



**Planning &
Environment**

DEVELOPMENT APPLICATION ASSESSMENT REPORT

QENOS PORT BOTANY DEMOLITION

39 Friendship Road, Port Botany

DA 6329



Assessment under Part 4 of the *Environmental
Planning and Assessment Act 1979*

June 2014

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NSW Department of Planning and Environment
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1. INTRODUCTION

The applicant, Qenos Pty Ltd (Qenos) seeks approval under Part 4 of the *Environmental Planning and Assessment Act 1979* (EP&A Act) to demolish redundant infrastructure including two 7,000 tonne propane and butane storage tanks at its Hydrocarbon Terminal. Qenos is Australia's sole manufacturer and leading supplier of polyethylene and polymers.

1.1 SITE CONTEXT AND LOCATION

The Qenos Hydrocarbon Terminal site is located at 39 Friendship Road, Port Botany (Lot 1 DP 614718) within the Port Botany Lease Area of NSW Ports (refer Figure 1). The site is approximately 9 hectares in size.

Port Botany is approximately 12 kilometres from Sydney's Central Business District. It is a major NSW Port for the handling of containers, bulk liquids and petrochemicals. Sydney's domestic and international terminals are located nearby to the north.

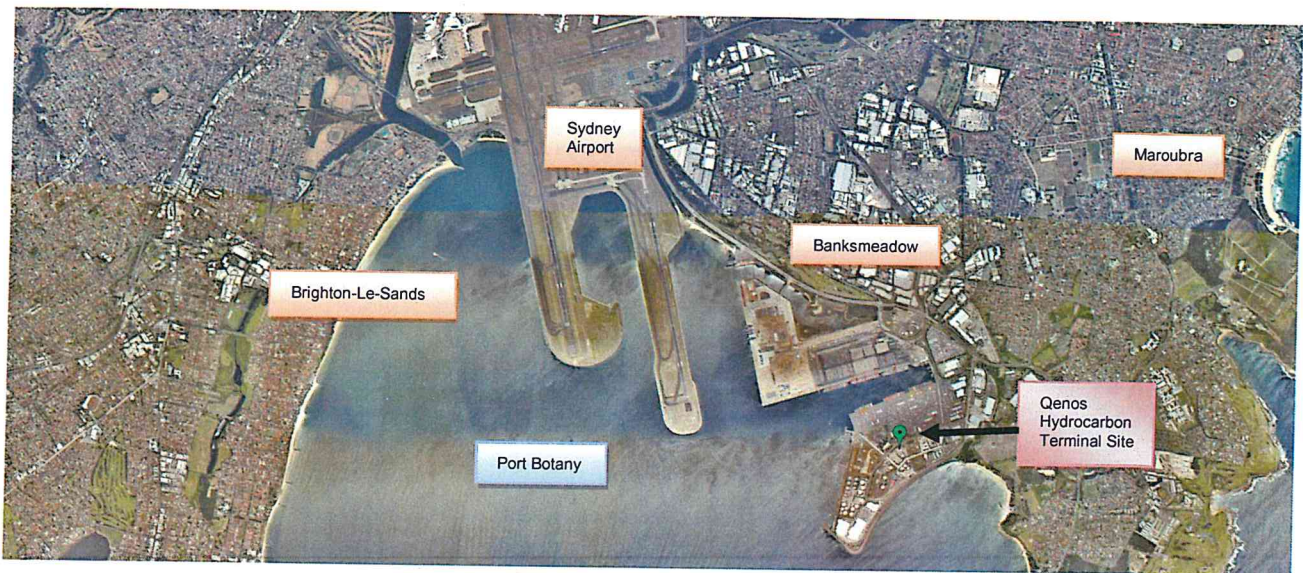


Figure 1: Port Botany

A location plan of the Hydrocarbon Terminal site is provided at Figure 2 below. The site is located on industrial zoned land and is bordered by a range of industrial uses (see Figure 3) including:

- the Elgas Cavern Facility to the north-west;
- the Terminals Bulk Liquids Storage Facility to the north;
- container storage to the east;
- Australian Container Freight Services to the south; and
- the Vopak Bulk Liquids Storage Facility (Site B) to the south-west;

Similar to the Hydrocarbon Terminal site, the majority of these facilities are associated with the storage and distribution of petroleum products (e.g. jet fuel), liquid petroleum gas and other liquid chemicals.

The site is bounded by Simblist Rd to the south and Friendship Rd to the west (see Figures 2 and 3). The site has a relatively flat topography, is predominantly sealed with some exotic grasses remaining on the north-west portion of the site.

The closest residences to the site are located approximately 1.4km away (caretakers residence at Botany Cemetery, Yarra Bay) and 1.8km away (residential properties Phillip Bay) respectively (see Figure 2).



Figure 2: Site location

1.2 BACKGROUND

Qenos operates three major production facilities at Port Botany in the Botany Industrial Park (BIP) (i.e. the Olefines, Alkathene and Alkatuff plants) producing ethylene, low-density polyethylene (LDPE), linear low-density polyethylene (LLDPE) and high-density polyethylene (HDPE). Ethylene is a chemical used to produce Polyethylene which is the most common type of plastic. Polyethylene is used to make packaging and other items such as plastic bags, plastic films and containers (including bottles) for use by a wide range of industries and consumers.

The Qenos Hydrocarbon Terminal (Hydrocarbon Terminal) was constructed in 1982, and has been used as a storage depot for feedstock for the Olefines Plant. The facility was originally approved under a consent issued by the Chairman of the then Planning and Environment Commission on 9 July 1980¹.

The Hydrocarbon Terminal is used to store propane, butane and liquid ethylene in three large tanks (see Figure 1) which is supplied by ships offloaded at the nearby Bulk Liquids Berth No. 1 (see Figure 1) and transferred via pipeline to the site for storage. Stored products are then transferred via pipeline (as needed) to the Olefines Plant at Matraville for use in the production of ethylene products.

