



# Environment Alert

## July 2008

## A New Regulation for Major Hazard Facilities in NSW

On 14 July 2008 the *Occupational Health and Safety Amendment (Major Hazard Facilities) Regulation 2006 (MHF Regulation)* commenced and gave effect to the national standards for Major Hazard Facilities (MHFs) in NSW. Both potential MHFs or MHFs have 90 days (by 13 October 2008) to register.

### The aims of the new MHF Regulation

In 2002 the National Occupational Health and Safety Commission introduced a National Standard and a National Code of Practice for the Control of MHFs. The objective of the MHF Regulation is to implement the national standards for hazard identification and risk assessment. The MHF Regulation will protect the health and safety of the public from hazards arising from major accidents occurring at MHFs.

The Regulation requires operators of MHFs to minimise the risk of major accidents and to reduce the consequences to health and safety and damage to property in the event of a major accident, by having in place appropriate safety management systems. These systems include emergency procedures and a security plan. The Regulation also requires MHFs in NSW to be registered.

### What is a Major Hazard Facility?

The MHF Regulation applies to MHFs and potential MHFs in NSW.

MHFs are facilities at which specific hazardous materials are present or likely to be present in a quantity exceeding the threshold amount, and includes industrial sites such as oil refineries, chemical

processing plants, liquefied petroleum gas depots and large chemical warehouses that store, handle or process specific hazardous materials in quantities above the threshold amounts set out in the MHF Regulation.

“Hazardous” materials are materials that are dangerous in certain ways, for example they may be explosive, flammable or toxic. A major accident at MHFs may have health and safety consequences for workers and the surrounding community.

### Both Potential MHFs and MHFs must register

Potential MHFs are facilities at which more than 10% of a threshold quantity of **specific** hazardous materials is present, or facilities where the **aggregate** quantity ratio (AQR) relating to materials is greater than 10%.

Essentially this means smaller facilities, as well as MHFs, must register if stored materials exceed 10% of:

- ANY threshold for a hazardous material; or
- the AQR of ANY combination of hazardous materials.

Both potential MHFs and MHFs must register by 13 October 2008. From this date MHFs must comply with following obligations.

### Obligations under MHF Regulation

Now that the MHF Regulation has commenced, operators of MHFs are required to:

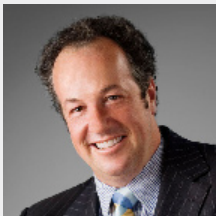
- > conduct regular risk assessments and identify hazards that arise from the operation of MHFs;
- > keep records of each risk assessment and any review of a risk assessment;
- > ensure that all persons, including members of the public, are not exposed to risks to their health and safety arising from a major accident at MHFs;
- > notify WorkCover by 13 October 2008 of commencement of the MHF Regulation;
- > notify WorkCover of any intention to close or alter MHFs within 30 days;
- > notify WorkCover of any change in operator of MHFs;
- > register or provisionally register MHFs with WorkCover after 13 October 2008 and before 13 January 2009;
- > comply with the conditions of registration or provisional registration;



- > prepare and submit to WorkCover a compliant safety report for MHFs;
  - > establish and maintain a safety management system for registration of MHFs;
  - > prepare and submit to WorkCover a compliant security plan for MHFs;
  - > prepare and submit to WorkCover a compliant emergency plan for MHFs;
  - > ensure that an application for renewal of the registration for MHFs is submitted to WorkCover at least 12 months before the expiry of the 5 year registration period;
  - > record and investigate any major accident or near miss that occurs at MHFs;
  - > record and investigate any breach of security that occurs at MHFs;
  - > establish and maintain a system of controlled access to MHFs;
  - > inform, instruct and train employees in relation to major accidents, hazards, control measures and the operation of any security plan and safety management system for MHFs;
  - > ensure that any person who is not an employee of the operator who enters the facility is informed about the hazards of MHFs and instructed in safety procedures;
  - > retain training records for at least 5 years; and
  - > retain records required by MHF Regulation for at least 15 years.
- What steps should be taken?**
- Operators of MHFs must carry out hazard identification and risk assessments for each facility that stores, handles or processes certain hazardous materials in quantities above the threshold amounts specified in the MHF Regulation. To enable MHFs to be registered in accordance with the MHF Regulation, operators must prepare a safety report, a security plan, an emergency plan, establish a safety management system and review their systems for recording hazards, risks, major accidents and breaches of security at MHFs.
- We can assist the operations of MHFs by providing you with:
- > advice relating to registration and reporting under MHF Regulations;
  - > assistance with your risk assessment analysis; and
  - > assistance in preparing a compliant management and/or safety report.

For further information please contact Genevieve Staff on +61 2 8248 3403.

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