

Dredging Program Dampier Port Upgrade to a Throughput Capacity of 120 Million Tonnes Per Annum.

Hamersley Iron Pty Ltd

**Section 46 Report and recommendations
of the Environmental Protection Authority**

**Environmental Protection Authority
Perth, Western Australia
Bulletin 1226
August 2006**

MINISTER FOR THE ENVIRONMENT;
RACING AND GAMING

DAMPIER PORT INCREASE IN THROUGHPUT TO 120 MILLION TONNES PER ANNUM (MTPA) –PROPOSAL UNDER S46 OF THE EP ACT TO EXTEND THE TIME LIMIT OF CONDITIONS 7-3, 7-4 AND 7-5 IN MINISTERIAL STATEMENT 702 BY SIX MONTHS

I refer to your letter of 27 July 2006 requesting the Environmental Protection Authority (EPA) to report to you on Hamersley Iron Pty Ltd's (Hamersley Iron) requested changes to condition 7 of Ministerial Statement No. 702.

The following is my report to you pursuant to Section 46(3) of the Environmental Protection Act 1986.

Introduction

Hamersley Iron obtained environmental approval under Part IV of the *Environmental Protection Act 1986* on 25 November 2005 to upgrade the Dampier Port throughput capacity to 120 Mtpa. Approval was conditional on Hamersley Iron updating the emissions inventory for dust sources and undertaking a review of dust management performance.

The relevant conditions in Ministerial Statement No. 702 are as follows:

- 7-3 Prior to September 2006, the proponent shall submit to the CEO a revised Dust Emissions Inventory which shall:
1. Be undertaken by a consultant approved by the CEO;
 2. Include on-site dust sampling of Total Suspended Particles (ie particulate matter less than 50 (µm)) and PM10 particulates;
 3. Determine the effectiveness of the dust abatement measures which have been completed within the existing plant;

4. Confirm, where practicable, assumptions made in the proponent's Environmental Protection Statement, (Dampier Port Upgrade to 95 Mtpa Capacity, 2003) regarding dust emissions, including the Particulate Matter less than 10 µm component; and
 5. Compare the estimated total dust emission with the predicted total dust emission with the predicted total dust emission presented in the abovementioned Environmental Protection Statement.
- 7-4
- (a) The proponent shall engage a consultant approved by the CEO to undertake the Dust Dispersion Modelling of operations at 95 Mtpa at Dampier.
 - (b) The study shall use the revised Dust Emissions Inventory referred to in Condition 7-3 to demonstrate that dust impacts (Total Suspended Particulates and Particulate Matter less than 10 µm) on the town of Dampier are no greater than those prior to the upgrade (as documented in the Environmental Protection Statement, Dampier Port Upgrade to 95 Mtpa Capacity 2003).
- 7-5
- (a) Prior to December 2006, the proponent shall submit to the CEO a 95 Mtpa Dust Study Report that details the findings of the Dust Dispersion Modelling work and compares and contrasts the dust dispersion modelling results with those presented in the abovementioned Environmental Protection Statement and the results obtained from the Dust Monitoring Program.
 - (b) If the 95 Mtpa Dust Study Report shows that dust impacts on the town of Dampier exceed the level described in condition 7-4(b), the proponent shall submit to the CEO a Dust Exceedence Report which:
 1. Describes the exceedences;
 2. Identifies reasons for the dust levels being exceeded; and
 3. Outlines what steps the proponent will take to reduce dust emissions to below the level identified in condition 7-4(b).
 - (c) The Dust Exceedence Report shall be submitted to the CEO within three months of the date the Dust Study Report referred to in subparagraph (a) is submitted to the CEO.

Hamersley Iron is seeking an additional six months to comply with the conditions as highlighted below (the recommended Statement to amend the conditions is attached). It should be noted that although there is no time frame for condition 7-4, it is a pre-requisite to condition 7-5.

- 7-3
- Prior to **31 March 2007**, the proponent shall submit to the CEO a revised Dust Emissions Inventory which shall:
1. Be undertaken by a consultant approved by the CEO;

2. Include on-site dust sampling of Total Suspended Particles (ie particulate matter less then 50 (µm)) and PM10 particulates;
3. Determine the effectiveness of the dust abatement measures which have been completed within the existing plant;
4. Confirm, where practicable, assumptions made in the proponent's Environmental Protection Statement, (Dampier Port Upgrade to 95 Mtpa Capacity, 2003) regarding dust emissions, including the Particulate Matter less than 10 µm component; and
5. Compare the estimated total dust emission with the predicted total dust emission with the predicted total dust emission presented in the abovementioned Environmental Protection Statement.

7-4 (a) The proponent shall engage a consultant approved by the CEO to undertake the Dust Dispersion Modelling of operations at 95 Mtpa at Dampier.

(b) The study shall use the revised Dust Emissions Inventory referred to in Condition 7-3 to demonstrate that dust impacts (Total Suspended Particulates and Particulate Matter less than 10 µm) on the town of Dampier are no greater than those prior to the upgrade (as documented in the Environmental Protection Statement, Dampier Port Upgrade to 95 Mtpa Capacity 2003).