The facility also operates under two other consents issued since 1980 including:

- a consent issued by the then Minister for Planning on 25 November 1991 for the installation of an additional Ethylene Vaporiser which is used to convert liquid ethylene to gas prior to transport from the Hydrocarbon Terminal to the Olefines Plant; and
- a consent issued by the then Minister for Urban Affairs and Planning on 12 November 1999 (DA No. 10-01-1999) to permit the installation of an Ethylene Liquefaction Unit at Hydrocarbon Terminal with a capacity to liquefy up to 87,000 tonnes per annum of ethylene. The ELU is used to ensure ethylene received at the site as liquid is appropriately refrigerated to prevent the build-up and unnecessary emission of vapour in storage tanks.

Chemicals such as propane, butane, liquid ethylene and ethane can all be used in the manufacture of ethylene products.

In 1996, the Olefines Plant was converted to a 100 percent ethane (only) feedstock facility, supplied via a dedicated pipeline from the Santos Gas Plant at Moomba in South Australia. The Hydrocarbon Terminal now only serves as a storage depot for 'back up' supply of liquid ethylene to the Olefines Plant for ethylene production.

Since April 2010, Qenos has been negotiating a new lease with NSW Ports as the landowner for the Hydrocarbon Terminal site. NSW Ports has offered Qenos a lease over that part of the site that contains the liquid ethylene storage infrastructure only up until September 2024 (see Figure 3). Qenos is therefore required to vacate that part of the site that contains the now redundant propane and butane storage tanks and associated infrastructure by September 2014 (see Figure 3). The use of land would be returned to NSW Ports so that it can re-negotiate the future use of the land with a new tenant.

Qenos has also recently entered into a contract with Elgas to supply propane to the Hydrocarbon Terminal from its underground hydrocarbon storage facility, located immediately to the north-west of the site (see Figure 3). The propane would be piped directly from the Elgas Cavern Facility to the Hydrocarbon Terminal (no storage required) and then onto the Olefines Plant in Matraville. This will enable the provision of additional 'back up' supply of feedstock to the Olefines Plant for the production of ethylene products.

¹ No development application number is provided on this consent.

In this regard, the Department is concurrently assessing a modification application under Section 75W of the *Environmental Planning and Assessment Act* (EP&A Act) from Elgas to construct a pipeline connecting its site to the Hydrocarbon Terminal to enable the supply of the required propane.

2. PROPOSAL

The application seeks approval to:

- demolish two 7,000 tonne propane and butane storage tanks, including tank pipework and utilities;
- relocate an existing elevated flare (22 metres high) from the land to be vacated to the 'ethylene land' on the northern part of the site;
- amend the fire water system to service the 'ethylene land' only;
- install a connection point on site to the proposed Elgas propane supply pipeline;
- install a new security fence and perimeter fire access road and lighting along the amended site boundary of the land to be vacated; and
- fill in two stormwater collections ponds with approximately 2,650m³ of clean fill and remove a pump system from the land to be vacated.

Figures 3 to 5 below illustrate the proposed development.



Figure 3: Site infrastructure including the tanks to be demolished.



Figure 4: Photo taken on site of the propane and butane storage tanks to be demolished

