

**PRELIMINARY ENVIRONMENTAL
ASSESSMENT
WASTE OIL TRANSFER STATION
85 CHRISTIE STREET, ST MARYS
On behalf of
Southern Oil Refineries Pty Ltd
April 2006**

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PRELIMINARY ENVIRONMENTAL ASSESSMENT

Proposed Waste Oil Transfer Station

85 Christie Street, St Marys

Prepared under instructions from

Southern Oil Refineries Pty Ltd

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Appendix 1 – Correspondence from Penrith City Council
Appendix 2 – Correspondence from Department of Planning

1. INTRODUCTION

1.1 Overview

This Preliminary Environmental Assessment has been prepared pursuant to the Department of Planning's (DoP) correspondence dated 31 January 2006 and is on behalf of Southern Oil Refineries Pty Ltd. The proposal seeks approval for the construction of a Waste Oil Transfer Station upon land identified as Lot 132 in DP 31812 and known as 85 Christie Street, St. Marys.

1.2 Background to the Proposal

Klekies Pty Ltd started as a private company in 1985 collecting used engine oil for burning in boilers and hothouses. The two owner-drivers developed a well planned storage and tank farm in West Gosford. This business quickly became an industry leader in environmental waste management, expanding into servicing motor workshops, car dealerships and transport yards, collecting waste oil, oil filters and oily water over a radius exceeding 100 kilometres.

In 1994 Southern Oil Refineries was formed with a goal to establish a used oil refinery for the recovery of base oils. This has resulted in the construction of a specialist used oil refinery at Wagga Wagga based on standard virgin oil refining technologies and adapted for the specific contaminants of used oil. This refinery processes 65,000 litres of used oil daily and is the only plant in Australia capable of re-refining used oil back to the original quality standards of virgin base oil as manufactured in the base oil plants of the major oil companies.

The investment fund manager, Babcock and Brown, made a decision in 2005 to develop an "environmental and sustainability company" focused on the recovery of valuable used resources and energy generated from renewable resources. Subsequently Babcock and Brown Environmental Investments Ltd, a listed company was established with a goal to develop a portfolio of \$1 billion in such companies. With a current market capitalisation of \$200 million it is already well along the track, having already secured the following developments:

- Natural Fuels Australia Ltd: 50% ownership of a new bio-diesel plant being built in Darwin manufacturing diesel fuel from palm oil.
- Earthpower Ltd: a power generator using methane recovered from anaerobically digested food waste based in Camellia Sydney.
- Southern Oil Refining Ltd: the Wagga Wagga based parent company of Klekies Pty Ltd.
- Denco: a large-scale producer of ethanol (for motor vehicle fuel) from corn in Minnesota USA.

This fiscal year an additional \$12m will be invested in Southern Oil Refineries and its associated operations resulting in production increasing by 50% to 100,000 litres per day. This increase in production has necessitated a need to relocate the existing waste oil transfer station operated by Southern Oil Refineries Pty Ltd from the Central Coast to a more centralised geographical location in order to minimise the distances travelled by collection vehicles. The proposed new location will significantly improve service times and productivity.

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2. THE SITE

The subject site is identified as Lot 132 in DP 31912 and is known as 85 Christie Street, St Marys. The site is located within the Penrith Local Government Area. The site has an area of 4553m² and is located on the northwestern site of Christie Street. The site has a street frontage of 119.25m to Christie Street.



Location Map

The site is relatively level, with a slight fall to the north, towards Christie Street. The level at the rear northern corner of the site is RL22.03, which falls to RL21.31 at the street frontage. The site currently comprises two separate factory structures. A brick and galvanised iron factory building is located adjacent to the western boundary of the site, with a concrete factory building located adjacent to the northeastern boundary. Two detached structures are located at the rear (northwest) of the concrete factory building. A wire mesh fence is currently erected along the front boundary of the site.

The rear portion of the site is currently vacant and is the location of the proposed Waste Oil Transfer Station.

Vehicular access is provided to the site via a concrete driveway located centrally. This driveway provides vehicular access to both of the existing buildings and to the rear portion of the site.



