

27 May 2014

Justine Stansen
Principal Legal Advisor
Hazelwood Mine Fire Inquiry
Ground Level
1 Spring Street
Melbourne 3000

By email

Dear Justine,

Hazelwood Mine Fire Inquiry

I refer to your letter dated 21 May 2014.

Attached is a copy of the "EMS Emergency Preparedness Plan – Paradigm document ID 1553".

We are instructed as follows:

- 1 The "Standing Operating Procedure: CFA Region 10" ("**SOP**") document dated 20 August 2007 was current at the time of the Mine fire event.
- 2 The SOP was reviewed in consultation with the CFA in early May 2014. A document showing the amendments to the SOP in mark-up format is attached.
- 3 The "internal agency operating procedures" of our client referred to in clause 15.7 of the SOP are the *Emergency Response Plan* and the *Hazelwood Mine Fire Instructions*, copies of which have been provided to the Board.

Yours sincerely,



Per Chris Fox
Partner
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1 PURPOSE

The purpose of this procedure is to describe how International Power Hazelwood responds to emergency situations, accidents and incidents that may occur across the site within the Mine and Power Station. It also describes the process to be followed to reduce and/or eliminate the environmental impact of emergency or accident events.

2 SCOPE

This procedure applies to all International Power Hazelwood employees who are involved in the management and ongoing development of the business's EMS. It is referenced to the Mine & Power Station Emergency Response Plans and to the Significant Corporate Issue Response Plan.

3 DEFINITIONS

Emergency Situation:

An Environmental Emergency exists when there is a threat or a potential threat of:

- Outbreak of fire which has the potential to spread beyond the initial point of ignition, resulting in the release of pollutants to the atmosphere or to water ways.
- Failure of a dam or flooding, releasing vast quantities of turbid (dirty) water, saline water or contaminants into the local environment.
- Spillage of oil which can potentially reach the receiving environment.
- Spillage of a hazardous substance which can potentially reach the receiving environment.

Emergency Manager is the Manager Co-ordinating the specific emergency response.

4 PROCEDURE

This procedure describes how International Power Hazelwood responds to emergency situations, accidents and incidents that can result in a serious environmental impact.

It covers the following three key areas:

4.1.1 Outbreak of Fire

- The procedures that describe how International Power Hazelwood manages its emergency response to the outbreak of fire in either the Power Station or the Mine are detailed in PARADIGM.

Mine Procedure:

([PARA-LINK : 03 EMERGENCY, EMERGENCY RESPONSE PLAN HP MINE](#)[Para-Link])

Station Procedure:

([PARA-LINK : 03 EMERGENCY, EMERGENCY RESPONSE PLAN HPS](#)[Para-Link])

- In both operational areas of International Power Hazelwood, fire has the potential to release quantities of airborne pollutants and the Fire Fighting response may cause waste water to carry contaminants from the immediate area to the environment.
 - [In the Power Station water contamination may occur in the Power Station Drain which](#)

- discharges into the Works Effluent Pond, or in the Turbine drainage system which discharges into the Hot water channel of the Cooling pond
- In the Mine, water discharges flow eventually into the Mine fire service system, with excess water discharged to "D" Tank then into the mine drain which flows into the Works Effluent Pond. Any contamination entering into the artesian aeration ponds may eventually be discharged via the artesian water system directly into the Hot water channel of the Cooling Pond.
 - In most instances, using the correct method to combat a fire will extinguish the fire in the minimum time, thereby ensuring minimum damage to the environment.

Corporate Procedure:

([PARA-LINK](#)) 03 EMERGENCY, SIGNIFICANT CORPORATE ISSUE RESPONSE PLAN [[Para-Link](#)]

4.1.2 Environmental Impact

Minimising the risk to the environment must also be considered when preparing to combat an outbreak of fire. For example, a fire, which threatens an area where oil is stored, could result in the escape of oil into local drainage systems unless temporary bunds are constructed.

