

2.1 Summary of facts

Stolthaven Terminal, Port Alma

Stolthaven Australia Pty Ltd is the holder of development approval IPCE01328209 (currently environmental authority EPPR00927113) which permits the storage of chemicals (class C1 or C2 combustible liquids, or class 3 dangerous goods) at Port Alma near Gladstone. The company operates Stolthaven Terminals, situated at Port Alma on 20 hectares of land owned by the Gladstone Ports Corporation Ltd (GPC).

The terminal is unmanned and was, until recently, managed by s.73 who is based in Melbourne. s.73 is contracted by Stolthaven as the terminal operator. s.73 is the company's QC & Regulatory Manager and has been the principal contact during this investigation by providing procedural documents and participating in an interview.

Site operations at the terminal include:

- the bulk storage of distillate fuel (diesel) in three above ground storage tanks with a combined capacity of 23,000 kL.
- the bulk transfer of diesel fuel from berthed ships to the storage tanks; and
- the refueling of road tankers with diesel fuel

Discharge Event 19 March 2013

In March 2013 the three Stolthaven Terminal bulk fuel storage tanks were being cleaned in preparation for receiving fresh distillate. s.73 and an offsider removed accumulated rusty scale, dirt and a small amount of diesel from each tank and followed this with a hosing out with fresh water. The wash water was removed from each tank and appropriately dealt with by on-site storage followed by removal to an interceptor system (capture of contaminants prior to off-site release of water).

s.73 arranged for the company 'Vac-U-Digga' to attend the site on the morning of 19 March 2013 to remove the residue of a second wash from each tank using a vacuum excavation truck. The truck removed nine loads from the tanks at up to 3000L a time. Each load was released directly to the ground beside the storage tanks. Part of the discharged wash made its way to land owned by GPC adjacent to the Stolthaven Terminal, due to the discharge location being quite close to a boundary fence line.

The GPC Port Alma office was alerted to the discharge during the event. GPC Port Operator s.73 attended the site while the activity was taking place and was able to record video footage and take still photographs of the event on his mobile phone. s.73 was also in a position to obtain a sample of freshly discharged wash water from the ground at the discharge site. He gave this sample to GPC environmental officers who attended the site later that morning. An environmental officer took six soil samples and site photographs while in attendance at the site.

Analysis results of 28 March 2013 detailed the presence of hydrocarbons in all samples, the majority detected being C15-C28 Fraction (relates to the carbon chain length of the hydrocarbon, the higher the 'C' number the heavier the hydrocarbon). C15-C28 is indicative of diesel.

Stolthaven management were advised of the activity by GPC staff. s.73 travelled from Melbourne to attend the site the day of the incident. s.73 was also present and assisted with GPC enquiries.

On the afternoon of 20 March 2013 EHP officers visited the site. Stolthaven management made admissions of the discharge at this time and the officers took photographs and obtained three soil samples at the discharge site. Officers have stated that there was a strong smell of hydrocarbons at the discharge site. Analysis results received on 4 April 2013 revealed elevated TPH levels.

Interviews with Stolthaven Management

On 22 March 2013 an initial phone interview was conducted between EHP officers and Stolthaven managers. Officer Druery sought information on the discharge event from Terminal Manager s.73 and National Operations Manager s.73 . They stated that wash water from the 2nd wash was collected by the Vac-U-Digga truck and then discharged onto land and that a better option would have been to put the wash water from the second wash through the interceptor (as the first wash had been).

On 1 August 2013 an electronically recorded record of interview was conducted between lead investigator Cameron Sargent and QC & Regulatory Manager s.73 and terminal operator s.73

A number of admissions concerning the release and notification breaches were made:

- s.73 and Terminal Manager s.73 discussed what to do with the wash water being removed from the tanks and the decision was made to release it to the ground each time the Vac-u-digga tanker had a full load.
- The composition of the wash water was - water, scaly rust, dirt, fines and lumps of hard material. s.73 observed that as the truck would finish releasing a load and begin driving away, the last material coming from the tanker opening was drops of brown hard material.
- s.73 accepted that it was a clear requirement (not to release) which Stolthaven failed to meet.
- s.73 felt that it absolutely would have been appropriate to deal with the wash water in a manner other than releasing to the ground. He also stated that as a company under no circumstances would they accept discharging anything other than confirmed clean water to the environment.
- He also stated that the company had failed to follow their own internal procedures and they failed to provide effective and clear direction to the individuals carrying out the cleaning task and failed to meet the requirements of the permit.
- s.73 verbally instructed s.73 to notify EHP of the incident on 21/04/13, the day that s.73 was advised of the incident.
- When asked why Stolthaven did not notify EHP of the release within 24hrs of it occurring, as required at condition A6, s.73 replied that they did not follow procedures.
- When asked why Stolthaven did not provide all information as required at condition A7 in their written notice rec'd on 28/03/13, s.73 replied that they failed to meet that particular clause.

Elements of Offence 1

Section 435(1) of the *Environmental Protection Act 1994*

Offence to contravene development condition

TIME DATE PLACE
19 March 2013 Stolthaven Terminal Port Alma Rd, Port Alma QLD 4699 L74 on SP133750

THE PERSON

Stolthaven Australia Pty Ltd

ACN 075 030 992

MUST NOT WILLFULLY

**Stolthaven Management have admitted knowledge of the requirement not to release
contaminants and made full admissions of clear contravention of development conditions**

RTI DL RELEASE - EHP

s.73