

WAGERUP TRIPARTITE GROUP

Record of meeting: 4th May 2007

Present as observers were Messrs Adam West; Mark Whiteley and Ms Kristin Priest(DEC), Mr Howard Page (community), Mr Martin Bruckner from Edith Cowan University, Mr Ian Yull (Ecoldeas) and Ms Rosalie Byrd (Alcoa).

Apologies were received from Ms Helen Alexander (community), Mr Steve Cleaver (Shire of Waroona), Mr Simon Butterworth and Ms Anne Price (Alcoa) and Mr Lindsay Gillam (DoH). Mr John Bromham, Shire of Harvey did not attend. Mr Trevor Naughton acted as proxy for Alcoa and the Group welcomed Mr Ken Raine as the DEC representative at the meeting.

Feedback on actions followed up since the last meeting:

- Mr Schupp (community) had asked on behalf of a community member about the risk, if any, of fluoride emissions from the refinery. Alcoa responded that fluoride is not used in the refinery processes and that the only possible refinery sources of fluoride emissions could be from fugitive dust emissions and that the dust control measures in place ensure there is no risk to health. Mr Schupp asked Mr Naughton to provide data in support of his answer which Mr Schupp could pass on to the enquirer.

Progress on an Emissions Based Licence (EBL) – remaining emissions

Noise:

Mr Whiteley explained that the Wagerup Refinery was commissioned prior to the introduction of the Environmental Protection (Noise) Regulations 1997 and does not meet the regulations at all times. In February 2002 Alcoa applied to the Minister for Environment for a variation to the noise limits under regulation 17 and in October 2004 the EPA decided to conduct the noise regulation 17 assessment in parallel with the Part IV assessment of the Wagerup Unit 3 proposal for expansion of the Refinery. The application is still being assessed by the EPA.

Mr LeRoy (community) expressed his concern that there had been no meetings of the tripartite noise sub-group for about 18 months and that community members had therefore not been part of the Alcoa/DEC meetings held on this matter. Mr LeRoy was assured that the findings of the report to the EPA would be presented to tripartite but he and other members considered this was unacceptable as they would not have had input to the decisions made.

Mr Raine stated that as there had been no communication, action to remedy this was required to ensure the noise sub-group were updated.

Discharges to water / land:

The refinery operates a closed water system which recycles all water including rainfall runoff from the refinery and residue storage areas. There are no controlled discharges offsite. There is potential for uncontrolled releases of process liquor which contains sodium hydroxide and other chemicals used in the process onto bare ground and thus into the groundwater. Some contamination has been identified under areas of the refinery and Alcoa has included remediation and rectification works as part of the EIP.

The existing licence requires that surface water quality be monitored at a designated monitoring point to the west of the property and ground water quality be monitored at 12 nominated bores around the refinery and RSA.

Surface and ground water sampling to date has shown that the refinery has not impacted on water quality outside the boundaries of the refinery and RSA. While there has not been an impact on surface or ground water, in view of the risk, monitoring and reporting requirements should be maintained.

Solid/Liquid Waste:

The RSA includes a landfill which accepts Class II waste from the refinery, the Willowdale mine and the Bunbury Rail Terminal and Port Loading facility.

The current licence conditions relating to the landfill and the storage of oxalate in ponds at the RSA should be maintained.

Conclusions from Risk Assessment

The risk assessment looked at air, dust, odour and noise emissions, discharges to water / land and solid / liquid waste and Mr Whiteley reminded the Group of the standard DEC risk assessment framework which takes into account the significance of the emissions and the level of community interest or concern.

Despite the low levels of modelled ground level concentrations there is concern that the refinery is having an impact and while this is reflected in the risk assessment, any licence changes need to be conservative.

Thus it was recommended that the current limits and monitoring conditions for all emissions in the existing licence be maintained. The only exception to this is for the carbon monoxide limits on the power house which it was recommended be removed.

A regenerative thermal oxidiser (RTO) was fitted to the liquor burner in late 2006 and new licence conditions are being assessed to cover this. Two rounds of stack sampling have been completed and further monitoring will be done before changing licence conditions. The existing conditions still applicable to the RTO are "A7- The licensee shall only feed liquor to the liquor burning facility kiln if the electrostatic precipitator, thermal oxidiser and de-humidifier are all maintained and operating to design specifications." and VOC reporting to Tripartite and DEC and 3 monthly monitoring is also required.