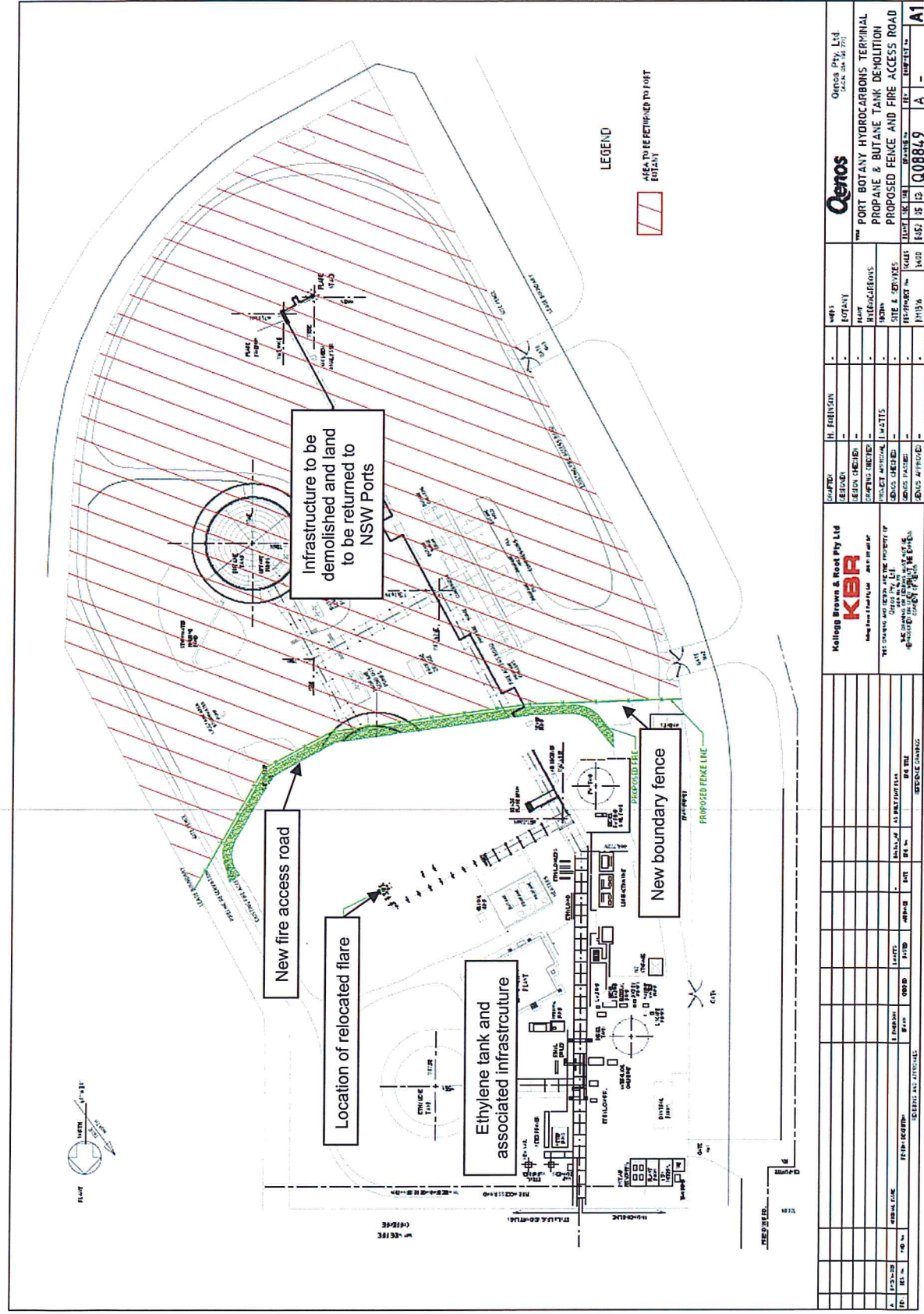


Figure 5: Final Site Plan for Proposed Demolition and Flare Relocation

Each tank would take around one month to demolish. The butane tank would be demolished first as it is currently empty (and hydrocarbon free).

The tank demolition process also involves the isolation and removal of associated pipework. Following removal of the tanks, the concrete foundations (approximately 1 metre deep) would be excavated and removed.

The relocation of the flare (which burns hydrocarbon released into the atmosphere during maintenance events to remove leftover gas from the system) would be to an area approximately 60m south of the ethylene tank (see Figures 3 and 5).

The capital investment and cost of the works is estimated at approximately \$5 million and would take approximately 6 months to complete. Following completion of all demolition works, Qenos would construct a gravel fire road and erect a boundary fence along the amended site boundary for return of the vacated land to NSW Ports.

3. STATUTORY CONTEXT AND STRATEGIC CONTEXT

3.1 APPROVAL PATHWAY

State Environmental Planning Policy (Port Botany and Port Kembla) 2013 (the Ports SEPP) commenced on 31 May 2013. The proposed development is located in the Port Botany Lease Area on land to which the Ports SEPP applies.

The proposed development does not qualify as exempt or complying development under the Ports SEPP (Part 3). This is because the development is considered to be a potentially hazardous industry or a potentially offensive industry within the meaning of the *State Environmental Planning Policy No 33 - Hazardous and Offensive Development* (SEPP 33).

The proposed development does not qualify as State Significant Development (SSD) or State Significant Infrastructure (SSI) under the Ports SEPP (Part 4). This is because the development does not meet the triggers in Clause 27 and Clause 28 of the Ports SEPP.

The Hydrocarbon Terminal operates under two consents issued by the former Chairman of the then Planning and Environment Commission in 1980 and the then Minister for Urban Affairs and Planning in 1999 (see detail in Section 1.2 of this report).

Given that the proposed development is for substantial demolition of the Hydrocarbon Terminal and the scope of the 1980, 1991 and 1999 consents did not cover this scale of demolition work, the Department considered that the assessment of the proposal as a modification to the existing consents posed some legal uncertainty.

The Department therefore considers that the application represents a new development in its own right and should be assessed and determined under Part 4 of the *Environmental Planning and Assessment Act 1979* (EP&A Act)

Clause 17 of the Ports SEPP provides that demolition of a building or work (not identified as exempt or complying development) may be carried out, but only with development consent.

3.2 CONSENT AUTHORITY

Under Clause 8 of the Ports SEPP, the Minister is the consent authority for development on land within the Port Botany Lease Area. The site is located in the Port Botany Lease Area and the Minister is therefore the consent authority for the proposed development.

3.3 DELEGATED AUTHORITY

The Minister would be the approval authority for this application (see above).

However, as reportable political donations were made by the Applicant in respect of the development application, the application will be determined by the Planning Assessment Commission in accordance with the Minister's Instrument of Delegation, dated 14 September 2011.

3.4 PERMISSIBILITY

The site is zoned SP1 (special activities) under the Ports SEPP.

The proposed development involves demolition and minor amendments to an existing chemical storage facility. The structure of land use table in the Ports SEPP for land zoned SP1 (special activities) is such that the proposed development would be permissible on the subject site as an innominate use(s).

Consequently, under delegation of the Minister for Planning, the Planning Assessment Commission may approve the development.

3.5 CONSIDERATIONS UNDER SECTION 79C OF THE EP&A ACT

Under Section 79C of the EP&A Act, in determining a development application, a consent authority is required to take a number of matters into consideration in relation to the proposed development. The Department has given due consideration to the matters prescribed by Section 79C.

The Department's detailed consideration of the proposed development against the provisions of Section 79C of the EP&A Act is contained within Appendix B of this report.

3.6 EXHIBITION AND NOTIFICATION

The application was exhibited in accordance with the EP&A Act, *Environmental Planning and Assessment Regulation 2000* (EP&A Reg) and *Randwick Development Control Plan 2013* (Randwick DCP).

After accepting the DA and SEE for the proposal, the Department:

- made it publicly available from Thursday 19 December 2013 and Friday 31 January 2014 (44 days);
 - on the Department's website;
 - at the Department's Information Centre (Bridge Street, Sydney);
 - at the Nature Conservation Council's Head Office (Sydney); and
 - at Randwick City Council.
- notified landowners in the vicinity of the site about the exhibition period by letter;
- notified relevant State government authorities and Randwick City Council by letter;
- advertised the exhibition in the *Wentworth Courier*; and
- arranged for a 'site sign' with all relevant details of the proposed development to be erected at the site for the duration of the exhibition.

3.7 ENVIRONMENTAL PLANNING INSTRUMENTS

Under Section 79C of the EP&A Act, the consent authority, when determining a development application, must take into consideration the provisions of any environmental planning instrument (EPI), draft EPI (that has been subject to public consultation and notified under the EP&A Act) and development control plan/s (DCPs) that apply to the proposal.

