



Orora Paper Mill, Matraville

*State Significant
Development
Modification Assessment
(05_0120 MOD 9)*



August 2019

© Crown Copyright, State of NSW through its Department of Planning, Industry and Environment 2019

Disclaimer

While every reasonable effort has been made to ensure this document is correct at time of printing, the State of NSW, its agents and employees, disclaim any and all liability to any person in respect of anything or the consequences of anything done or omitted to be done in reliance or upon the whole or any part of this document.

Copyright notice

In keeping with the NSW Government's commitment to encourage the availability of information, you are welcome to reproduce the material that appears in *Orora Paper Mill, Matraville - State Significant Development Modification Assessment* (SSD 05_0120 MOD 9). This material is licensed under the Creative Commons Attribution 4.0 International (CC BY 4.0). You are required to comply with the terms of CC BY 4.0 and the requirements of the Department of Planning, Industry and Environment. More information can be found at: <http://www.planning.nsw.gov.au/Copyright-and-Disclaimer>.



Glossary

| Abbreviation | Definition |
|--------------------|--|
| Consent | Development Consent |
| Council | Randwick City Council |
| Department | Department of Planning, Industry and Environment |
| DoI | Department of Industry |
| EPA | Environment Protection Authority |
| EP&A Act | <i>Environmental Planning and Assessment Act 1979</i> |
| EP&A Regulation | <i>Environmental Planning and Assessment Regulation 2000</i> |
| EPL | Environment Protection Licence |
| GSC | Greater Sydney Commission |
| LEP | Local Environmental Plan |
| Minister | Minister for Planning and Public Spaces |
| Region Plan | <i>Greater Sydney Region Plan</i> |
| RMS | Roads and Maritime Services |
| RTS | Response to Submissions |
| Planning Secretary | Planning Secretary of the Department of Planning, Industry and Environment |
| SEE | Statement of Environmental Effects |
| SEPP | State Environmental Planning Policy |
| SSD | State Significant Development |
| Three Ports SEPP | <i>State Environmental Planning Policy (Three Ports) 2013</i> |
| tpa | Tonnes per annum |



Contents

| | |
|---|------------|
| Glossary | iii |
| 1. Introduction | 1 |
| 1.1 Background | 1 |
| 1.2 Approval History | 2 |
| 2. Proposed Modification | 4 |
| 3. Strategic Context | 5 |
| 4. Statutory Context | 6 |
| 4.1 Scope of Modifications | 6 |
| 4.2 Consent Authority | 6 |
| 5. Engagement | 7 |
| 5.1 Department's Engagement..... | 7 |
| 5.2 Applicant's engagement..... | 7 |
| 5.3 Summary of Submissions..... | 7 |
| 5.4 Response to Submissions | 7 |
| 6. Assessment..... | 8 |
| 7. Evaluation | 12 |
| 8. Recommendation | 13 |
| 9. Determination | 14 |
| Appendices..... | 15 |
| Appendix A – List of Documents..... | 15 |
| Appendix B – Consolidated Consent | 16 |
| Appendix C – Notice of Modification | 17 |



1. Introduction

This report provides an assessment of an application to modify the State significant development (SSD) consent for the Orora (formerly Amcor) Paper Mill (05_0120). The project was originally approved under Part 3A of the *Environmental Planning and Assessment Act 1979* (EP&A Act) and has now been transitioned to SSD.

The modification application seeks approval for an increase to the limit of production from 425,000 tonnes of paper per annum to 500,000 tonnes of paper per annum.

The application has been lodged by Orora Limited (the Applicant) pursuant to section 4.55(1A) of the EP&A Act.

1.1 Background

The Applicant operates a paper mill at 1891 Botany Road, Matraville in the Randwick local government area (refer to **Figure 1**).