Mr Whiteley reminded the Group that the Wagerup licence has been subject to many complex appeals which have resulted in several Ministers requiring changes to the licence or making recommendations on actions on the licence.

As a number of the conditions Alcoa advised they would like removed at the last meeting are the result of appeals the DEC does not propose to remove conditions established on appeal. Thus the only way they can be removed is by Alcoa appealing them in the new licence.

Proposed Licence Amendments:

Mr Naughton clarified that he hoped to generate discussion on the proposed licence changes and to get the Group's feedback before the licence application is presented prior to the 3rd June submission deadline. He explained that the majority of the proposed changes were intended to 'clean up' the licence to enable easier management of the requirements while still protecting the environment.

He explained the 3 categories of amendments proposed: 1) removal of a condition; 2) modification of a condition; and 3) moving it into the EIP.

He then addressed each of the proposed changes. The request to remove the daily production limit is based on evidence that running the plant at a steady state minimises emissions and that having a daily limit does not give any benefit. He argued that Alcoa is happy with a production target being set, which if exceeded, requires specific management actions to be taken, but does not lead to prosecution. There is no evidence that an increase in production leads to an increase in complaints.

Mr Page commented that the community fear is that if you increase the daily limit there is a risk of increased emissions and Mr Naughton acknowledged that there is confusion about the difference

between licence limits and targets and a need to better inform the community about this. Mr Yull explained that a licence limit relates to an environmental outcome or impact and if exceeded could lead to prosecution whereas a target is set below the level of the limit and encourages continuous improvement without the risk of prosecution if occasionally not met. There is therefore an incentive to strive to reduce the target. Targets, if exceeded, still result in management action and reporting to DEC.

The Group next discussed the licence conditions that relate to immediately stopping feed or shutting down equipment in the case of failure of any pollution control equipment. Alcoa's position is that this can create issues elsewhere in the process and that it was preferred that the conditions be modified to enable a controlled shut down. This would not result in any reduction in protection to the environment.

The other conditions discussed related to modifying the reporting which Alcoa has to do. Mr Naughton argued that many of the reports were not necessary as Alcoa had demonstrated compliance over a considerable period of time.

Mr Naughton asked for the community members' responses at the end of the presentation and invited them to provide further feedback before the next meeting.

Mr LeRoy reinforced the view that the community need to be given the opportunity to understand the meaning of licence terminology and that a goal should be set to achieve this before the 2008 licence application is submitted.

Complaints Reports

Mr Naughton presented the Alcoa data for March (11 complaints from 7 households all were odour complaints). Details of each complaint were discussed along with the action taken and it was suggested by Mr Raine that there may be value in Alcoa personnel who visit in response to an odour complaint undergo testing of their capacity to detect odours (nose calibration). The complexities of determining the source of odours was discussed particularly in relation to meteorological conditions and the variations in wind direction which result from the topography.

Mr Page reminded the Group that many in the community feel there is no point in complaining and various suggestions were made about how best to address this. It was emphasized however that if no complaint is made nothing can be done to remedy the situation and it was hoped that community members would take the time to register any changes in conditions which they believe are due to the refinery.

Mr West presented the DEC March data including 4 complaints from 2 households. Of these all 4 were air quality complaints. 5 complaints were registered in April from 2 households and all were air quality complaints.

Other Business

Mr Hunt (community) asked if it was possible for community members on tripartite to have a closer look at the refinery as this would be very beneficial in understanding implications of licence changes etc. Ms Byrd agreed to arrange this for interested members.