The Department has also assessed the proposal against the relevant provisions of several EPIs and is satisfied that, subject to the implementation of the recommended conditions of approval, the proposal is generally consistent with the aims, objectives and provisions of these instruments (see Appendix C).

4. CONSULTATION AND SUBMISSIONS

4.1 SUBMISSIONS

During the exhibition period (see Section 3.5), the Department received a total of five (5) submissions on the proposal, all from government authorities.

A summary of the issues raised in submissions is provided below.

Randwick City Council (Council) did not object to the proposed development but recommended a number of conditions of consent to:

- manage potential impacts from asbestos handling/disposal, remediation and contamination (prior to construction/demolition);
- manage potential impacts from remediation and contamination (during construction/demolition); and
- ensure the site is suitable for the proposed use, prior to return of the land to NSW Ports.

The **Environment Protection Authority (EPA)** did not object to the proposed development but recommended a number of conditions of consent to:

- ensure that a Soil Management Plan is prepared for the demolition to manage potentially contaminated spoil generated;
- ensure that soil classification and disposal be undertaken in accordance with the EPA's *Waste Classification Guidelines*; and
- ensure that any clean fill brought to site for land application is Virgin Excavated Natural Material (VENM).

The EPA also noted that the Applicant is required to comply with its existing Environmental Protection License (EPL) held for the site during the demolition works and may need to vary the EPL to remove that portion of the site to be returned to NSW Ports.

WorkCover NSW (WorkCover) did not object to the proposed development but requested that the Applicant demonstrate compliance with the *Work, Health and Safety Regulation 2011* and demonstrate that the proposed development would be carried out in accordance with the existing Safety Case and Safety Management System for the site.

NSW Ports did not object to the proposed development but requested that Qenos address the requirements of the *Port Botany Development Code* (2013) and the *Green Port Checklist* (2013). NSW Ports also noted that while the Qenos facility will no longer import propane or butane by ship (resulting in a reduction in ship movements in Botany Bay), other bulk liquids facilities in Port Botany will continue to import such products.

Roads and Maritime Services (RMS) did not object to the proposed development and raised no issues of concern.

4.2 RESPONSE TO SUBMISSIONS

On 17 March 2014, Qenos provided a response to the issues raised in submissions (see Appendix D). This response has been made publicly available on the Department's website.

The Department also considered SEE for the proposal contained insufficient information in relation to hazard identification and risk evaluation. The Department therefore required the Applicant to prepare and submit a Preliminary Hazard Analysis (PHA) for the proposal.

On 16 April 2014, the Applicant submitted the PHA to the Department allowing it to finalise the assessment of the proposed development.

5. ASSESSMENT

The Department has considered the objectives of Section 79C of the EP&A Act, the SEE, the issues raised in submissions, and the Applicant's response to these issues, in its assessment of the proposal. The Department considers the key issue to be contamination.

All other environmental impacts are considered to be minor and are assessed in detail in Table 1 below.

5.1 Contamination

The proposed development may result in the disturbance of potentially contaminated soil and groundwater which would need to be carefully managed to ensure that these contaminants are not released into the local environment.

Part of the site would also be returned to NSW Ports following the demolition. Therefore, the Applicant must ensure that this land is suitable for its permissible use.

Soil

Soil disturbance would be minimal and limited to filling of the stormwater holding ponds, construction of the fire access road and excavation and removal of underground services, such as pipework and cabling.

The risk of soil erosion during demolition works and surface water run-off from the site is also considered to be low given the flat topography of the site. It is considered that potential impacts from soil disturbance can be easily managed via the implementation of industry standard erosion and sediment controls during the demolition.

A search of the NSW EPA contaminated lands register found no identified sites in the Port Botany area. A review of the Port Botany Asbestos Register (Pickford and Ryder Consulting 2011) also found no record of buried asbestos containing material at the site. Further, the *Randwick Local Environmental Plan 2012* indicates the site is not located in an area that is classified as having Acid Sulphate Soils (ASS).

Council recommended a number of conditions of consent to manage potential impacts from asbestos handling/disposal, remediation and contamination (prior to and during construction/demolition) and to ensure the site is suitable for the proposed use, prior to the return of the land to NSW Ports.

The EPA also recommended a number of conditions of consent to manage potentially contaminated soil (e.g. erosion and sedimentation via the preparation of a Soil Management Plan) and to ensure that any fill brought to the site to fill the stormwater collection ponds is Virgin Excavated Natural Material (see Section 5).

In the RTS, Qenos provided further information confirming that an environmental site audit of soil (and groundwater) was conducted in September 1999 by IT Environmental Australia Pty Ltd. The audit included analysis of soil samples from around the site (including the area to be vacated) down to a depth of 6 metres (m) below ground level. The samples were tested for total

petroleum hydrocarbon, benzene, toluene, ethylbenzene, and xylenes and other metals and chemicals of concern. No levels were detected above the relevant site assessment criteria.

Qenos has advised that since the above audit was conducted, site operations have not changed, and there have been no major chemical spills, incidents or leaks on the site. Further, the materials stored on site are gaseous and flash to atmosphere in the event of any leakage. Qenos has also advised that no maintenance activities associated with the site have been undertaken in the area of the proposed development and hence, the potential of any source of soil contamination is considered to be very low.

Upon review of the RTS, Council advised that based on the commitments made by Qenos in its response and the satisfaction of EPA requirements, no further comment would be made. The EPA also acknowledged and accepted the response provided by Qenos in the RTS and made no further comment.

Where relevant, the Department has incorporated the conditions recommended by Council and the EPA into the consent.

