



KOORAGANG ISLAND

Orica Australia Pty Ltd
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PO Box 80 Mayfield NSW 2304

Alison Rigby & Melanie Taggart
Co-Presidents
Stockton Community Group Inc

By Email: stocktoncomgroup@gmail.com

Dear Alison and Melanie,

RE: STEAM RELIEF VALVE LIFT DURING AMMONIA PLANT SHUTDOWN ON 23 MARCH 2023

Thank you for the Stockton Community Group's (SCG) correspondence in relation to the steam relief event on 23 March, that was subsequently reported in the Newcastle Herald on 24 March.

Orica recognises that the noise associated with operation of the steam relief valves was of concern to the community. A number of complaints were received in relation to the noise generated by the incident. Orica Kooragang Island responded as follows:

- Returned emails to two community members who contacted the site via e-mail; and
- Returned and/or answered calls to four community members who contacted the site via the community hotline.

In addition, an e-mail was provided to the Orica Community Reference Group (CRG) members advising them of the incident. A statement was also provided to EPA Public Affairs and the Newcastle Herald. All correspondence apologised for the nuisance and inconvenience caused by the event, and we reiterate that we regret the incident occurred.

To provide context, the ammonia plant was being shut down for unplanned maintenance on the night of the event. The steam relief event occurred during this process; the event did not cause the plant shutdown.

In relation to the specific concerns raised in the SCG's correspondence Orica offers the following comments:

1) *Was the shutdown and pressure release under operator control or did the valves operate (as PSV's1) by pre-set limits (ie. automatic failsafe mode).*

The process of plant shutdown is managed by ammonia plant operators. The steam pressure relief valves involved in this event are designed to operate automatically at pre-set pressure levels to ensure the process, in this case the steam system, remained within acceptable operational limits.

2) Is an automatic triggering of these valves part of a standard shut-down procedure or only during an unplanned event?

While the ammonia plant may vent gas through process vents during both start-up and shutdown, and generate more noise than normal as a consequence, the steam pressure relief valves that lifted during this event would not typically operate during a plant shutdown, planned or unplanned. The noise levels during this event were therefore not typical of a normal ammonia plant shutdown, and significantly higher than normal.

3) Was the event a 'reportable incident'? That is a mandatory reporting event of a 'dangerous' nature. (which renders the 'self-reporting' issue moot).

While the event was abnormal during a plant shutdown and generated significant noise, the event was not dangerous. The steam relief valves operated in accordance with their design to ensure the process remained within its normal operational limits. The steam emitted was not harmful in any way. Under the relevant statutory reporting requirements, noise-related events are not considered pollution and are therefore not required to be reported to the EPA.

Orica however "self reported" to the EPA given the community concern associated with the event.

4) Were the noise levels typical of a normal shutdown or not? (many residents reported unprecedented noise levels)

Refer to Section 2 above.

5) Is Orica intending a 'lessons learnt' assessment to prevent a similar occurrence? ie. was the event potentially avoidable (given the leak).

Orica has thoroughly investigated the incident and implemented improvements to mitigate the risk of this type of event occurring again. It should be noted there was no "leak" associated with this event; the pressure relief valves operated in accordance with design.

6) Will Orica provide a community press release if and when EPA provide any feedback on the event?

Following the event, Orica provided the EPA with all requested information including the "lessons learnt". We understand the EPA is satisfied with the information provided. Orica KI does not intend to release any further press releases in relation to the event.

In summary, Orica takes its reputation in the community seriously, and welcomes the SCG's interest in our operations. We regret the nuisance and concern caused by the incident. We encourage the SCG to attend our Community Reference Group (CRG) meetings, which keep the community informed of activities at the site and provide an opportunity to ask questions or put forward ideas or suggestions. The CRG is also periodically held on site and incorporates the opportunity to take a site tour to improve understanding of our operations.

We are proud of, and value our role in the community, and we are acutely aware of our community and environmental responsibilities and take these responsibilities seriously. Please contact Nicole Masson (M: +61 408 192 016 E: nicole.masson@orica.com) if you would like to take up the offer of participating in the CRG.

Your sincerely,

Paul Hastie

Paul Hastie
Manufacturing Centre Manager – Orica Kooragang Island