View of the site from Christie Street



View towards rear portion of site – proposed location of transfer station



View towards western boundary



View towards Street from the proposed location of the facility

3. THE SURROUNDING ENVIRONMENT

The immediately surrounding area comprises a variety of industrial uses, with Dunheved Golf Course located to the west of the disused train line located adjacent to the site. The industrial uses within the locality include concrete batching plant, metal recycling, foam rubber manufacturers and warehouse and distribution centres

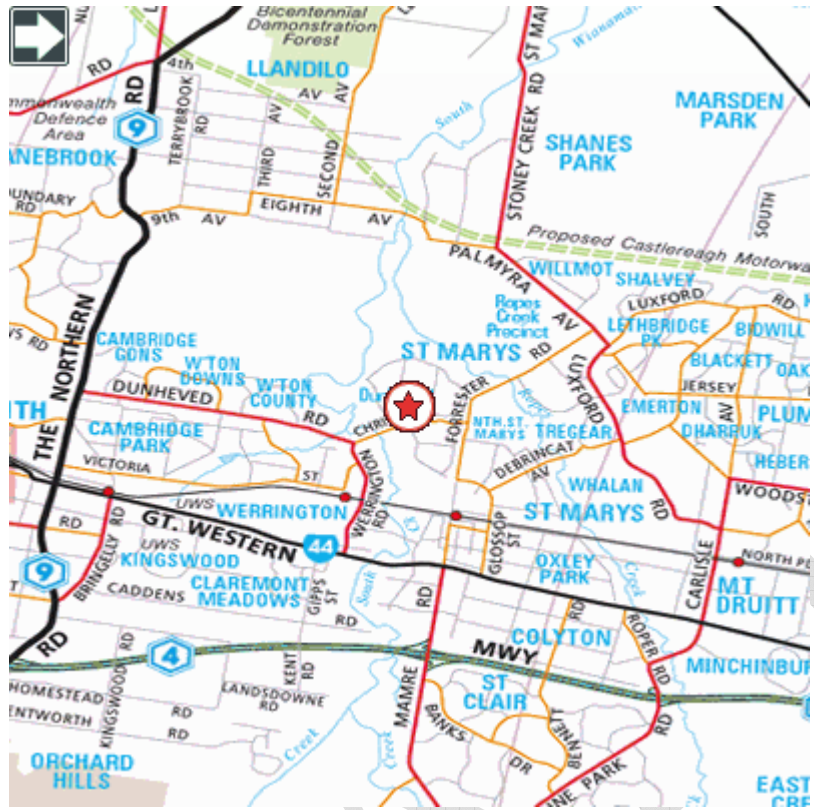
The sites relationship with the surrounding area is depicted in the following aerial photograph:



Aerial photo of the site

★ Location of Proposed Development

The site is well located with regard to transport. The St Mary's/Dunheved Industrial area is accessible via the M4 Motorway, Great Western Highway and the Northern Road.



Site Location Map

4. THE PROPOSAL

The proposed development seeks to relocate the existing waste oil transfer station from the existing site on the Central Coast to the rear of No. 85 Christie Street, St Marys.

The development comprises a used oil collection and consolidation operation incorporating an oil tank farm and a warehouse/office building. The oil tank farm comprises 9 above ground metal storage tanks and 1 boiler to be located adjacent to the western boundary of the site. The storage tanks range in capacity from 55,000L to 120,000L with an overall total capacity of 450,000L. The tanks and boiler will be contained within a bunded area as indicated on the plans, with the bund being 110% larger than the largest tank.

Six (6) 8-10 tonne trucks will then operate from the site, collecting used oil from a range of customers including motor repairers, car dealerships and transport yards and then will transport the collected used oil back to the subject site. Each vehicle will average 2 movements per day. A bulk tanker will then collect and transport the consolidated and pre-treated oil from the St Marys site to Wagga Wagga, approximately 3 to 4 times per week.

The only processing of used oil to occur on site is pre-heating of the oil to approximately 80-90 degrees. This heating process assists in settling the excess water from the used oil prior to transportation to Wagga Wagga. The water is then removed from the site for disposal at an industrial water treatment plant. This heating process would be gas fired.

It is anticipated that 5.5 million litres, or 5000 tonnes, will pass through the waste oil transfer station per annum.

The waste oil transfer station will employ up 11 staff comprising:

- 6 collection truck drivers
- 1 yardman/relief driver
- 3 administration and management staff.

The hours of operation of the waste oil transfer station are proposed to be:

- Monday to Friday: 6am to 6pm
- Saturday: 6am to 12 noon

5. ZONING AND DEVELOPMENT CONTROLS

5.1 Environmental Planning & Assessment Act, 1979

Pursuant to Clause 75B (1)(a) the proposed development is identified as an activity that is subject to the provisions of Part 3A of the Act. Clause 75D(1) requires the Ministers approval for development identified in Clause 75B.