The Department is satisfied that it is unlikely that the site is contaminated. However, to ensure that the land to be returned to NSW Ports is suitable for its permitted use, the Department has recommended a condition requiring Qenos to prepare a Site Audit Statement for this land confirming the above, prior to it being handed over. In the unlikely event that this land is found to be contaminated, Qenos would be required to remediate the land in accordance with a plan prepared by an accredited site auditor, prior to handover to NSW Ports. The Department has also recommended conditions that would require Qenos to:

- carry out the demolition in accordance with the SEE, RTS and its Statement of Commitments;
- implement suitable erosion and sediment controls in accordance with the latest version of the *Blue Book Volume 1* (Landcom);
- prepare a Contamination Management Plan as part of the Construction Environmental Management Plan (CEMP) for the demolition; and
- ensure that any fill brought to the site is clean Virgin Excavated Natural Material.

With these conditions in place, the Department is satisfied that soil (including potentially contaminated material) would be effectively managed during the demolition and that the site would be suitable for its on-going permissible uses.

Groundwater

The risk of impacting groundwater during demolition is limited to excavation works for footings and foundations for structures, and services cabling and footings removal. Impacts to groundwater are therefore considered unlikely during demolition due to the shallow (1 m to 1.5 m) depth to which most excavations would be required and the recorded depth of local groundwater, around 4 m below the ground surface.

Although the pilings for the flare which is to be relocated are approximately 6 m deep, the abovementioned environmental site audit conducted in September 1999 included groundwater sampling around the site which detected no levels of key contaminants of concern above the relevant site assessment criteria.

Notwithstanding this, Qenos has committed to preparing a Groundwater Management Plan (GMP) as part of a CEMP for the demolition including suitable control measures for the collection, treatment (if necessary) and disposal of contaminated groundwater that may be encountered during demolition. Qenos has also committed to ensuring that all chemicals used during the demolition are appropriately stored and handled to minimise the risk of groundwater pollution.

The Department has incorporated Qenos' commitments into the recommended conditions.

The Department is satisfied that the risk of encountering contaminated groundwater during demolition is low. Further, in the unlikely event that contaminated groundwater is encountered during demolition, the Department is satisfied that appropriate conditions would be in place to manage and/or remediate this material.

5.2 Other Issues

Table 1: Assessment of other issues

Assessment	Recommendation
Hazards and Risk - The proposed development has the potential to increase hazards and risk at the facility associated with the construction of the relocated flare and new connection point to the proposed Elgas supply pipeline. - The Department has reviewed the SEE for the proposal and considered that it contained insufficient information in relation to hazard identification and risk evaluation. - The Department therefore required the Applicant to prepare and submit a Preliminary Hazard Analysis (PHA) for the proposal. - The PHA was prepared by a suitably qualified and experienced expert and focused on the construction of the proposed new flare, and the proposed Elgas propane pipeline connection on-site, consistent with the Department's advice to the Applicant. - The Department has reviewed the PHA and considers it has been prepared generally in accordance with the relevant guidelines. The PHA is semi-quantitative in nature, which the Department considers to be appropriate in this instance. - The PHA established that due to the design, choice of location, and risk control measures to be implemented, the proposed changes at the terminal will pose negligible incremental offsite risk to the surrounding land use. - Given that the volume of LPG stored onsite will be significantly reduced once the existing propane and butane tanks are demolished, the overall offsite risk profile of the Hydrocarbon Terminal will also be reduced. - WorkCover requested that the Applicant demonstrate compliance with the <i>Work, Health and Safety Regulation 2011</i> (WHS Reg) and demonstrate that the proposed development would be carried out in accordance with the existing Safety Case and Safety Management System (SMS) for the site. - The Department has incorporated a condition to this effect into the recommended conditions. - The Department generally concurs with the conclusions of the PHA and is satisfied that the proposed development would reduce hazards and risk profile of the existing Hydrocarbon Terminal, subject to the implementation of the recommendations in Section 6 of the report "Further Actions" and recommended conditions of consent which will ensure the ongoing management of the identified risks and risk controls.	Recommended conditions requiring Qenos to: - comply with the WHS Reg and the existing Safety Case and SMS for the site; - implement the recommendations of the PHA; - prepare a Fire Safety Study, Hazards and Operability Study, Final Hazards Analysis and Demolition Safety Study for the facility, prior to construction; - update the Emergency Plan and SMS for the facility to incorporate the development; - prepare a pre-start up compliance report for the above hazards studies; and - undertake on-going hazard audits of the Hydrocarbon Terminal incorporating the development.
Noise and Vibration - During demolition, noise may be generated from the movement of trucks, use of generators, saw cutters, jackhammers and compressors. - However, noise impacts during demolition are expected to be minimal given: - the nearest sensitive receivers are located approximately 1.4km away (Botany Cemetery); - the demolition works would be temporary and short-term in nature (6 months); - the demolition works would be undertaken during standard construction hours as per the EPA's <i>Interim Construction Noise Guideline</i> (ICNG); and - Qenos has committed to preparing a CEMP for the demolition guided by the principals of the EPA's ICNG. - During operation, noise from flaring of gas (~ 6 times a year for 20 minutes on each occasion) would be regulated by the EPA through the existing noise limits in the EPL (no. 464) for the site. - Once installed, Qenos has committed to validating noise from the operation of the new flare to ensure that cumulative noise from the operation of the modified facility complies with the noise limits in the EPL. - In the unlikely event that the facility is found to be exceeding the noise limits in the EPL, Qenos would be responsible for implementing noise controls to rectify the issue in consultation with the EPA. - The EPA did not raise any concerns in relation to noise. - The Department has incorporated the above commitments, along with the requirement for Qenos to prepare a Noise and Vibration Management Plan (NVMP) as part of a CEMP, into	Recommended conditions requiring Qenos to: - prepare a CEMP including a NVMP; - validate noise emissions from the operation of the modified facility; and - implement reasonable and feasible noise controls in consultation with the EPA if the facility is found to be exceeding the noise limits in the EPL.