In the Power Station the following areas should be monitored in the case of a Fire:

- Where a fire occurs on the boiler side of the Power Station, waste-water will flow into the Power Station Drain and into the Works Effluent Pond. The Pond does have a permanent oil boom in place, but the Pond & Boom should be checked to ensure any waste is being retained and ensure that it is not reaching the environment.
- In addition waste may flow into the Ash Sluices and be pumped into the ash Pond. The Ash Pond/s should also be checked for signs of contamination.
- Where the fire occurs on the Turbine side, (large quantities of Oil are Present) the waste-water will flow into the Cooling Water Outlet (Hot Water) channel. This would result in material being discharged directly into the Cooling Pond. The Permanent Oil Boom must also be inspected, as should the CW outlet Channel for possible Contamination.
- In the Mine temporary bunds should be constructed, particularly where the probability of Oil contamination may arise. The mine is an Open Cut and therefore the probability of waste streams leaving the site and carrying contaminants is extremely low. However contaminated water may enter the artesian or dirty water collection and pumping systems, which could result in the waste being discharged to the environment at the Power Station.
- Artesian water system discharges directly to the Cooling Water Outlet (Hot Water Channel), so in the case of contamination the Artesian waste discharge system should be shutdown until the contamination is rectified.
- Dirty water system, discharges to the Works effluent pond at the power station and then into the cooling pond (public waterway). Again in the case of contamination the dirty water discharge system should shutdown until the contamination is addressed or the evaluation of the overall risk from the emergency is assessed.

4.2 Major Flood Event

The Hazelwood Cooling Pond Spillway is designed for a 1 in 10,000 year flood occurrence. In a major flood, higher water flows would occur along the length of Eel Hole Creek. This would give rise to higher turbidity within the stream. In some circumstances there may be the potential to treat releases with polymer which is stored & used on site, to minimise the impact.

The Mine, as a result of its extensive catchment area, will, in the event of major flood, require full operation of its Dirty Water Pump operation. This water is discharged back to the Power Station site, where it is currently dosed for flocculation to ensure it settles out in the Works Effluent Pond. In the event of a major flood the Polymer dosing system at the station should be monitored for its performance to suitably cope with the volume of water to be treated.

If a localised flood occurs it would also be expected that the catchment of Morwell river (the receiving waters) would also be in flood, which would see the flows from the business being extremely insignificant in respect to the overall situation of water quality. However the ash dams and dirty water systems should be closely monitored to minimise any impact on the environment. This should also include an inspection of water levels within the Hazelwood Ash retention Area (HARA) within the NE corner of the mine, as this is where the thickened ash for the power station is disposed and excessive volumes of water may increase ash pond volumes above their maximum holding capacity, causing a dam wall breach of discharge of ash water outside of licence conditions.

4.3 Spillage of oil or a hazardous substance which can potentially reach the receiving environment

The Work Instruction describes how International Power Hazelwood manages its emergency response for the spillage of oil which can potentially reach the receiving environment, is detailed in PARADIGM.

([PARA-LINK : 04 ENVIRONMENT, HYDROCARBON Oil SPILL CLEAN-UP MAJOR \(greater than 20L unbundled\)](#) [\[Para-Link\]](#))

Spillage control measures in the Emergency Response Plans emphasize the need for containment and proper clean-up and disposal of pollutants. The CFA and the EPA must be notified if a spill in excess of 200 litres occurs.

- The procedure for emergency response to Hazardous Substances is detailed in PARADIGM.

([PARA-LINK : 03 EMERGENCY, AS 16 HAZARDOUS MATERIALS INCIDENT PROCEDURE](#)[\[Para-Link\]](#))

A supply of sand bags and neutralising (crushed lime stone) is available from the spill response store at the West Water Treatment Plant. Some additional spill response materials (sand bags and limestone) are also available at the Carbonation Plant spill response store.

4.3.1 Oil Absorbent Material Availability

In addition to quantities of oil absorbent located throughout the Power Station and within the International Power Hazelwood Store and additional oil absorbent is stored in the Spill Response store at the Power Station, located on the western side of the Power Station's West Water treatment Plant. In addition small amount is stored in the waste oil recovery shed opposite Unit 8 Stack.