7-5 (a) Prior to **30 June 2007**, the proponent shall submit to the CEO a 95 Mtpa Dust Study Report that details the findings of the Dust Dispersion Modelling work and compares and contrasts the dust dispersion modelling results with those presented in the abovementioned Environmental Protection Statement and the results obtained from the Dust Monitoring Program.

(b) If the 95 Mtpa Dust Study Report shows that dust impacts on the town of Dampier exceed the level described in condition 7-4(b), the proponent shall submit to the CEO a Dust Exceedence Report which:

1. Describes the exceedences;
2. Identifies reasons for the dust levels being exceeded; and
3. Outlines what steps the proponent will take to reduce dust emissions to below the level identified in condition 7-4(b).

(c) The Dust Exceedence Report shall be submitted to the CEO within three months of the date the Dust Study Report referred to in subparagraph (a) is submitted to the CEO.

Discussion

The EPA notes that Hamersley Iron arranged for the emissions testing programme to be undertaken in January 2006 once throughput capacity of 95 Mtpa was attained. The EPA is satisfied that the programmed work could not be undertaken at that time due to the arrival of Cyclone Clare. The EPA is also satisfied that the programmed work could not be undertaken during the following months due to subsequent cyclones and saturation of the ore by excessive rain. The EPA therefore considers that the request by Hamersley Iron to amend the conditions to allow an additional six months to complete the necessary field work, analysis and report to be reasonable.

Hamersley Iron has referred a proposal to the EPA to further increase the throughput capacity of Dampier Port to 145 Mtpa. The EPA intends to set the level of assessment as Environmental Protection Statement (EPS) subject to the proponent submitting a suitable environmental review document.

The EPA considers that the Dust Study Report, as required by Condition 7-5 of Ministerial Statement No. 702, should be reviewed by the EPA prior to reporting on the proposed Dampier Port upgrade to 145 Mtpa. The six month extension to Conditions 7-3, 7-4 and 7-5 of Ministerial Statement No. 702 may therefore result in the EPA's report on the Dampier Port 145 Mtpa being withheld until the proponent has complied with these conditions.

EPA Recommendation

The EPA recommends that Conditions 7-3 and 7-5 (a) of Ministerial Statement No. 702 be changed to extend the time limit for completion of the updated emissions inventory and dust management performance review and report by six months, as requested by Hamersley Iron.

However, the EPA considers it may need to delay reporting on the Dampier Port Increase in Throughput to 145 Mtpa proposal until it has reviewed the findings of the Dust Study Report.



Walter Cox
CHAIRMAN

RECOMMENDED ENVIRONMENTAL CONDITIONS

**STATEMENT TO AMEND CONDITIONS APPLYING TO A PROPOSAL
(PURSUANT TO THE PROVISIONS OF SECTION 46 OF THE
ENVIRONMENTAL PROTECTION ACT 1986)**

**HAMERSLEY IRON DAMPIER PORT UPGRADE
TO A THROUGHPUT CAPACITY OF 120 MILLION TONNES PER ANNUM**

Proposal: To expand its iron ore operations at Dampier Port, which includes Parker Point and East Intercourse Island facilities to a total of 120 Megatonnes per annum by greater utilisation of existing equipment, and an increase in rail transport and shipping movements, as documented in schedule 1 of this statement.

Proponent: Hamersley Iron Pty Limited

Proponent Address: Level 22, Central Park, 152 - 158 St George's Terrace,
PERTH WA 6837

Assessment Number: 1646

Previous Assessment Numbers: 1489 and 1586

Previous Statement Numbers: Statement No. 638 (published on 20 November 2003) and
702 (published on 25 November 2005)

Report of the Environmental Protection Authority: Bulletin 1226

Previous Reports of the Environmental Protection Authority: Bulletins 1114 and 1191

The implementation of the proposal to which the above reports of the Environmental Protection Authority relate is subject to the conditions and procedures contained in Ministerial Statement No. 702 (25 November 2005), as amended by the following:

Published on

Conditions 7-3 and 7-5(a) (Dust Management) of Statement No. 702 are deleted and replaced by the following conditions:

- 7-3 Prior to 31 March 2007, the proponent shall submit to the CEO a revised Dust Emissions Inventory which shall:
1. Be undertaken by a consultant approved by the CEO;
 2. Include on-site dust sampling of Total Suspended Particles (i.e. particulate matter less than 50 micrometres (μm)) and PM_{10} particulates;
 3. Determine the effectiveness of the dust abatement measures which have been completed within the existing plant;
 4. Confirm, where practicable, assumptions made in the proponent's Environmental Protection Statement (Dampier Port Upgrade to 95 Mtpa Capacity, 2003) regarding dust emissions, including the Particulate Matter less than 10 μm component; and
 5. Compare the estimated total dust emission with the predicted total dust emission presented in the abovementioned Environmental Protection Statement.
- 7-5 (a) Prior to 30 June 2007, the proponent shall submit to the CEO a 95 Mtpa Dust Study Report which details the findings of the Dust Dispersion Modelling work and compares and contrasts the dust dispersion modelling results with those presented in the abovementioned Environmental Protection Statement and the results obtained from the Dust Monitoring Program.

Notes following the conditions and procedures. The following note is to be inserted following Note 4 of Statement No. 702:

5. Any reference to the Department of Environment should now refer to the Department of Environment and Conservation.