Assessment	Recommendation
the recommended conditions. With the recommended conditions in place, the Department is satisfied that noise impacts from the proposed development would be acceptable and within regulatory limits.	
Air Quality - During demolition, dust may be generated from the movement of trucks or during excavations and exhaust emissions may be emitted from plant, equipment and trucks. - However, dust impacts during demolition are expected to be negligible given: - the nearest sensitive receivers are located approximately 1.4km away (Botany Cemetery); - the site access roads are sealed and truck movements would be minimal at 6 to 10 a day; - generation of spoil from excavation would be limited to removal of underground services and structural footings; and - Qenos has committed to preparing a CEMP for the demolition to manage air quality impacts include the use of water tankers, treatment of stockpiles and best practice vehicle and plant maintenance procedures. - The Department has incorporated the requirement for Qenos to prepare a CEMP into the recommended conditions. - During operation, no visible smoke would emit from the relocated flare and emissions would not exceed (and be regulated) by the existing air limits in the EPL (no. 464) for the site. Flare emissions would be validated under the recommended conditions. - The EPA did not raise any issues in relation to air quality. - With the recommended conditions in place, the Department is satisfied that air quality impacts from the proposed development would be effectively managed.	Recommended conditions requiring Qenos to: - prepare a CEMP including an Air Quality and Greenhouse Gas Management Plan; - validate air emissions from the operation of the modified facility; and - implement reasonable and feasible air controls in consultation with the EPA if the facility is found to be exceeding the air limits in the EPL.
Traffic - A variety of heavy vehicle and light vehicles would be required during the demolition and relocation of the flare, the number of which would vary during the different construction stages. - During demolition, a worst-case traffic generation rate of 10 to 15 vehicle movements a day would occur, with approximately 10 heavy vehicles (semi-trailer/dump trucks) and up to five light vehicle movements a day. - In the context of the significant number of traffic movements generated in Port Botany each day, this slight increase would have a negligible impact on the safety and capacity of the surrounding road network. - Notwithstanding this, Qenos has committed to preparing a Traffic Management and Control Plan (TMCP) for the demolition in accordance with the relevant AUSTROADS and RMS guidelines and in consultation with NSW Ports. - During demolition, all vehicles would be parked on site to minimise disruption to the local road network. - Construction of a new driveway for safe access to the site for heavy vehicles would be required for the demolition via Gate 2 and Friendship Road. - Qenos has committed to undertaking further consultation with NSW Ports to determine the required mitigation measures to ensure vehicles safely turn into and out of the site from Friendship Road. - The Department has incorporated the requirement for a TMCP prepared in consultation with NSW Ports including final details of the construction traffic access arrangements into the recommended conditions. - RMS and Council did not raise any concerns in relation to traffic. - With the recommended conditions in place, the Department is satisfied that the traffic impacts of the proposed development would be negligible.	Recommended conditions requiring Qenos to: prepare a CEMP including a TMCP prepared in consultation with NSW Ports and including final details of the construction traffic access arrangements.
Greenhouse Gas - During construction, the primary greenhouse gas (GHG) emissions would be Scope 1 from vehicles and machinery used for delivery and handling of materials, excavation works and other general demolition activities. - The consumption of diesel fuel by vehicles would be the other main contributor to Scope 1 GHG emissions during construction. - To minimise these emissions, Qenos would implement best practice vehicle and plant maintenance procedures (e.g. servicing in accordance with the manufacturer's specifications) and fit vehicles with emission control devices complying with the relevant Australian Standards. - To formalise these commitments, the Department has incorporated the requirement for Qenos to prepare an Air Quality and GHG Management Plan as part of a CEMP into the recommended conditions. - During operation, the proposed development would result in a reduction of GHG emissions from the existing facility. - This is because flaring of propane and butane would no longer be undertaken at the site and the removal of the hydrocarbon storage tanks would reduce energy consumption from supporting infrastructure (e.g. chillers, compressors, heaters and pumps).	Recommended conditions requiring Qenos to: prepare a CEMP including an Air Quality and GHG Management Plan.

Assessment	Recommendation
- NSW Ports requested that Qenos address the requirements of the <i>Green Port Checklist</i> (2013) in relation to the proposed development which was provided as part of the RTS. - These guidelines aim to ensure measures to reduce resource use (i.e. water, energy and GHG emissions) are incorporated into the design of development to ensure it is sustainable. - The Department has reviewed the RTS and is satisfied that where possible, strategies to reduce resource consumption have been incorporated into the design of the development. - The Department is satisfied that the proposed development would result in minor GHG emissions during construction and would reduce when compared to the existing facility during on-going operation.	
Surface Water	
- The proposed development could impact on surface water through erosion and sedimentation during excavation, removal of underground services, access road construction or the importation of contaminated material to fill the two stormwater ponds. - The risk of erosion during demolition works and surface water run-off from the site into the local environment is considered to be low given its flat topography. - Notwithstanding this, Qenos has committed to preparing Stormwater Management Plan (SMP) and Spill Management Plan as part of the CEMP in accordance with the relevant Landcom and EPA guidelines to avoid and minimise impacts to surface water. - The Department has formalised the requirement for these plans in the recommended conditions. - With these conditions in place, the Department is satisfied that potential surface water impacts would be effectively managed.	Recommended conditions requiring Qenos to: - implement erosion and sediment controls in accordance with Landcom's <i>Blue Book</i>; and - prepare a CEMP including a Surface Water Management Plan and Spill Management Plan.
Biodiversity	
- The site lies in a heavily industrialised area, is predominantly sealed with some exotic grasses remaining on the north-west portion of the site. - As such, the proposed development would not have any direct impacts on biodiversity. - Notwithstanding this, the site lies adjacent to Botany Bay and therefore has the potential to have indirect impacts on local marine biodiversity if surface and groundwater impacts are not properly managed during demolition. - However, the Department considers that the implementation of standard erosion and sediment controls during demolition and a CEMP including a comprehensive SMP would mitigate the potential for such impacts to occur (see detail in Section 4.2 of this report). - The Department is therefore satisfied that the proposed development would have a negligible impact on biodiversity.	Recommended conditions requiring Qenos to: prepare a CEMP including a SMP.
Waste Management	
- During demolition, waste would predominantly be generated from spoil and demolition materials which if not properly managed or disposed of, may contaminate soil and water or be released into the downstream environment. - Where possible, concrete, steel and copper wire waste (approximately 11,200 tonnes in total) would be recycled and a small amount of non-friable asbestos would be required to be disposed of at an appropriately licensed landfill. - To manage and mitigate potential impacts, Qenos has committed to preparing a CEMP for the proposed development including measures to store, handle and dispose of all waste in accordance with the EPA's <i>Waste Classification Guidelines</i> and a Spoil Management Plan which includes a methodology for disposing of contaminated soil in accordance with the relevant EPA guidelines. - The EPA did not raise any concerns in relation to waste but did recommend that Qenos be required to prepare a Soil Management Plan (SMP) for the proposed development to manage any contaminated spoil (see detail in Section 4.2 of this report). - Council recommended a condition of consent requiring all asbestos to be removed and disposed of by a suitably licensed expert in accordance with the relevant legislation and Council's asbestos policy. - The Department has incorporated the EPA's and Council's requests into the recommended conditions and is satisfied that waste would be effectively managed during the demolition.	Recommended conditions requiring Qenos to: - ensure all asbestos is removed and disposed of by a suitably licensed expert in accordance with the relevant legislation and Council's asbestos policy in consultation with WorkCover; and - prepare a CEMP including a Contamination Management Plan and a Waste Management Plan.
Heritage	
- A search of the Randwick LEP, the Aboriginal Heritage Information System register, NSW State Heritage Inventory and the Australian Heritage Database revealed no Aboriginal or non-Aboriginal heritage site, places or items in vicinity of the site. - Further, given the Port Botany area was developed from reclaimed land and the area of ground to be disturbed by the proposed development is small, heritage impacts are expected to be negligible. - Notwithstanding this, Qenos has committed to implementing procedures to deal with unexpected heritage finds in a CEMP for the proposal. - The Department has incorporated this requirement into the recommended conditions and is satisfied that the proposal is unlikely to have heritage impacts.	Recommended conditions requiring Qenos to: prepare a CEMP including procedures to deal with unexpected heritage finds.

Assessment	Recommendation
Visual Amenity and Design - The proposed modification would result in the demolition (removal) of two 7,000 tonne chemical storage tanks (including tank pipework and utilities), the relocation of an existing flare (22m high) and the removal of the LPG storage area stormwater collections ponds and pump system. - The Department is therefore satisfied that the proposed development would reduce the visual impacts of the existing facility. - NSW Ports requested that Qenos address the requirements of the <i>Port Botany Development Code</i> (Port Code 2013) in relation to the proposed development which was provided as part of the RTS. - These guidelines generally aim to facilitate development in Port Botany whilst minimising the impacts of development on the environment, the community and the efficiency of Port operations. - The Department has reviewed the RTS and is satisfied that the proposed development generally satisfies the relevant requirements of the Port Code.	Recommended conditions requiring Qenos to: - ensure lighting complies with the relevant Australian Standards; and - ensure lighting is positioned so that it does not create nuisance to public roads.

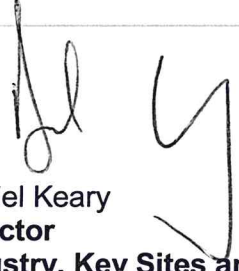
6. CONCLUSION

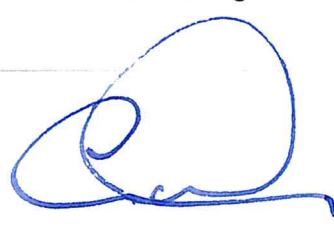
The development application has been assessed in accordance with the matters for consideration under Part 4 and 79C of the EP&A Act, and all relevant environmental planning instruments, and is considered to comply with all relevant items. It is recommended that the development application is in the public interest and should be approved, subject to conditions, as recommended by the Department.

7. RECOMMENDATION

It is recommended that the Planning Assessment Commission:

- consider** all relevant matters prescribed in Section 79C of the *Environmental Planning and Assessment Act 1979*, including the findings and recommendations of this report; and
- approve** the development application, subject to conditions, under section 80(1)(a) of the *Environmental Planning and Assessment Act 1979*, and sign the Notice of Determination (TAG B).


Daniel Keary
Director
Industry, Key Sites and Social Projects


Chris Wilson
Executive Director
Development Assessment Systems and Approvals

Chris Ritchie
Manager - Industry

6.6.14

**APPENDIX A
INSTRUMENT OF CONSENT**

APPENDIX B CONSIDERATIONS UNDER SECTION 79C

Section 79C of the EP&A Act requires that the consent authority, when determining a development application, must take into consideration the following matters:

(a) the provisions of: (i) any environmental planning instrument, and (ii) any proposed instrument that is or has been the subject of public consultation under this Act and that has been notified to the consent authority (unless the Director-General has notified the consent authority that the making of the proposed instrument has been deferred indefinitely or has not been approved), and (iii) any development control plan, and (iii) any planning agreement that has been entered into under section 93F, or any draft planning agreement that a developer has offered to enter into under section 93F, and (iv) the regulations (to the extent that they prescribe matters for the purposes of this paragraph), and (v) any coastal zone management plan (within the meaning of the <i>Coastal Protection Act 1979</i>) that apply to the land to which the development application relates,	Consideration of the provisions of all environmental planning instruments (including draft instruments subject of public consultation under this Act) that apply to the proposed development is provided in Appendix C of this report. The Applicant has not entered into any planning agreement under section 93F. The Department has undertaken its assessment of the proposed development in accordance all relevant matters as prescribed by the regulations, the findings of which are contained within this report. The Department is not aware of any coastal zone management plan that applies to the proposed development and in any case, is satisfied that the proposal would have a negligible impact on the coastal zone.
(b) the likely impacts of that development, including environmental impacts on both the natural and built environments, and social and economic impacts in the locality,	The Department has considered the likely impacts of the development in detail in Section 5 of this report. The Department is satisfied that all environmental impacts can be appropriately managed and mitigated through recommended conditions of consent.
(c) the suitability of the site for the development,	Sections 1 to 3.4 and Appendix C of this report provide details on the suitability of the site for the proposed development. The site is located in Port Botany, is zoned for special activities and is permissible with development consent.
(d) any submissions made in accordance with this Act or the regulations,	All matters raised in these submissions have been summarised in Section 4 of this report and given due consideration as part of the assessment of the proposed development (see Section 5 of this report).
(e) the public interest.	The recommended conditions of consent impose a range of controls, which the Department considers will mitigate any potential environmental impacts of the proposed development. Port Botany is considered to be a significant resource that provides substantial direct and indirect economic benefits to the State of NSW. The proposed development would therefore make a positive contribution to the NSW economy by