4.3.2 Oil Containment Devices

Three large Oil Separation Pits are located in the Power Station to deal with oil leakage from the Turbine area and particularly the loss of oil from a Unit Transformer. In the event of a major oil leak the outlet side of the pit should be checked to ensure oil is not being released to the Cooling Pond. The pumping out of contained oil should be organised using the EPA approved waste oil contractor in the event of a major leak. [Routine removal of oil is conducted from these oil separation pits by the waste oil contractor. The Chemical & Environment group organise additional pumping from these pits prior to a unit overhaul, and again prior to recommissioning activities following the overhaul.](#)

Oil Booms are installed on the Works Effluent Pond outlet and the Cooling Water Discharge channel, both of these shall be inspected in the event of a major oil spill.

4.4 Follow-up actions after an incident

- 4.4.1 International Power Hazelwood are required to investigate and follow-up all incidents, accidents and emergency situations which have a significant environmental impact. This will also occur for major "near-miss" or "close call" incidents that are identified or reported. A written report for Environmental incidents is undertaken to provide the necessary review and details of the incident and actions, particularly in the case of reportable incidents to regulators/stakeholders.
- 4.4.2 Investigations are required to ensure that the "root cause" of the incident is established and corrective actions are documented and implemented to ensure the incident does not re-occur.
- 4.4.3 The Incident responsible officer /Environment Officers are required to draft an incident report and then raise the required Opportunity For Improvement (OFI) in Paradigm to ensure that corrective actions, are taken by relevant personnel.
- 4.4.4 Once corrective actions are completed, the Environment Officer will follow-up and regularly monitor the effectiveness of the corrective actions to ensure the incident is not repeated.

5 ACCOUNTABILITIES

5.1 The Chemical and Environment Manager is accountable for:

- Ensuring that, sufficient stocks of emergency or spill response equipment is available at Hazelwood Power to meet the requirements for minor spillages as defined in Work Instruction PARALINK.

([PARA-LINK : 03 EMERGENCY, AS 16 HAZARDOUS MATERIALS INCIDENT PROCEDURE\[Para-Link\]](#))

- Follow-up and regularly monitor the effectiveness of corrective actions to ensure that incidents are not repeated.

5.2 The Emergency Manager is accountable for:

- Ensuring incident reports are drafted and the required Opportunities For Improvement are raised in Paradigm to ensure that, corrective actions are taken by relevant personnel.
- Training emergency personnel to prevent and mitigate environmental impacts associated with emergency situations.
- Ensuring that Environmental Issues are assessed, in order that Emergency Personnel can be manage and control emergency environmental incidents.

**** End Of Document ****

15. APPENDIX 1 ~~STANDING~~ STANDARD OPERATING PROC: CFA
DISTRICT REGION-10

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SUBJECT: COUNTRY FIRE AUTHORITY AND ELECTRICITY AGENCIES;
JOINT EMERGENCY OPERATIONS IN THE LATROBE VALLEY

REVIEWED: 7 May 2014~~20-August-2007~~

NEXT REVIEW: During ~~2011~~2017

15.1 OBJECTIVE

To document procedures for combating fires and other incidents occurring on property owned or managed by Electricity Generating Agencies* and for which the CFA has a statutory responsibility.

- Definition: Electricity Generating Authorities are:

TRU Energy Ltd
Loy Yang Power Ltd
GDF SUEZ Hazelwood Pty Ltd
GDF SUEZ Mitsui Pty Ltd
Ecogen Energy Ltd
Snowy Hydro Ltd
Bass Link

Yallourn W Power Station
Loy Yang A Power Station
Hazelwood Power Station
Loy Yang B Power Station
Jeeralang Power
Valley Power
Bas Link Converter Station

15.2 RESPONSIBILITIES

- 15.2.1 The CFA has a statutory responsibility for the prevention and suppression of fires within the Country Area of Victoria which includes property and assets owned or managed by one of the Electricity Generating Authorities. The CFA also has the responsibility for the overall control of an incident involving one of the Electricity Generating Authorities property and assets for which CFA is the ~~eombat-control~~ agency.
- 15.2.2 For incidents of fire (including Hazardous Materials) the CFA is the designated "~~eombat control~~ agency" and will also assume Control at these incidents.
- 15.2.3 The Electricity Generating Agencies have unique expertise in the operation of their facilities and expert knowledge in the processes and products associated with these operations. This includes factors, which will inevitably impact on strategies aimed at controlling any abnormal or emergency occurrence.

