

Stolthaven Australia Pty Ltd

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May.05.2016

Dear Leah Cook

March 2016 Independent Environmental Audit Stolthaven responses

We are writing in response to the recommendations noted under section 4 of the March 2016 Independent Environmental Audit ('Audit') of the Stolthaven Fuel Storage Facility (the facility) at Steelworks Road, Mayfield, New South Wales (NSW).

The Audit is required under the Conditions of Project Approval of SSD 6664 dated 16 April 2015 (Schedule 2 – General Administrative Conditions; Schedule 3 - Specific Environmental Conditions; and, Schedule 4 – Environmental Management, Auditing and Reporting), as amended by Modification 1 (dated 28 September 2015) and in accordance with Condition 8 (Schedule 5) of the Project Approval of SSD 6664.

Recommendation: Exceedances of the permitted throughput levels was identified under the original MP08_0130 and the associated Independent Environmental Audit (ENVIRON, 2015). Prior to and following the audit Stolthaven had been in negotiations with the Department of Planning and Environment on how to address this issue. The Auditor understands that one of the purposes of SSD 6664 was to address the throughput requirements. A review of expected throughput (plus the additional storage capacity at the facility) resulted in the throughput limit being increased to 1,010 million litres.

Stolthaven response:

The SSD 6664 has been modified to take account of increased throughput. Stolthaven have established a tracking, monitoring and forecasting system based on monthly and quarterly throughput and order data. This provides an opportunity to analyse based on historic trends and provides opportunity to implement pre-emptive actions.

Recommendation: It is recommended that Stolthaven undertake a detailed analysis of market demands to ensure that the proposed annual throughput described and assessed in the EIS prepared in response to the SEARs is realistically the maximum throughput, and is not at a level that would be exceeded.

In addition, in the event that market demands do change and an increased throughput would be preferred above that approved (and the associated potential environmental and social impacts would be of an acceptable level), Stolthaven must commence the required approval processes, and receive the required approvals, before receiving, storing and dispatching any fuel that would result in non-compliance with the Project Approval and the EPL.



Stolthaven response: As part of commercial development and assessment, volumetric annual throughput estimates are analysed. This also includes a level of assessment based on developing markets. The ultimate design and configuration of the facility is based on this assessment and the development and regulatory conditions. The facility configuration as detailed in the SSD 15_7065 and EIS is based on market potential and is considered accurate. Any future developments would require Stolthaven to apply for consent. Additional monitoring and forecasting of throughput will be established as part of Stage 3 development. This will provide Stolthaven with a system to track actual use and forecast throughput based on real time data

If you have any question in relation to the noted responses or require further information then please contact Will Struthers either directly on +64 (0) 21 989 226 or by email w.struthers@stolt.com

Yours Faithfully,

A handwritten signature in blue ink, appearing to read 'W. Struthers', with a large, stylized flourish above the name.

William Struthers
Head of Safety Health Environmental and Quality Compliance Australasia