

Risk Register - Supplementary EIS

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| Project name: | Townsville Ocean Terminal |
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| Date created: 16 Mar 07 |
| Date revised: 04 Jul 08 |

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| 1   | Overview                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|     | <p>This Risk Register addresses responses received to the Townsville Ocean Terminal EIS, November 2007.</p> <p>The Risk Register is in three parts:</p> <ul style="list-style-type: none"><li>- <b>Part A:</b> Addresses the original EIS risk assessment against the assessments submitted by Townsville City Council (TCC).</li><li>- <b>Part C:</b> Identifies and analyses additional risks arising from the risk assessment submitted by the TCC</li><li>- <b>Part B:</b> Identifies and analyses additional risk arising from the supplementary EIS specialist reports.</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 2   | Response to TCC Risk Assessment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 2.1 | <p><b>Issues with TCC Methodology</b></p> <p>The risk assessment methodology employed by TCC is fundamentally problematic. Major issues identified are:</p> <ul style="list-style-type: none"><li>- The consultation process was a single day workshop with selected participants from TCC, State government agencies and business. No attempt is made to justify these participants as representative of the community.</li><li>- The workshop determined to assess risks purely from a community and environment point of view. No attempt is made to justify this approach against the requirements of the EIS Terms of Reference (TOR).</li><li>- The TCC categorisations and value scales depart from the EIS TOR without explanation.</li><li>- The TCC assessment uses a scale of four risk ratings rather than five. A risk matrix on a scale of four rather than five scales will be naturally skewed to simplistic extremes. The claim from TCC that ‘most matrices have 4 scales’ may be accurate, but the use of four scales is inappropriate in a project of this size and nature, with risks spanning multiple categories. It also makes direct comparison of the two risk assessments difficult.</li><li>- According to the TCC response <i>"Subsequent to the workshop a review of the proposed risk mitigation and management strategies were undertaken and the residual risks re-assessed to identify the 'Residual Risk' level for each risk and opportunity"</i>. No justification of the Residual Risk against the mitigations proposed by the EIS Risk Register is provided. Presumably this process was completed without the review of the workshop participants.</li><li>- No attempt has been made to comment on, or justify the reassessment of each risk.</li><li>- No attempt has been made to suggest alternative risk treatment or mitigation measures.</li></ul> <p>It would be reasonable to assume therefore that the conclusions of the workshop would have a bias to an higher aggregate level of risk. The comparison of the EIS and TCC risk ratings bear this point out. All of the reassessed risks have ratings higher than the EIS assessment with no commentary or justification.</p> |
| 2.2 | <p><b>Comparison with EIS Methodology</b></p> <p>A summary of the Risk Management methodology employed by the EIS is provided below by way of comparison.</p> <ul style="list-style-type: none"><li>- The EIS Risk methodology employed conforms to AS/NZS Risk Management Standard 4360:2004 as required in the EIS TOR.</li><li>- The risk matrices of Consequence and Likelihood used to derive Risk Rating were used as per AS/NZS Risk Management Standard as defined in HB203:2006 Environmental Risk Management – Principles and Processes.</li><li>- A risk matrix of five scales was employed to allow more detailed analysis</li><li>- Qualitative estimates in the analysis were based on specialist reports, interviews and professional judgments.</li><li>- Financial consequences were excluded given the breadth of the scope of the EIS, and were not required by the TOR.</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |