



Qenos

November 2016 ACNCG

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## Introduction

Qenos update since July ACNCG

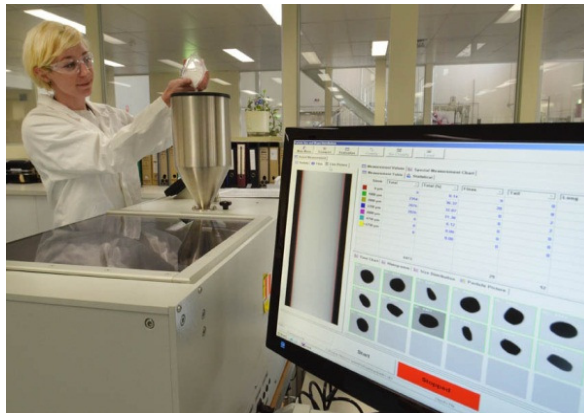
- Qenos actions arising (nil)
- Community
- Regulatory Interface

2016 Reflection

2017 Outlook

# Community

- September EMT meeting held.
  - Minutes in meeting papers
- Complaints
  - Nil
- Art in industry program
  - Qenos Technical Centre tour on Sunday 20<sup>th</sup> November. Register via [www.hobsonsbaytickets.com.au](http://www.hobsonsbaytickets.com.au)



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# Regulatory Interface

- EPA
  - Site inspection as part of Qenos licence update to include noise EIP.
- CWW
  - 99% Olefins water from recycled water
- Worksafe
  - Fourth Safety Case being developed. Liaising with other MHFs
- Energy Safe Victoria (ESV)
  - Developing annual Environment report for licensed pipelines



## 2016 Reflection

<p>Improve SHE performance</p>	<ul style="list-style-type: none"> <li>Greater leadership and workforce engagement, accountability and improved performance indicators</li> </ul>	<ul style="list-style-type: none"> <li>Qenos YTD Performance Positive                             <ul style="list-style-type: none"> <li>2 medical treatment injuries (Contractors)</li> <li>Process Safety Metrics trending positively</li> </ul> </li> </ul>
	<ul style="list-style-type: none"> <li>Implement Noise EIP activities</li> </ul>	<ul style="list-style-type: none"> <li>Recycle compressors                             <ul style="list-style-type: none"> <li>New gearboxes fitted.</li> <li>Acoustic covers being enhanced.</li> </ul> </li> <li>Lummus furnace to be shutdown (Dec)</li> <li>Community noise monitoring in progress.</li> </ul>
	<ul style="list-style-type: none"> <li>Continue Groundwater management plan.</li> </ul>	<ul style="list-style-type: none"> <li>Annual Monitoring samples in October.</li> <li>Removal of hydrocarbon phase ongoing</li> </ul>
	<ul style="list-style-type: none"> <li>Maximise recycled water.</li> <li>Develop implementation plan for ISO-14001 accreditation</li> </ul>	<ul style="list-style-type: none"> <li>Olefins using 99% recycled water since May</li> <li>Qenos EMS mapped against ISO 14001.</li> </ul>
	<ul style="list-style-type: none"> <li>Develop draft MHF Safety Case submission for 2017 application</li> </ul>	<ul style="list-style-type: none"> <li>Progressing on schedule</li> </ul>



2016 Reflection		
Business outlook	<ul style="list-style-type: none"> <li>Oil and \$A look stable and forecast for PE regional pricing is low</li> <li>\$38M capital program for 2016 across Qenos</li> </ul>	<ul style="list-style-type: none"> <li>Low and stable oil &amp; \$A is favourable for business performance</li> <li>Significant capital works program nearing completion across all plants</li> </ul>
	<ul style="list-style-type: none"> <li>Looking to develop new milk bottle product and pipe grades</li> </ul>	<ul style="list-style-type: none"> <li>1<sup>st</sup> trial very successful with product demonstrating significant property &amp; process improvements.</li> <li>New compressor components installed (\$1.5M investment)</li> <li>2<sup>nd</sup> trial end of Nov.</li> </ul>
	<ul style="list-style-type: none"> <li>If ethane supply is as per plan across both states, then expect PE production to be highest for 7-8yrs</li> </ul>	<ul style="list-style-type: none"> <li>7kt behind plan, 20kt above 2015 ytd</li> <li>Olefins record production in August</li> <li>Polymer plant record PE production in Q3</li> </ul>
	<ul style="list-style-type: none"> <li>Continuous improvement focus across the business</li> </ul>	<ul style="list-style-type: none"> <li>CI initiatives actively being supported across the Business and the introduction of iTransform process – active recognition of improvement &amp; innovation – all categories including SHE</li> </ul>



## 2017 Focus

Aspect	Aim
SHE performance	Continue the emphasis on leadership and workforce engagement.
	Increasing accountability and ownership for SH&E
	Complete the implementation of leading/lagging performance indicators
	EMS update to achieve ISO-14001 Accreditation in 2018.
	Noise EIP implementation.
	Planned shutdown in Jan/Feb associated with Ethane Suppliers planned work. Needs to be executed without impact to the community – noise or odours.
Business outlook	21 day - Ethane supply shutdown
	Maximise utilisation of economic feed
	On going challenge of higher priced natural gas
New Product Development	Continue development of high performance dairy milk bottle grade
	Development of high performance pipe
	Continue promotion of trenchless pipe grade

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