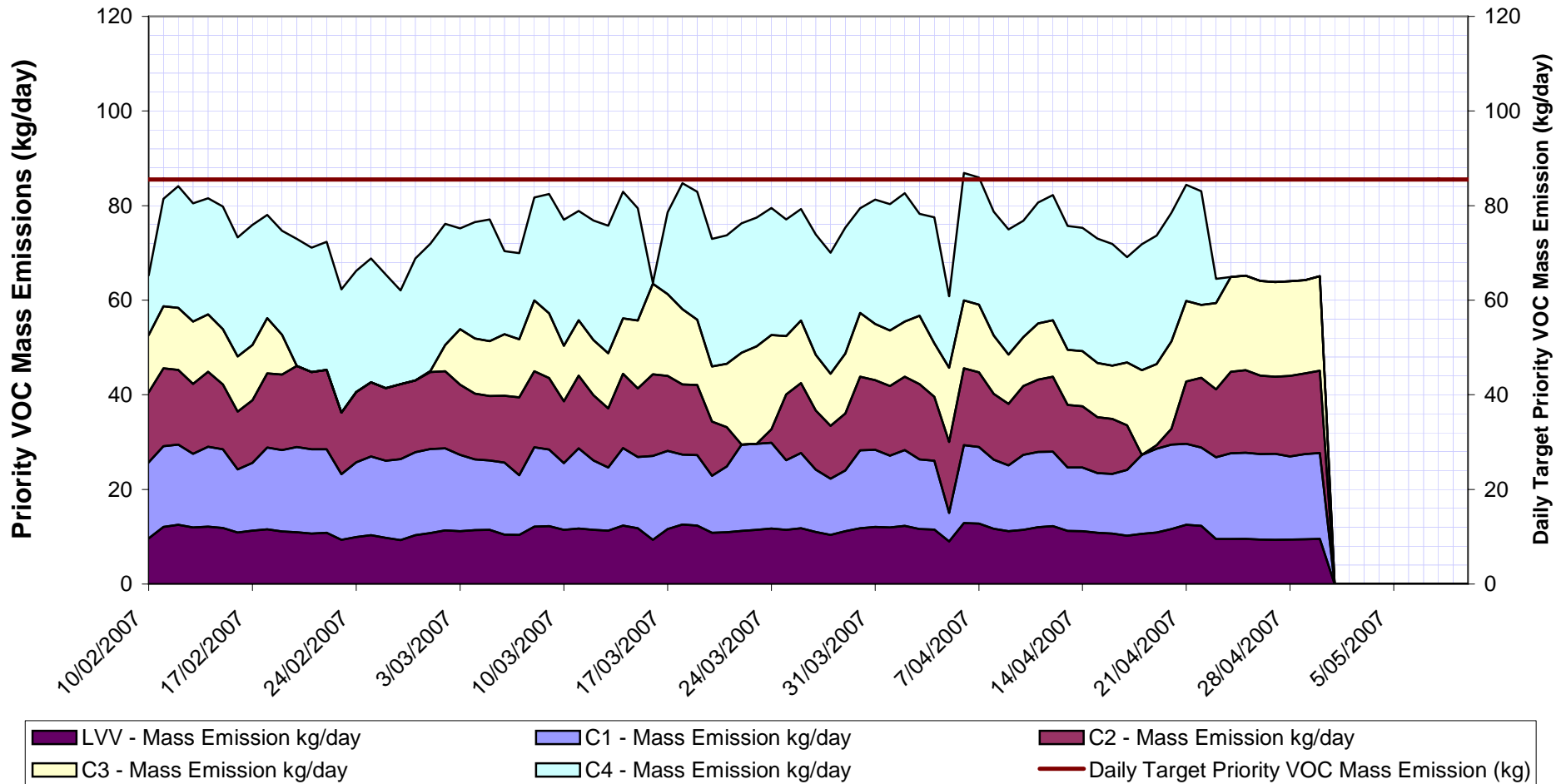
Dr Dyer asked about the validity of the canister sampling method being used in the community in response to a comment made by Mr Yull during the meeting. Mr Yull explained that he was not discounting the canister sampling program, just that the reliability of the testing method had yet to be proven. Considerable work is being done by the Chemistry Centre to test the validity of the readings and to ensure the accuracy of the results.

Mr Page asked on behalf of a community member if the meeting could be taped. It was explained that this question had been asked before and members had refused this request offering other means for interested community people to be fully informed of the discussions.

Mr Page also submitted a letter expressing his dissatisfaction with the Group's responses to some of his questions. He asked for a written response which will be provided.

