL of which have gone to consumers and 17GL have gone to the Canning Dam. An explanation of issues that have been addressed were reviewed, including dissolved oxygen, dealing with the gas crisis etc. when the plant was shut down for June/July 2008. The plant was shut down in April/May 2008 due to dissolved oxygen levels dropping. There have been no issues regarding water quality, and turbidity levels are very good at half of the acceptable levels. Total dissolved solids are lower than much of the ground water levels.

The plant operates with a team of 21 people, and operates on a 24 hourly basis. Energy used is procured from an agreement with the Emu Downs Wind Farm and the bulk of the energy used is in the RO process.

An explanation of how the plant is dealing with environmental issues was provided. Marine life is healthy and fish have been video'd swimming inside the outlet pipe. The UWA has been involved in testing and their modeling shows no impacts on sealife by the brine. This plant is one of the first in the world to treat its waste by removing solids which are treated and taken to landfill and the water is returned to the sea. The brine is used for filtering to improve the plant efficiency so as not to waste drinking water.

The project has a very small footprint of 6.5 ha and has a high energy efficiency due to technology and using wind energy to pay for power. The high dilution of brine discharge is very effective and toxicity testing is very efficient.

Questions and Answers

(All questions were answered by Greig Mercer and Steve Christie unless otherwise stated)

Alan Gade - CORE

- Q:** You said that the pH is within normal limits. I've tested it at my place and I'm getting 8.2 to 8.3.
- A:** Our target is 7 to 8. Eight gives more stability to the water and makes it less corrosive. Our water is mixed with other water that is produced at Jandakot and other places.
- Q:** We never had that problem before the desal plant opened up. 7.5 was probably the norm. Also, with Emu Farm wind farm generation you have talked about, the power that comes off the grid and it doesn't really matter where it comes from. Anybody can get the power.
- A:** No, sorry. The issue with Emu Down wind farm is that that wind farm wouldn't have gone ahead without our taking their power. We're saying we were able to take more power which enable the start up of Emu Downs.

Tom Rose

- Q:** My question has to do with the location of your intake pipes which is in a low protection zone. I want clarification because I'm a big believer in safety and process barriers and safe guards so that there is safer and higher quality processing and fewer issues with contaminants or exceedances of quality measures etc. For example, if we have the intake in a low protection zone and that low protection zone is getting crowded with discharges and other mixing zone contaminants, isn't more likely to have the possibility of contaminants from industrial, shipping and loading activities etc entering the water plant. Heavy metals could be higher for example, could RO processing and/or micro filtration processing, say in your Desal plant – be more compromised and likely to experience failure or process challenges due to poor source water quality? Are you comfortable that the intake is in low protection zone that is more likely have potential contaminants introduced into your water processing?.
- A:** We've got the means in the plant to protect against incidences. As to contamination of water and future development, that is a concern of ours. It would have been be much nicer to have an intake from the deep ocean but that wasn't achievable at this site. However, the plant has been very well

designed and copes very well. We see a lot more algae growth in summer in Cockburn Sound because of temperature rises in the ocean. We could also move to on site conditioning if pre-treatment was considered to be necessary.

Annette Gade - CORE

- Q:** Regarding the water from the desal plant, when it first started up there was approximately \$70m put aside so you could pipe waste out to the area behind Garden Island. Have you any idea why Water Corp didn't use that?
- A:** All the research has shown there is no environmental reason for the pipeline to be extended.
- Q:** Can you tell me why, five years ago, and it's been going on for six years now, while there is a source of water in Wellington Dam they have been repeatedly refused to use?
- A:** I'm not an expert on the subject but basically the Wellington Dam is too saline to use.
- Q:** No. That's what was stated and then it was proven later, with presentation etc, that through using reverse osmosis the brine would be taken out. That was proven in a presentation to the Water Corporation and to the government and still the answer is no. That dam down there has overflowed four out of five years so it seems as though someone would prefer potable water going out to sea, which could be used by the public.
- A:** My understanding was that the dam still required a number of treatment processes before the water could be used and they've done the financial impact studies which show it is not viable. At the end of the day if a desal plant was built to treat the dam water it would still be susceptible to weather variations.
- Q:** That was all covered in the presentation done by Peter Coyne of Smart Water with business people backing him.