Correspondence from the Department of Planning, copy attached in **Appendix 2**, advised that the Director-General of the Department of Planning formed the opinion that the proposal is a Major Project to which Part 3A of the Act Applies.

Section 75E requires a formal application, accompanied by a preliminary assessment, to be submitted to the Director-General. Under Section 75F(2), when an application has been made for the Minister's approval for a project, the Director-General is to prepare environmental requirements having regard to any relevant guidelines. These environmental requirements will then form the basis of the Environmental Impact Statement.

5.2 State Environmental Planning Policy (Major Projects)

Clause 6(1) – Identification of Part 3A Projects, provides:

- (1) *Development that, in the opinion of the Minister, is development of a kind:*
 - (a) *that is described in Schedule 1 or 2, or*
 - (b) *that is described in Schedule 3 as a project to which Part 3A of the Act applies, or*
 - (c) *to the extent that it is not otherwise described in Schedules 1–3, that is described in Schedule 5,**is declared to be a project to which Part 3A of the Act applies.*

The proposal for a Waste Oil Transfer Station is characterised as a development requiring the Ministers consent under Group 9 – Resource and Waste Related Industry, and specifically Clause 27(6)(b) of Schedule 1 which states:

- (6) *Development for the purpose of any other liquid waste depot that treats, stores or disposes of industrial liquid waste and:*
 - (b) *handles more than 1,000 tonnes per year of other aqueous or non-aqueous liquid industrial waste.*

Therefore, the proposal is subject to the provisions of Part 3A of the Environmental Planning & Assessment Act.

5.3 State Environmental Planning Policy 33 – Hazardous & Offensive Development

SEPP 33 (Hazardous & Offensive Development) applies to the subject development and the proposal is identified as a ‘potentially hazardous industry’. This has been identified in the correspondence prepared by M.J.S Dangerous Goods Solutions dated 27 February 2006. In accordance with this classification a Preliminary Hazard Analysis (PHA) is required and will be prepared in accordance with Hazardous Industry Planning Advisory Paper No. 6 – Guidelines for Hazardous Analysis. This documentation will accompany the Environmental Impact Statement.

5.4 Penrith Local Environmental Plan 1996 Industrial Land

Under the provisions of the PLEP 1996, the subject site is zoned 4(a) General Industrial Zone. The proposed development for a waste oil transfer station and associated office/warehouse is permissible in the 4(a) zone as an innominate use, subject to the development not being classified as an offensive or hazardous industry/storage establishment. The objectives of this zone are:

- (i) to encourage a diversity of industrial employment generating activities, and*
- (ii) to promote development which observes responsible, and environmentally sound, management practices, and*
- (iii) to promote development which makes efficient use of industrial land, and*
- (iv) to permit development which serves the daily convenience needs of persons working within industrial areas, and*
- (v) to permit development for the purpose of recreational facilities, child care centres or community facilities to serve the needs of the workforce of the industrial areas and adjacent residential communities, and*
- (vi) to promote development of land with frontage to Castlereagh Road, Old Bathurst Road and Christie Street which, by its architectural and landscape design, will enhance their gateway entry roles to the City of Penrith, and*
- (vii) to prohibit development of land for any purpose if the development will:*
 - (A) have direct vehicular access between that land and Castlereagh Road or Parker Street, and*

(B) significantly affect the function, efficiency and safety of Castlereagh Road or Parker Street.

It is considered that the proposal satisfies these objectives for the following reasons:

- The proposed facility will employ up to 11 staff, the majority of which are likely to be local.
- The facility is a unique facility that contributes to the diversity of the industrial area.
- Southern Oils Refineries Pty Ltd is an environmental sustainable company, with the proposed facility serving as a oil transfer station, where the oil will ultimately be available re-use as treated at the Wagga Wagga facility.
- The proposal makes efficient use of a currently unutilised portion of land.

Development Control Plan 1996 Industrial Land (April 2003) (DCP) also applies to the site. The proposal will achieve compliance with this DCP.

Preliminary discussions with Penrith City Council's Development Panel have been carried out. A copy of Council's correspondence dated 30 January 2006 is attached as **Appendix 1**.

6. ENVIRONMENTAL CONSIDERATIONS

Consultation

A licence under the provisions of the Protection of the Environment Operations Act will be required. Currently the Central Coast site has a facility licence. The facility will also need to obtain a Dangerous Goods Licence.