Individual Calciner and Low Vol. Vent Daily Priority VOC Mass Emissions 3rd 90 Day Licence Period (9 February 2007 - 9 May 2007)

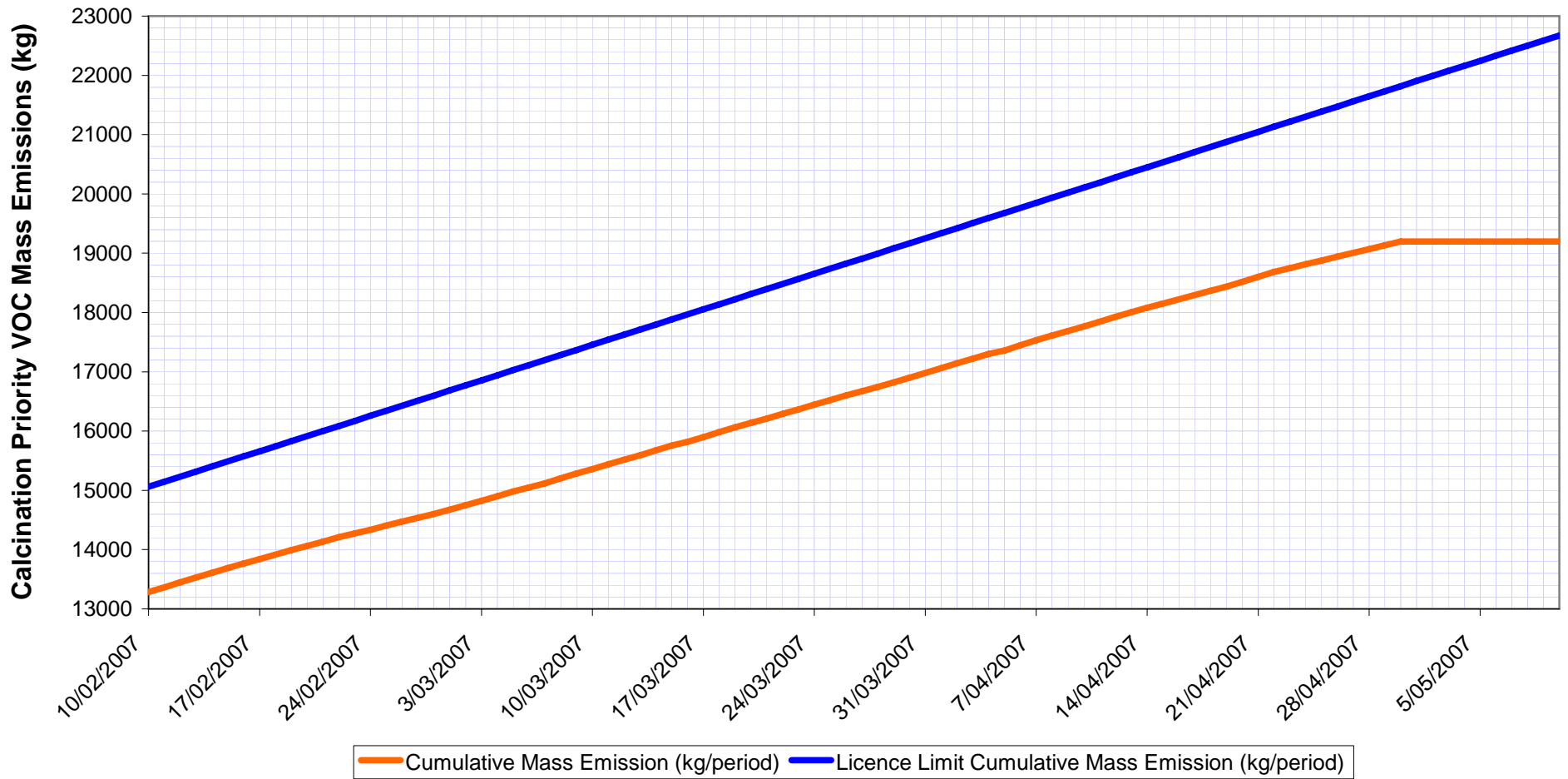
Daily Target Priority VOC Mass Emission Total = 85.53 kg