Figure 1 | Site Location

A paper mill has operated at the site since 1902, when the Federal Paper Mills Company constructed and commissioned their No. 1 machine (B1). In the 1960s, two buildings were constructed on the eastern boundary of the site to house the B7 and B8 paper machines. These paper machines used wastepaper as source material to produce brown paper for boxes, cardboard and packaging.

The site contained a large central waste paper storage area, numerous tanks for fibre and water storage, a wastewater treatment plant, a substation and boiler house, chemical and engineering stores, and an administration office and car parking.

In the early 2000s, Amcor (the former site owner) identified that the operational lives of the B7 and B8 machines were coming to an end and planned for a new paper machine. This was the catalyst for the initial project application (05_0120) and the approval of the B9 paper mill.

The B7 and B8 paper machines ceased operation in July 2012 and the B9 paper mill commenced full production in early 2013.

The disused B7 building was severely damaged by fire and was demolished in 2017. The adjacent B7 reel store building was previously used for storage and manufacturing purposes, however is no longer fully utilised and is in a dilapidated state. Two smaller buildings next to the B7 reel store include a demountable (former training room) and a smaller brick building (former credit union). These buildings are in the process of being demolished, with the reel store to be demolished around September 2019 and all demolition work estimated to be completed by December 2019.

The site is zoned IN1 General Industrial under *State Environmental Planning Policy (Three Ports) 2013* (Three Ports SEPP). The site is surrounded by a mix of industrial, commercial, public recreation and residential land uses. The closest residence is located approximately 26 metres (m) east of the site boundary on Partanna Avenue. A variety of commercial and light industrial uses are located to the north, north east and north-west of the site along McCauley Street. Industry associated with the Port Botany container terminal is located to the south and south-west of the site, on the opposite side of Botany Road.

1.2 Approval History

On 20 July 2007, project approval was granted by the then Minister for Planning under the now repealed Part 3A of the EP&A Act for the development of the Orora (formerly Amcor) Paper Mill (05_0120). The project was transitioned to SSD by order, which took effect by publication in the NSW Government Gazette on 25 May 2018.

The 2007 approval permits the following works:

- installation and operation of a new paper machine (B9) housed in a new industrial building
- production of a maximum 380,763 tonnes of paper per year
- decommissioning of two existing paper machines (Buildings B7 and B8)
- construction of a new finished product store building
- development of covered loading areas, a new engineering store and workshop
- expansion of the waste paper storage area
- demolition of some redundant buildings and infrastructure.

The approval has been modified on seven occasions (see **Table 1**).

Table 1 | Summary of Modifications

| Mod No. | Summary of Modifications | Consent Authority | Type | Approval Date |
|---------|--|-------------------|------|---------------|
| MOD 1 | Approval for additional demolition works | Minister | 75W | 25 July 2008 |
| MOD 2 | Approval for the subdivision of the site, changes to the site layout and access arrangements on McCauley Street, increased the permitted operational noise limits and allowed further noise mitigation works, including construction of a noise wall along the northern boundary and around the waste paper storage yard | Minister | 75W | 12 July 2010 |

| Mod No. | Summary of Modifications | Consent Authority | Type | Approval Date |
|---------|---|-------------------|----------|-------------------|
| MOD 3 | Approval for the operations of the new paper mill (B9) to commence before McCauley Street upgrade works have been completed | Minister | 75W | 11 December 2012 |
| MOD 4 | Approval to continue operating new paper mill (B9) and use of B-Doubles before McCauley Street upgrade works have been completed | Minister | 75W | 28 February 2013 |
| MOD 5 | Approval for the demolition of the fire damaged B7 building, a minor amendment to the approved subdivision layout, approval to construct a future noise wall and a minor relocation of the existing McCauley Street site access | Minister | 75W | 25 September 2015 |
| MOD 6 | Approval to upgrade the existing primary wastewater treatment plant (WTP) to include a two-stage secondary treatment process involving both aerobic and anaerobic treatment | Minister | 75W | 30 September 2016 |
| MOD 7 | Approval for an increase in annual paper production from 383,763 tonnes to 425,000 tonnes | Minister | 75W | 25 November 2016 |
| MOD 8 | Approval for staged demolition of the B7 reel store and an extension of the existing shipping container noise barrier along the north-eastern boundary of the site | Minister | 4.55(1A) | 29 October 2018 |