	allowing the greater utilisation, orderly and economic use of land in Port Botany. As such the proposal is considered to be in the public interest, subject to the imposition of appropriate conditions.
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APPENDIX C CONSIDERATION OF ENVIRONMENTAL PLANNING INSTRUMENTS

State Environmental Planning Policy (Port Botany and Port Kembla) 2013

The subject site is located in the Port Botany Lease Area and the Ports SEPP therefore applies to the proposed development.

The proposal is consistent with key aims of the Ports SEPP are to allow the efficient development, re-development and protection of land at Port for port purposes and to ensure that land around the Lease Area is maintained for port-related and industrial uses.

The site is zoned SP1 (special activities) under the Ports SEPP and the proposed development would be permissible with consent on the subject site. The proposed development would be consistent with key aims of this zone which include (but are not limited to):

- to provide for special land uses that are not provided for in other zones;
- to facilitate development that is in keeping with the existing or intended special use, and that minimises any adverse impacts on surrounding land;
- to maximise the use of waterfront areas to accommodate industrial bulk storage premises that benefit from being located close to port facilities; and
- to provide for development that support the operations of Port Botany.

The proposed development would allow the use of part of the site to be returned to NSW Ports so that it can re-negotiate the future use of the land with a new tenant. Port Botany is considered to be a significant resource that provides substantial direct and indirect economic benefits to the State of NSW. The proposed development would therefore make a positive contribution to the NSW economy by allowing the greater utilisation, orderly and economic use of land in Port Botany.

The Department is satisfied that the proposed development is consistent with relevant provisions of the Ports SEPP.

State Environmental Planning Policy No 55—Remediation of Land

SEPP 55 aims to ensure that potential contamination issues are considered in the determination of a development application.

The Department has reviewed all contamination issues associated with the proposal and outlined in the SEE. A detailed assessment of these issues is provided in Section 4.2 of this report.

The Department is satisfied that it is unlikely that the site is contaminated. However, to ensure that the land to be returned to NSW Ports is suitable for its permissible use, the Department has recommended a condition requiring Qenos to prepare a Site Audit Statement for this land confirming the above, prior to handover. In the unlikely event that this land is found to be contaminated, Qenos would be required to remediate the land in accordance with a plan prepared by an accredited site auditor, prior to handover to NSW Ports.

With these conditions in place, the Department is satisfied that contamination would be effectively managed during the demolition and that the site would be suitable for its on-going permissible uses.

The Department is therefore satisfied that the proposed development is consistent with the intent of SEPP 55.

State Environmental Planning Policy No 33—Hazardous and Offensive Development

SEPP 33 aims to identify proposed developments with the potential for significant off-site impacts, in terms of risk and/or offence (odour, noise etc). A development is defined as potentially hazardous and/or potentially offensive if, without mitigating measures in place, the development would have a significant risk and/or offence impact, on off-site receptors.

The Department's detailed assessment of the proposal against the provisions of SEPP 33 is provided in Section 5.2 of this report.

The Preliminary Hazards Analysis (PHA) for the proposal established that due to the design, choice of location, and risk control measures to be implemented, the proposed changes at the terminal will pose negligible incremental offsite risk to the surrounding land use.

Given that the volume of LPG stored onsite will be significantly reduced once the existing propane and butane tanks are demolished, the overall offsite risk profile of the Hydrocarbon Terminal will also be reduced.

The Department generally concurs with the conclusions of the PHA and is satisfied that the proposed development would reduce hazards and risk profile of the existing Hydrocarbon Terminal, subject to recommended conditions of consent which will ensure the ongoing management of the identified risks and risk controls.

The Department therefore considers the proposed development is consistent with the provisions of SEPP 33.

Randwick Local Environmental Plan 2012

The *Randwick Local Environmental Plan 2012* (RLEP) applies to the whole of the Randwick local government area and therefore applies to the subject site.

The RLEP identifies a number of key aims of relevance to the proposal such as to support a diverse local economy and business and employment opportunities for the community and to support efficient use of land.

While the Department considers that the Ports SEPP is the primary EPI governing land use at the subject site, the Department has considered the proposal against all relevant provisions of the RLEP in its assessment of the proposal in Section 5 of this report, in particular Clauses 5.10 (Heritage), 6.1 (Acid Sulphate Soils), 6.2 (Earthworks), 6.4 (Stormwater Management) and 6.5 (Terrestrial Biodiversity).

The Department is satisfied that the proposal is generally consistent with the relevant provisions of RLEP.

Randwick Development Control Plan 2013

The Randwick DCP aims to compliment the RLEP and applies to the subject site.

The Department exhibited the application in accordance with the requirements of Randwick DCP.

The Department has also considered the proposal against all relevant assessment provisions of the RLEP, in particular the relevant general controls (Part B) and industrial controls (Part D) in its assessment of the proposal and specifically in Section 5 of this report.

The Department is satisfied that the proposal is generally consistent with the RDCP.

APPENDIX D
RESPONSE TO SUBMISSIONS