Comments

- Calciner emissions have tracked below licensed limits

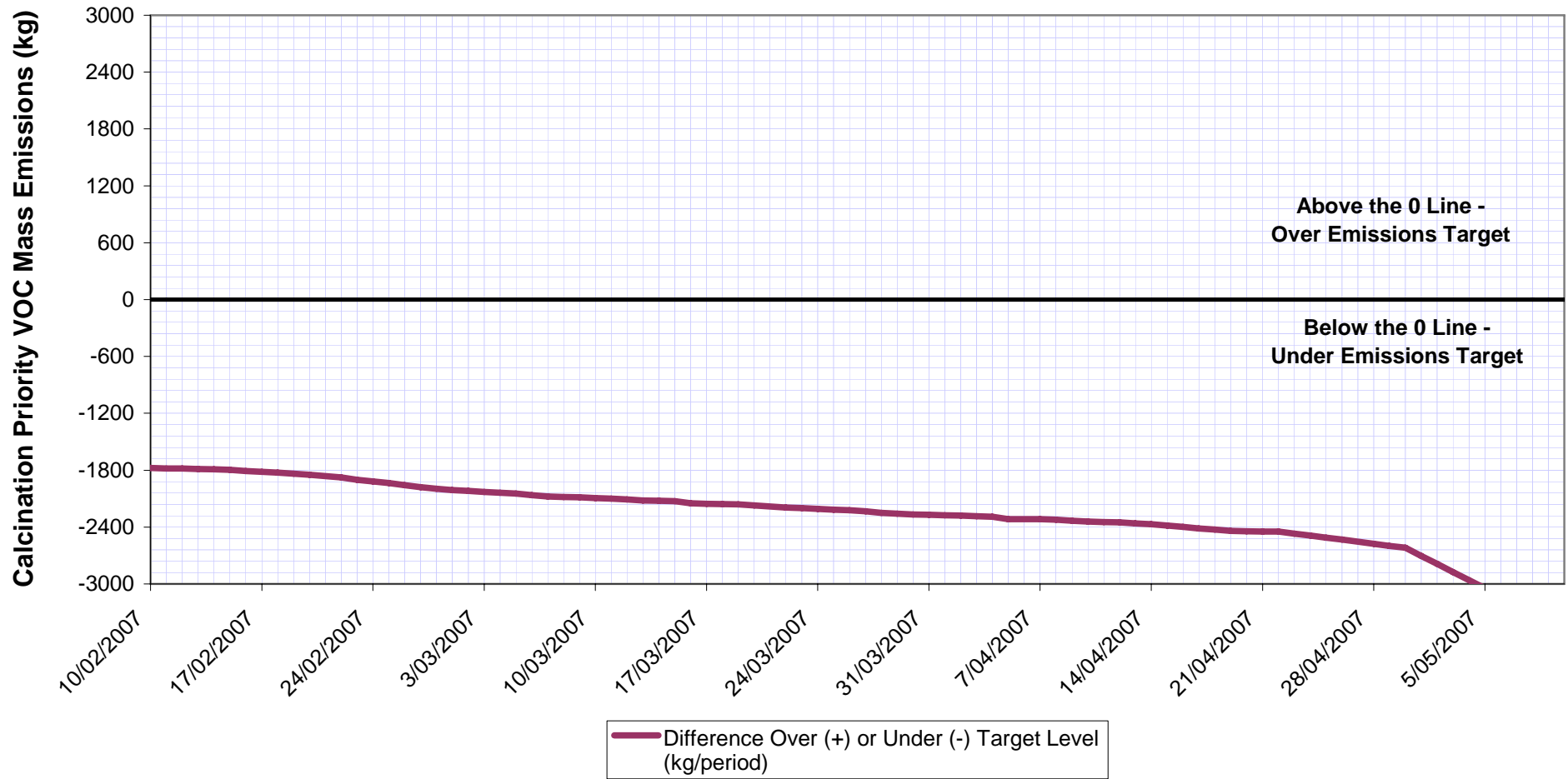
Calciner Priority VOC Mass Emissions
3rd 90 Day Period (9 February - 9 May 2007)
Licence Limit - 22672 kg for period 0600 14/8/06 - 0600 10/5/07



Comments

- Calciner emissions have averaged below the required limits
- Calciner emissions to date (30/4/07) are 19,199 kg, 2,618 kg below the pro-rated licence limit of 21,817 kg.