This modification application seeks approval for an increase to the limit of production from 425,000 tonnes of paper per annum to 500,000 tonnes of paper per annum. The current physical capabilities of the paper mill have the capacity to produce up to approximately 584,000 tonnes of paper per annum, as such this increase can be achieved through the existing operations on site.



2. Proposed Modification

The Applicant has lodged an application under section 4.55(1A) of the EP&A Act to modify 05_0120 to increase the production limit of the paper mill.

The original project approval allowed for a production limit of 383,763 tonnes of paper per annum. In accordance with MOD 7, the paper mill currently has a production limit of 425,000 tonnes of paper per annum, which was required to facilitate an increase in demand. The Applicant has stated that the increase in production limit can be achieved within the existing physical capabilities of the site, noting that the current physical limit of the B9 Paper Mill's production is above 1,600 tonnes a day. However, it is infrequently operated at this capacity. This physical capacity would equate to approximately 584,000 tonnes per year.

The proposed modification seeks to increase the production limit to 500,000 tonnes of paper per annum.

The proposed increase does not require an increase in staff, changes in facilities or introduction of new equipment. The Applicant states the increase would provide sufficient capacity for the B9 Paper Mill to accommodate predicted future demand for ten years.

However, as a result of the increase in production there would be an increase in vehicle movements to and from the site (see **Table 2**).

Table 2 | Trip generation comparison (average daily traffic volumes)

| | Current | Proposed | Difference |
|-----------------------|---------|----------|------------|
| Light Vehicles | 150 | 150 | Nil |
| Heavy Vehicles | 168 | 212 | + 44 |
| Total Vehicles | 318 | 362 | + 44 |
| Total Trip Generation | 636 | 724 | + 88 |



3. Strategic Context

In March 2018, the Greater Sydney Commission (GSC) published the *Greater Sydney Region Plan* (Region Plan) and the associated District Plans. The Region Plan replaces *A Plan for Growing Sydney* and outlines how Greater Sydney will manage growth and change and guide infrastructure delivery. It sets the vision and strategy for Greater Sydney, to be implemented at a local level through District Plans. The site is located within the Eastern City District.

The site is located on land within the Port Botany precinct which is identified in the Region Plan as a strategically significant trade gateway. Port Botany is Australia's second largest container port and is forecast to grow significantly, with the container traffic projected to grow from 2.4 million to 8.4 million containers by 2050. The industrial zoned land within the Port Botany precinct provides jobs predominantly in transport, postal and warehousing, manufacturing and wholesale trade sectors.

Productivity Objective 16 of the Region Plan seeks to ensure freight and logistics networks are competitive and efficient. Specifically, Strategy 16.1 seeks to manage the interfaces of industrial areas, trade gateways and intermodal facilities by:

- requiring sensitive development within the influence of port and airport operations to implement measures that reduce amenity impacts
- providing buffer areas to nearby activities such as residential uses that are sensitive to emissions from 24-hour port and freight functions
- improving communication of current and future noise conditions around Port Botany, airports, surrounding road and rail networks, intermodal terminals and supporting private lands.

These objectives are further supported by the Actions set out in the Eastern City District Plan. For example, Action 37, to protect and grow trade gateways by:

- retaining industrial zoned land in and near Port Botany precinct
- improving management of land use conflicts.

These measures are relevant to the subject modification, as the site is located within the Port Botany precinct at the interface of sensitive land uses. The modification is seeking to continue the site's industrial operations while minimising its impacts on neighbouring residential land uses.