Steve Hesse, KPA and KWG

- Q:** With the waste product, how much of that does Water Corp produce at the desal plant and have you looked at alternative uses with other industries in Kwinana with the synergy system that they've got?
- A:** We produce about 300 wet tonnes a month and only 20% of that is solid. We've got potential solutions for 5 years that the Water Corporation is working on. At the moment we are looking at a system with waste companies to mix with wastes that are of a much worse quality, to produce more acceptable waste.
- Q:** A number of industries in Kwinana still pump waste into Cockburn Sound and that's why we've got things like low protection zones, and yet we're pulling drinking water out of low protection zones. Can Water Corporation guarantee that the desal plant will remove all the contaminants that industry pumps in?
- A:** Yes.
- Q:** So reverse osmosis will remove all the contaminants that are pumped in?
- A:** Yes, and for any that we couldn't, we would shut down and we monitor the plant continuously.

There were no further questions and the facilitator thanked Greig and Steve for the presentation.

4.3 Industry Incident Communication Systems

Chris Oughton, Director Kwinana Industries Council, gave an overview of the communication processes for the KIC and its members, to clarify the different forms of communication used. The KIC is committed to providing a good level of communication with the community.

There are three communication systems in place, industry-to-industry, industry-to-community, and emergency notifications. The KIMA radio is the primary source of industry-to-industry communication and is a voluntary service between companies. A list of companies involved was shown which indicates a wide coverage across

the industry strip. It is tested weekly and used mainly for emergency incidences, which do not occur very frequently but when they do occur, it allows companies to assist each other.

Industry-to-community communications have two forms – one is required by legislation where companies designated as major hazard facilities are required to communicate with their industrial neighbours and with the community. The Kwinana Industry Public Safety Liaison Group was formed primarily to respond to the regulatory requirements for Kwinana's major hazard facilities to communicate with industry and the community. It meets regularly and is open for community members to attend. There is also a community information service, funded by KIC via its members and membership is voluntary. The information disseminated through this avenue is provided by its members.

Unfortunately, we don't have an emergency communication system with the community. We used to have PC Cops that was established by KIC, however the state government has now established the State Alert system and the PC Cops was not able to be maintained.

We try very hard to keep the community informed and will continue to improve our communication systems.

Questions and Answers

(All questions were answered by Chris Oughton, unless otherwise stated)

Steve Hesse, KPA

Q: I'd just like to point out one thing – the community information service that KIC provides wasn't dreamt that up by the KIC. It was because of community demands that the system was developed. The community has been concerned for at least 15 years about the hazardous Kwinana industries and there are many incidences that take place that we don't hear about. The community does have a right to know I think its time to remind Kwinana industry that there are principles for environmental justice, community right to know, and social justice. I live on the closest street to Kwinana industry and have worked in Kwinana industry for at least 20 years in major hazardous facilities and have worked with industry on the environmental side since giving up working in hazardous industry. My personal perspective is if something major happens in Kwinana industry I want to know about it.

A: I don't disagree with anything you've said Steve. If something major happens on the strip it will be the emergency response that will alert the community. I acknowledge freely that it is forums like this where pressure is generated and where industry listens and responds. I think the reason PC Cops was established was through community pressure but while industry isn't required to report through the community information service, it is being done reasonably well and this happens through pressure of people like yourself.

Q: This is what frustrates me, why do I have to do this? We have regulators that look after hazardous industry on the strip and as far as I am concerned they are not doing their job. I'm doing it for them. Why don't they make legislation so the community's informed. Why do we have to scream every time something happens? Why don't the regulators tell industry to keep the community informed.

A: I can't speak for the regulators or answer that but it's a fair question.

There were no further questions and the facilitator thanked Chris for his presentation.

5. General Business

5.1 Verve Energy – Environmental Improvement Plan

Peter Christian advised that Verve Energy has an Environmental Improvement Plan underway established as a result of its coal burning activities. It will conclude in June. Verve Energy has decided to continue with a second review and there may be a vacancy on the committee. If anyone would like to make themselves available for this, they can contact Peter Christian or Chris Oughton.

5.2 CSBP Stakeholder Forum

Sam Torrens, CSBP, advised attendees of CSBP's stakeholder forum being held on Wednesday 11 February 5.30pm.

6. Date and time of next meeting

Attendees were asked to complete the attendance register prior to leaving the meeting. The next meeting will be held on **Tuesday 7 April 2009**, 5.30pm at Kwinana Recquatic, Gilmore Avenue, Kwinana.