Calciner Priority VOC Mass Emissions
3rd 90 Day Period (9 February - 9 May 2007)
Licence Limit - 22672 kg for period 0600 14/8/06 - 0600 10/5/07



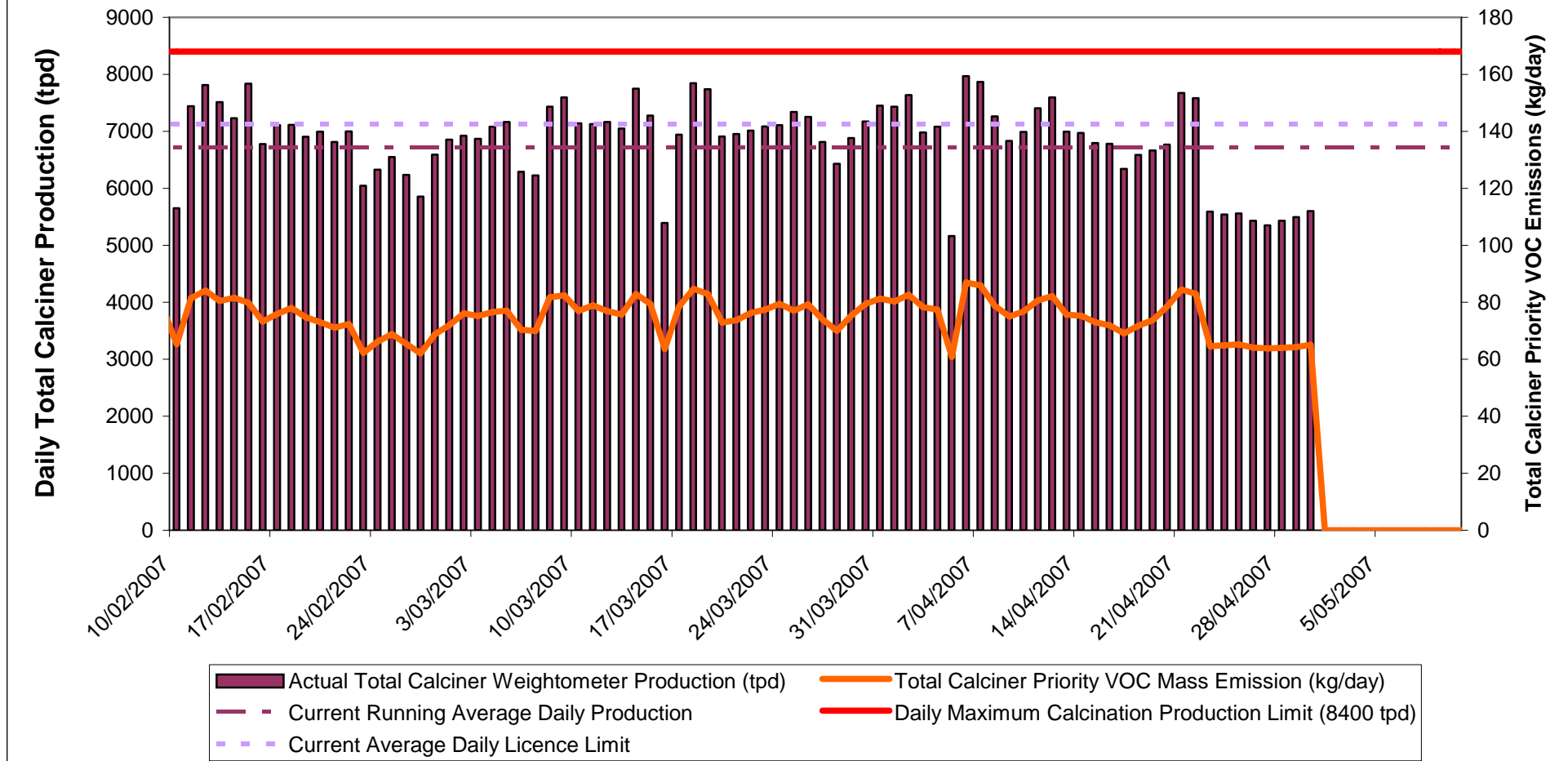
Comments

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Total Calciner Daily Alumina and Priority VOC Production

3rd 90 day Licence Period (0600 10/2/07 - 0600 10/5/07)