Overall, the proposed modification is consistent with the strategic direction set out for Greater Sydney in the Region Plan and Eastern City District Plan.



4. Statutory Context

4.1 Scope of Modifications

The Department has reviewed the scope of the modification application and considers that the application can be characterised as a modification involving minimal environmental impacts as the proposal:

- would not significantly increase the environmental impacts of the development as approved
- is substantially the same development as originally approved
- would not involve any further disturbance outside the already approved disturbance areas for the development.

Therefore, the Department is satisfied the proposed modification is within the scope of section 4.55(1A) of the EP&A Act and does not constitute a new development application. Accordingly, the Department considers that the application should be assessed and determined under section 4.55(1A) of the EP&A Act rather than requiring a new development application to be lodged.

4.2 Consent Authority

The Minister for Planning and Public Spaces is the consent authority for the application under section 4.5(a) of the EP&A Act. However, under the Minister's delegation dated 11 October 2017, the Director, Industry Assessments, may determine the application under delegation as:

- the relevant local council has not made an objection
- a political disclosure statement has not been made
- there are no public submissions in the nature of objections.



5. Engagement

5.1 Department's Engagement

Clause 117(3B) of the *Environmental Planning and Assessment Regulation 2000* (EP&A Regulation) specifies that the notification requirements of the EP&A Regulation do not apply to SSD applications. Accordingly, the application was not notified or advertised. However, it was made publicly available on the Department's website and was referred to Randwick City Council (Council), Environment Protection Authority (EPA), Department of Industry (Dol), Roads and Maritime Services (RMS) and Sydney Water.

5.2 Applicant's engagement

Elton Consulting, on behalf of the Applicant, consulted with stakeholder and community members by the way of a community newsletter distributed on 3 June 2019 to 1,300 surrounding residents and interested parties to inform them of the proposed increase in production limit. An email address and 1800 number were established and included in the newsletter to receive any ongoing feedback.

5.3 Summary of Submissions

RMS did not object to the modification application.

EPA did not object to the modification application, however, EPA did request further information on the potential increases in air pollutants and noise levels resultant from the production increase. The Applicant addressed the queries in their response to submissions (RTS) and EPA provided no further comments.

Dol did not object to the modification application, however, Dol did reiterate that the development takes water from its water source in accordance with its licence conditions. Any additional requirements would require additional licence entitlements.

Council did not object to the modification application, however, Council did reiterate that the Applicant must ensure the existing conditions in relation to odour impact and acoustic amenity remain, as well as ensuring that no on-street queuing or parking of vehicles occurs.

Sydney Water did not object to the modification application, however, the agency requires the Applicant to apply for a compliance certificate, under Section 73 of the *Sydney Water Act 1994*, if the development will require any extensions or amplifications to service the site in the future.

5.4 Response to Submissions

The Applicant provided an RTS on 13 June 2019. The RTS was provided to EPA, Dol and Sydney Water, and was made available on the Department's website. A copy of the RTS is included in Appendix A.

The RTS addressed the concerns raised relating to the production increase and potential increases in noise and air emissions, as well as the management of waste water from the development. The Applicant clarified that there are no increases in air pollutants and that noise monitoring undertaken concluded that the operations do not have any influence on the local ambient or background noise levels. Regarding the wastewater treatment, the RTS stated that the site operates under a trade waste license, requiring no new infrastructure and will not result in any potential extensions or amplifications requiring a Section 73 application.

The agencies were satisfied with the RTS provided by the Applicant, noting no objection to the proposed increase in production limit.



6. Assessment

The Department has assessed the merits of the proposed modification. During this assessment, the Department has considered the:

- SEE provided to support the proposed modification (see **Appendix A**)
- original development application, supporting documents and assessment
- submissions from the State government authorities and Council (see **Appendix A**)
- relevant environmental planning instruments, policies and guidelines
- requirements of the EP&A Act, including the objects of the EP&A Act.

