Submission No 253

INQUIRY INTO PERFORMANCE OF THE NSW ENVIRONMENT PROTECTION AUTHORITY

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The Hon Robert Brown MLC
Chair, General Purpose Standing Committee No 5
Legislative Council
NSW Parliament, Macquarie Street
SYDNEY NSW 2000

5 November 2014

Dear Chair,

RE: Inquiry into the performance of the NSW Environmental Protection Authority

I would like to thank the Committee for the opportunity to give evidence on 13th October 2014 in relation to the regulation of cruise passenger ships at the White bay Cruise Terminal.

I would also like to thank the Committee for visiting the White Bay/Balmain area on 20th October so that you could experience first-hand some of the conditions that the community is exposed to in relation to air pollution from the cruise ships berthed at the terminal. I hope that the experience of smelling the acrid fumes that day gave you greater insight into our concerns and exactly what is happening in our first world city, in the 21st century!

Given this insight, the community is hopeful that the Committee's report will make strong recommendations to quickly address the severely inadequate level of regulation of cruise ships at White Bay, in line with international best practice and the solutions outlined by the EPA in their submission to the Inquiry.

Further to my appearance at the Inquiry, I would like to make the attached additional submission to provide more complete answers to some of the questions asked by members of the Committee.

Yours sincerely,

Kate Horrobin

The Hon. Dr PETER PHELPS: Is your chief objection to the quantum of the ships coming or likely to be coming or is there a material difference in the output of fumes and smoke?

The cruise ships which visit White Bay are massive, and fundamentally different to any other vessels (including container ships) that have operated here previously. Consequently, the emissions are far greater than we have been subjected to in the past.

- i. Our most frequent visitor weighs 70,000 tonnes and she's not the biggest
- ii. She weighs the same as 125 x A380 aircraft
- iii. She has three times as many rooms as Star City (Sydney's largest hotel) and when you add in staff it's five times as many
- iv. As with all cruise ships at White Bay today, she must keep her engines running the whole time in port to generate all her own power for lighting, air-conditioning, entertainment facilities, kitchens and so on, because there is no shore power facility
- v. While in port, she generates enough power to light 15,000 Sydney homes (that's double the amount of homes in Balmain)
- vi. In just 9 hours she emits the same amount of sulphur dioxide as well over 20 million cars, all from a single large source, at the same height as our homes
- vii. To put that in perspective, we understand the North Connex tunnel will eventually carry around 100,000 cars a day. The community of Wahroonga are quite understandably seeking protection from emissions, which will come from the two 30m unfiltered stacks. That's emissions from 100,000 cars a day versus the equivalent of well over 20m cars in 9hours at White Bay
- viii. <u>Container ships by comparison, have only a couple of dozen crew on board</u> and thus significantly lower power requirements

2.

The Hon. Dr PETER PHELPS: Has the Council thought about using some council funds to establish its own air quality monitoring facility in the local area? If the complaint is that the EPA is not doing enough, has the council said that maybe it will establish its own air monitoring facility?

Australia lags well behind other developed nations when it comes to regulation of air emissions generated by cruise ships. For as long as they are allowed to burn "bunker fuel" in Sydney Harbour, no amount of monitoring will fix the huge levels of dangerous emissions.

- i. Cruise ships currently burn bunker fuel in Sydney Harbour the bottom-ofthe-barrel residue which is left at the end of the crude oil refinery process
- ii. According to the EPA's ABC radio interview on 12th October 2014, no other industry in Australia uses this low-grade fuel
- iii. This bunker fuel is banned in Europe and North America because the resulting emissions put human health and the environment at risk
- iv. Australia's current regulations with respect to air emissions are dangerously inadequate. For example, the 24hr limit for sulphur dioxide is 11.4 times higher than the World Health Organisation recommends
- v. With such inadequate regulation, it is very possible that monitoring will reveal no "exceedences", yet we know that in the February/March 2014 monitoring period, the WHO recommendations were breeched on all twenty days monitored
- vi. We know what is coming out of the ships' funnels today. The volumes of emissions from the burning of bunker fuel can be easily calculated and these emissions must go into the air we breathe. We do not need monitoring to tell us what is in the air. Using the 2014 White Bay cruise ship schedule as a guide, we can calculate the following toxins are emitted into our air:

Cruise Ship Hotelling Pollution (2014)			
Pollutant (tonnes)	Other Sydney Terminals*	White Bay Cruise Terminal	Total Pollution
Oxides of Nitrogen	525.99	135.59	661.58
Sulfur Dioxide	397.18	102.38	499.56
Particulate Matter 10 µm	40.79	10.52	51.31
Particulate Matter 2.5 µm	39.36	10.15	49.51
Volatile Organic Compounds	13.60	3.51	17.10
Benzene	. 0.27	0.07	0.34
Toluene	0.27	0.07	0.34

^{*}Overseas Passenger Terminal, Athol Bay and Point Piper

3.