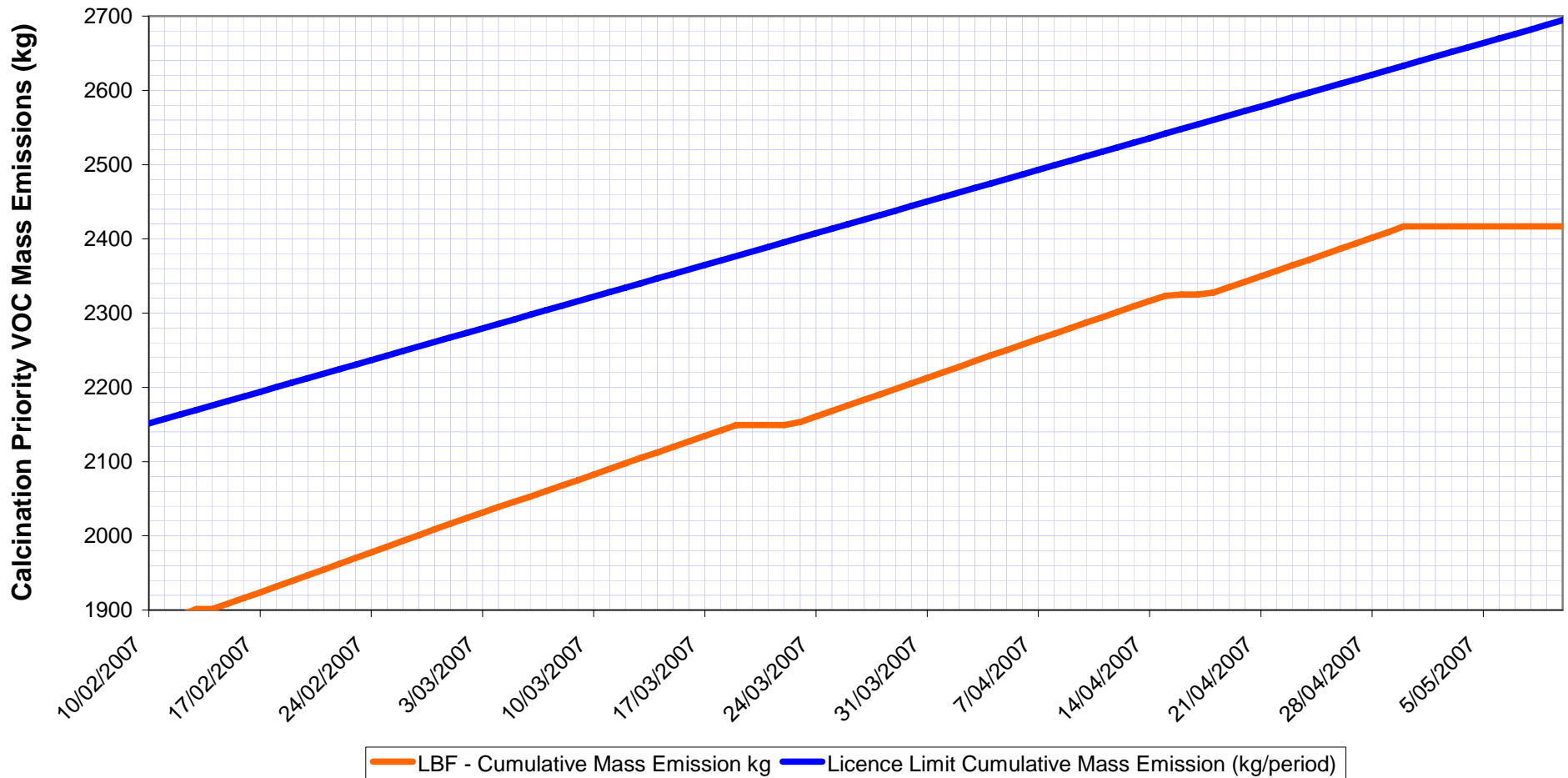
Daily Calcined Alumina Limit - 8400 tpd for period 0600 14/8/06 - 0600 13/8/07



Comments

- Daily total calciner production has not exceeded the 8400 tpd limit for any period during the current licence period.
- Maximum daily calciner production during the current licence period (as measured by calciner weightometer) is 7968 tonnes on 6th April 2007.
- Annual Production limit has increased to 2.558 Mtpa as a result of Liquor Burner RTO Performance verification