Visual Amenity

The proposed waste oil transfer facility is located at the rear (northern portion) of the subject site. There are two separate industrial buildings located to the south of the site. As such the proposed oil storage tanks and associated warehouse/office will be substantially screened from Christie Street. Notwithstanding this, the subject site is located within an industrial area which is characterised by a variety of large masonry, concrete and metal buildings generally with minimal setbacks to the street and side boundaries. Therefore it is not considered that the proposal will detract from the visual amenity of the locality.

It is noted that Dunheved Golf Club is located to the west of the subject site, however the site is separated by a disused train line, earth embankment, Links

Road and landscaping. It is considered that subject to appropriate separation and the provision of additional landscaping that the proposal will not have any detrimental impact on the visual amenity from Dunheved Golf Club.

The site is located approximately 1km from any residential property and as such will not have any visual impact on any residential areas.

Noise

It is not considered that the proposal will result in any unreasonable noise impacts. The site is located within an existing industrial area. The proposal for a waste oil transfer station is not expected to generate any detrimental noise impact given that the proposal does not incorporate any significant processing on site. The site is appropriately separated from surrounding residential properties. In terms of noise from traffic, the proposal will generate approximately 12 truck movements per day, with an additional 3-4 movements per week by a bulk tanker. It is considered that these vehicle movements within the proposed hours of operation will not have a detrimental impact on the amenity of the locality or surrounding properties.

Air Quality

It is not considered that the proposed waste oil transfer station will have any detrimental impact on air quality, given that there is no significant processing carried out on site.

Traffic & Transport

The waste oil transfer station will operate 6 collection vehicles at an average of two movements per day per vehicle. These vehicles will be stored on site after hours. Bulk tankers, which transport the waste oil to Wagga Wagga, will service the site 3-4 times per week. In addition there will be up to 11 staff on site.

The site is accessible via major roads, including the Great Western Highway, M4 Motorway, Werrington Road, the Northern Road which do not dissect residential areas in close proximity. It is considered that there will be minimal impact on the existing traffic flows or infrastructure given the existing movements within the existing industrial area.

Heritage

The site is not a heritage listed item nor is it located within close proximity to any heritage items. It is not considered that there are any items of heritage significance on the site. Therefore in my opinion the proposal will not result in any heritage impacts.

Views

The site and its surrounds are relatively flat and do not currently enjoy any significant views. The proposed development will therefore not obstruct any significant views from adjoining properties or the public domain.

Flora & Fauna

The proposed development is located to the rear of an existing industrial site. The site is cleared and does not contain any significant vegetation and as such the proposal will not have any impact on endangered flora or fauna. The development site will be appropriately landscaped to enhance the area.

Social & Economic Impact

The proposed development for a waste oil transfer station will employ up to eleven people with most being recruited from the local area. It is not considered that the proposal will have any negative social impacts.

Bushfire

The subject site is identified as Bushfire Prone Land on Council's Bushfire Prone Land Map. However, the Planning for Bushfire Protection Guidelines apply only to Class 1, 2 and 3 residential developments. The proposal will be assessed under the provisions of the Building Code of Australia in relation to fire protection.

Safety, Security & Crime

The site will be appropriately fenced to ensure unauthorised access is restricted to the site. Full details of fencing will be provided with the plans accompanying the Environmental Impact Statement.

Surrounding Land Use

The proposal is a permissible use within the 4(a) General Industrial zone. It is considered that the use of the site is compatible with the existing surrounding uses within the industrial locality as discussed in Section 5.4 of this report.

Access

The proposed development is accessed via the existing driveway. A turning area has been provided on site to allow all vehicles to enter and leave the site in a forward direction. The vehicle access point allows for appropriate sight distances to ensure safe access and egress.

Construction

The construction period would generate very limited noise. Any noise generated by the construction would be of short duration and in accordance with the relevant guidelines. The isolation of the site from any residential property will mitigate any noise impacts that might occur.

Prior to the commencement of construction appropriate soil erosion and sedimentation measures will be installed.

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7. CONCLUSION

Pursuant to Schedule 2 of SEPP (Major Projects) the proposed Waste Oil Transfer Station is a major project and requires consent of the Minister in accordance with Part 3A of the Environmental Planning & Assessment Act, 1979.

Correspondence from the Department of Planning (Appendix 2) confirmed that the proposal is a Major Project to which Part 3A of the Act Applies. This formal application is submitted to the Director-General pursuant to Section 75E, to enable the Director-General to prepare environmental assessment requirements.

The proposed waste oil transfer station is permissible on land zoned 4(a) under the Penrith Local Environmental Plan 1996 – Industrial Land. This preliminary environmental assessment in my opinion has demonstrated that the development is an acceptable development for the site.

Natalie Nolan
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April 2006