The Hon. Dr PETER PHELPS: In that regard, the majority of the area around White Bay was previously industrial, including the White Bay power station, was it not?

The White Bay area was largely industrial, one hundred years ago. It is now a high density residential area and it is not appropriate to justify the current pollution levels on the basis that the area consisted of factories and a power station in the distant past.

A century ago, the White Bay area was industrial with a mix of factories and heavy industry as well as the White Bay Power Station. In recent decades, governments have approved a large volume of high density residential development, following the closure of the factories; of other heavy industry; and of the power station. In other words, the profile of the area has changed substantially.

There is a myth, frequently perpetuated by Sydney Ports and most recently quoted by the EPA in their submission to this Inquiry, that the current location of the White Bay Cruise Terminal was part of the 100 year old historic port operations.

This was never the case.

Despite a strong community campaign to oppose it, a grass covered rocky headland consisting of residential and recreational space (including Pilcher's Paddock where local kids played cricket) was blasted with explosives in the late 1960's to make way for a container terminal which operated for around 15 years. So the site was not industrial until the 1970's. It is that site that the cruise terminal currently occupies. A container terminal was not appropriate then and an unregulated cruise terminal with its substantial additional requirements to support 2000-3000 people is certainly not appropriate now.

4.

The Hon. RICK COLLESS: You mentioned low quality fuel and the problems resulting from its emissions. Would those problems be overcome by using Australian Standard diesel, which is low in sulphur?

The sulphur content of bunker fuel burned by the cruise ships is up to 3,500 times higher than the Australian Fuel Standard (Automotive Diesel), which requires cars to use diesel fuel with sulphur content of no more than 0.001%.

Requiring cruise ships to burn the same fuel as diesel cars in Australia, and thus access fuel which is already available in this country, would be international best practice.

The lack of availability of 0.1% sulphur fuel in Sydney Harbour is sometimes raised as an issue. We say that if it can be sourced in the northern hemisphere, then we must be able to source it here. To state the obvious, surely one reason it's not here now is because there's no regulation requiring it!

5.

Mr Scot MacDONALD: ...My understanding is that engines of that size do not like to be shut down for two or three days; they are more efficient if they just run.

Shore-to-ship power would allow the cruise ships to turn off their engines for the majority of time they are in port, thus reducing both air emissions and noise pollution

The community's view is that shore-to-ship power has been implemented in more than 100 ports overseas and allows the ships to switch off their engines, provided that they are also burning low-sulphur fuel. If they are burning bunker fuel then they would find it harder to completely power down, because bunker fuel is so dense it needs to be continually heated.

That is why the community is calling for both solutions, being: low-sulphur fuel; and shore-to-ship power. It is not a question of either/or; we need both solutions.

You may hear that the cost associated with these solutions is too high. At the same time, we're told this is a billion dollar industry – the cost is therefore a mere rounding error! Sydney is the jewel in the crown for cruise lines and Australia is the fastest growing market in the world. It is entirely reasonable to expect that this huge industry can afford to spend the money to become environmentally responsible, so as not to harm the health of the local community.

6.

The Hon. GREG DONNELLY: ... Can you take us through the differentiation between the interim solutions and the more permanent ones so we can understand what you are getting at?

To solve the unacceptable pollution impacts on our community, regulations must be brought in line with international best practice including the mandatory use of low sulphur fuel (0.1% sulphur) and shore-to-ship power.

The EPA say that these solutions will take considerable time to implement, both on the shore side and on the ship side. Our community cannot be made to suffer any more than we already have and we therefore call for interim measures to be implemented immediately to alleviate the health risks, whilst these longer-term solutions are implemented.

In the absence of any other suggestions from the EPA, we believe that the ships must be temporarily moved from their current locations adjacent to our high-density residential community at White Bay wharves 4 and 5, to another location. We understand that Garden Island already has shore power facilities. Port Botany is another suggestion. As a last resort, temporarily re-locating the terminal to Glebe Island would at least put slightly more distance between the ships and residences.

You may hear discussion of the industry's recently stated intention to comply with the International Maritime Organisation's MARPOL Annex VI sulphur fuel reduction target of 0.5% sulphur fuel by 2020.

That's too little, too late.

It's five years from now and is still five times higher than Emissions Control Areas in Europe and North America today. Its purpose is to bring developing countries in line and is for ships at sea – not to provide protection close to human populations in port. We are also aware from the EPA that there's a real chance it will be pushed out to 2025.

The bottom line is that the community cannot continue to be punished for the poor planning decisions of previous governments. Our health must be put first and the current risks are unacceptable.