The Department's assessment of the proposed amendment to the production limit of the paper mill is provided in **Table 3**.

Table 3 | Assessment of Issues

| Issue | Findings | Recommended Condition |
|--------------------|---|--|
| Traffic generation | <ul style="list-style-type: none">• Condition 5 sets out a maximum production volume per annum, where the development is to not exceed a maximum production volume of 425,000 tonnes of paper per annum.• This modification seeks to increase the production volume to a maximum volume of 500,000 tonnes per annum.• The proposed modification will result in an increase in trip generation to and from the site, specifically for heavy vehicle trips. The increase in vehicle trips would be an additional 88 trips per day.• No increase in light vehicle trips is proposed.• The Applicant undertook a traffic impact assessment to assess the impact of the increased traffic generation upon the local road network. The assessment found the increase in vehicle trips would have a negligible impact on the surrounding road network given the existing high traffic volumes on Botany Road and McCauley Street.• Primary access to the site is from the Botany Road / Bumborah Point Road intersection, with access along McCauley Street used for egress, and rarely for ingress.• The total vehicle trips per day are less than that what was predicted under Modification 2, which predicted 776 trips per day on average. Whereas, the current modification predicts an average of 724 trips per day on average.• Council and RMS reviewed the information and did not raise any concerns with the proposed increase in production volume and did not object to the modification.• The existing traffic management plan and operational environmental management plan adequately address | <ul style="list-style-type: none">• No additional conditions required. |

| Issue | Findings | Recommended Condition |
|------------------|---|------------------------------------|
| | <p>issues relating to traffic, as such this modification will be required to comply with the management plans.</p> <ul style="list-style-type: none"> The Department's assessment concludes that traffic impacts associated with the modification would be appropriately managed through the implementation of the existing conditions of consent. | |
| Noise impacts | <ul style="list-style-type: none"> The current operations of the B9 Paper Mill occur 365 days a year, 24 hours a day. Therefore, operational noise modelling has assumed that the mill is operating at full capacity. Noise generated from the site is from the mill's operation, as well as traffic movements to and from the site. The Applicant has stated the increase in production limit will not result in an increase in operational noise or operating times. However, there will be a resultant increase in heavy vehicle movements. The EPA requested confirmation that the increase in production limit would not create any additional noise impacts upon local residents. The Applicant provided additional evidence to address the queries raised by EPA, which included a quarterly noise monitoring report. The noise impacts associated with the increase in vehicle movements are considered negligible given the existing traffic volumes on Botany Road and McCauley Street. In addition, the minimal increase will maintain compliance with the existing noise limits applied to the consent. The EPA have indicated that noise generated at night (the most sensitive period in terms of potential impact to nearby residences) is currently modelled on the plant operating at full capacity, and that it is satisfied that noise emissions from the mill operating at maximum capacity would remain within established operational noise criteria. The Department considers that the increase in production limit and any noise impacts can be managed through the existing noise barriers and operational noise management plan on site. Furthermore, no noise complaints have been received relating to the operations on site. The Department's assessment concludes that the noise impacts associated with the modification would be appropriately managed through the implementation of the existing conditions of consent. | No additional conditions required. |
| Waste generation | <ul style="list-style-type: none"> The paper mill generates two types of solid waste, biosolids (cellulose fines and inorganic filler) and general solid waste, as well as wastewater. Waste and wastewater increase proportionally with the increase in production. Biosolids are collected from the process of cleaning the wastewater, these are then processed off-site for land re-use. The increase in production will generate an additional 6,500 tonnes per annum (tpa) of biosolids (from 36,200 tpa to 42,700 tpa). | |