15.3 ACTIONS FOR FIRE/INCIDENT WITHIN A WORKS AREA OF AN ELECTRICITY GENERATING AGENCY

- 15.3.1 All fires which have spread or have a potential to spread beyond the initial point of ignition and may result in a threat to life or the assets of one of the Electricity Generating Authorities will immediately be reported to ~~the appropriate CFA~~000.
- 15.3.2 All other incidents for which the CFA is the designated "combat agency" will also be immediately reported to ~~the CFA~~000.
- 15.3.3 On the basis of the initial report from one of the Electricity Generating Authorities, the CFA will initiate a response ~~at the discretion of the CFA Duty Officer concerned~~ and will advise the Electricity Generating Authorities.
- 15.3.4 On being advised that the CFA is responding to the fire/incident, the Electricity Generating Authority will indicate the controlled entry point for the CFA and will arrange for a representative at that point to guide incoming appliances to the fire/incident location.
- 15.3.5 Upon arrival at the incident, the **CFA Officer in Charge** will consult with the EC and where applicable also consult with the contracted **Emergency Services Officer** in charge. The **CFA Officer in Charge** will then assume the responsibility of **Incident Controller**.
- 15.3.6 The **Incident Controller** will establish an appropriate structure in accordance with the Incident Control System and will maintain liaison with Senior Managers of the Electricity Generating Authority throughout the incident.
- 15.3.7 The **Incident Controller** will develop fire/incident objectives and strategies in consultation with appropriate Managers of the Electricity Generating Authority who will be identified on site as the EC.
- 15.3.8 The EC will maintain liaison with the **Incident Controller** and provide advice to assist in determining appropriate control objectives and strategies.
- 15.3.9 The EC will retain the command of Electricity Generating Authority personnel present at the incident, but will act in accordance with the instructions of the **Incident Controller**.

15.4 FIRES/INCIDENT OUTSIDE THE ELECTRICITY GENERATING AUTHORITY WORKS AREAS

- 15.4.1 The Electricity Generating Authority will immediately report all fires/incidents detected to the CFA who will initiate the necessary response.
- 15.4.2 Where Electricity Generating Authority personnel are already in attendance at the fire/incident, the first arriving **CFA Commander** will confer with the Agency Crew Leader as to the control strategies in place and the allocation of tasks and resources.
- 15.4.3 The senior **CFA Officer** present will assume the role of **Incident Controller** and will develop ongoing control strategies and tactics in consultation with the Electricity Generating Authority Crew Leader as necessary.

15.5 ACTIONS FOR AN ALARM WITHIN ELECTRICITY GENERATING AGENCY WORKS AREA

- 15.5.1 The Agency will immediately investigate and if required report the alarm to ~~the appropriate CFA Fire Station.000~~
- 15.5.2 The **CFA Duty Officer** will initiate a response and will advise the Agency accordingly. CFA vehicles will respond **Code 3** [normal road traffic regulations]
- 15.5.3 The Agency will advise the ~~appropriate CFA via 000 Fire Station~~ of any upgrade or downgrade required, depending on the incident status.

15.6 SUPPORT TO CFA FROM ELECTRICITY GENERATING AGENCIES

Where support from an Electricity Generating Authority is requested to a fire/incident outside the normal Electricity Generating Authority turnout radius, the **CFA Duty Officer Incident Controller** will direct the request for assistance to the Electricity Generating Authorities Emergency Services Liaison Officer. The Electricity Generating Authority will provide support to the CFA within the limits necessary to maintain security over their assets and associated responsibilities

15.7 ELECTRICITY GENERATING AGENCY OPERATING PROCEDURES

The CFA and the Electricity Generating Authority will develop internal agency operating procedures in accordance with and in support of this Standing Operating procedure.

15.8 HOUSEKEEPING/MAINTENANCE PROBLEMS

Any housekeeping or maintenance problems observed by or reported to the **CFA Commander** shall be brought to the attention of the Agency Commander on the scene.

15.9 CONTRACTORS ON ELECTRICITY GENERATING AUTHORITY ASSETS

These Standard Operating Procedures are deemed to apply to all contractors working in and around the assets owned and managed by the Electricity Generating Authority.