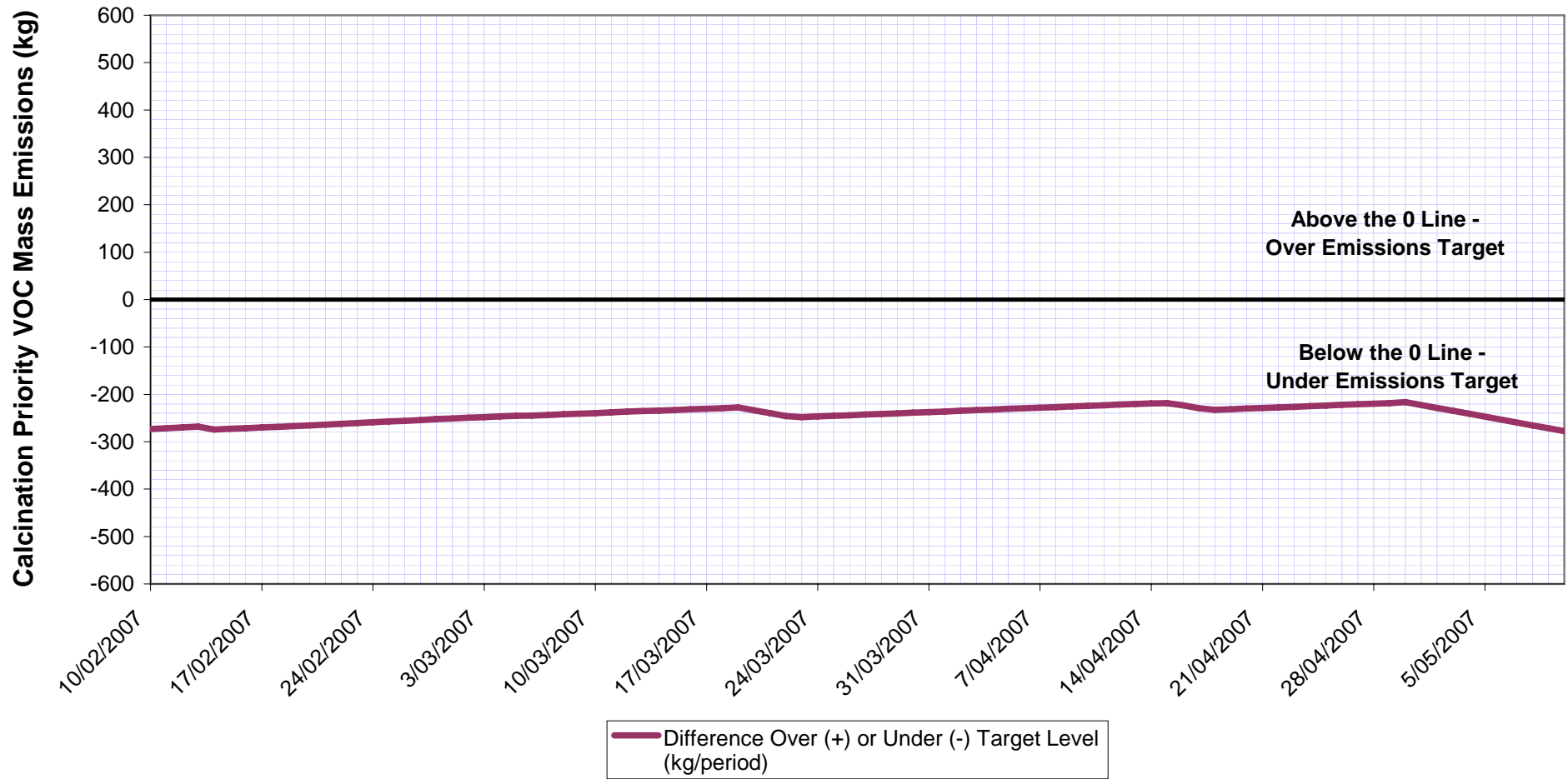
LBF Priority VOC Mass Emissions
3rd 90 Day Period (9 February 2007 - 9 May 2007)
Licence Limit - 2680.5 kg for period 0600 14/8/06 - 0600 10/5/07



Comments

- Liquor Burning Facility emissions are now calculated from the commencement of the Licence (13/8/2006) until the current date due to Condition A17 of the Licence now applying (due to Liquor Burner RTO performance verification)
- Cumulative Liquor Burning Facility emissions to date (28/2/07) are 2417 kg for the licence period, 216 kg below the pro-rated licence limit of 2633 kg.

LBF Priority VOC Mass Emissions
3rd 90 Day Period (9 February 2007 - 9 May 2007)
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Comments

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