| Issue | Findings | Recommended Condition |
|-----------------------|--|---|
| | <ul style="list-style-type: none"> General solid waste, which are materials removed from the pulp early in the process, will also increase from 37,515 tpa to 44,250 tpa. 100% of the biosolids and aerobic biomass generated will continue to be recycled, and 90% of general solid waste will be processed into coal replacement material. The Applicant notes that solid waste generation has decreased by over 10% since 2016 and continues to decrease in real terms compared with production increases. The Department accepts that while there will be an increase in waste generated as a result of the increase in production limit, the waste is being suitably recycled and reused. The Department accepts that while there has been increased in waste over that originally assessed, this waste is being suitably recycled and reused. | |
| Odour and air quality | <ul style="list-style-type: none"> The proposal has the potential to increase odour levels from the paper making process and increase pollutants generated from the burning of gas in the boiler house to produce steam. There will be no increase in odour, and only a small increase in airborne pollutants, however, this increase is still within the allowable limits. The performance of the paper mill is managed through the requirement to comply with Section 129 of the <i>Protection of the Environment Operations Act 1997</i>, which requires the Proponent not to cause or permit the emission of any offensive odour, and this is reflected by Condition 1, Schedule 3 of the development consent. The Council considers this condition appropriate to manage concerns relating to potential odour impacts to nearby sensitive receivers. Pursuant to the Environment Protection Licence (EPL), the paper mill has load limits on a number of key pollutants from the burning of gas in the boiler house. The mill currently emits only 44% of its allowable annual maximum Nitrogen Oxides and approximately 46% of its allowable annual maximum coarse and fine particulate limits. As a result of the increase in production limit the quantity of pollutants would increase to <52% for Nitrogen Oxides and <56% for fine and coarse particulates. EPA raised concerns relating to odour emissions as they had received complaints regarding the operations on site emitting odour. The Applicant addressed these concerns in the RTS, noting that the complaints related to the wastewater treatment plant and were completely independent of the operating condition of the production line. EPA reviewed the RTS and confirmed it was satisfied the increase in production limit would not result in an increase in odour impacts, and that the increase in pollutants would be appropriately managed through the existing EPL. The Department concurs with the EPA. Therefore, the Department's assessment concludes the increase in | No additional conditions or amendments necessary. |

| Issue | Findings | Recommended Condition |
|-------|--|-----------------------|
| | airborne pollutants will not have any unreasonable impact on the surrounding air quality and the amenity of surrounding residential development. | |



7. *Evaluation*

The Department has assessed the proposed modification in accordance with the relevant requirements of the EP&A Act. On balance, the Department considers the proposed modification is appropriate on the basis that the:

- proposed modification is substantially the same development as that originally approved
- will result in minimal environmental impacts beyond the approved Orora Paper Mill
- proposed increase in production volumes do not require an increase in staff, no new building work or no new equipment.

The Department is satisfied the modification should be approved for 05_0120 MOD 9.



8. Recommendation

It is recommended that the Director, Industry Assessments, as delegate of the Minister for Planning and Public Spaces:

- **considers** the findings and recommendations of this report
- **determines** that the application 05_0120 MOD 9 falls within the scope of section 4.55(1A) of the EP&A Act
- **accepts and adopts** all of the findings and recommendations in this report as the reasons for making the decision to grant approval to the application
- **modify** the consent 05_0120
- **signs** the attached instrument of modification (**Attachment C**).

Recommended by:

Ania Dorocinska

Senior Environmental Assessment Officer
Industry Assessments

Recommended by:

Joanna Bakopanos

Team Leader
Industry Assessments



9. Determination

The recommendation is: **Adopted by:**

Chris Ritchie

Director

Industry Assessments

1/8/19



Appendices

Appendix A – List of Documents

Statement of Environmental Effects –

<https://www.planningportal.nsw.gov.au/major-projects/project/12721>

Submissions –

<https://www.planningportal.nsw.gov.au/major-projects/project/12721>

Response to Submissions –

<https://www.planningportal.nsw.gov.au/major-projects/project/12721>

Appendix B – Consolidated Consent

Appendix C – Notice of Modification