

ASSESSMENT REPORT

Spent Potlining Recycling Facility MP 06_0050 MOD 1

1. INTRODUCTION

This report is an assessment of a request to modify Project Approval (MP 06_0050) for the Spent Potlining Recycling Facility (the site) located on Tomago Rd, Tomago in the Port Stephens local government area.

The request has been lodged by Regain Service Pty Ltd (the Proponent) pursuant to section 75W of the *Environmental Planning and Assessment Act 1979* (EP&A Act). The Proponent seeks approval to remove the restrictions on the source of the spent potliner (SPL).

2. BACKGROUND

The site, legally known as Lots 15 and 16 in DP 258020, is located within the Tomago Aluminium Smelter (the smelter) owned by the Tomago Aluminium Company (TAC) (see **Figure 1**). TAC and the Proponent have a commercial arrangement whereby TAC leases part of the smelter property to the Proponent for the treatment of the SPL waste.

The site currently processes up to 20,000 tonnes per annum (tpa) of SPL waste from the Tomago Aluminium Smelter and the Hydro Aluminium Smelter. The process to treat SPL waste can be summarised into three processes:

1. preparation: where SPL waste is prepared for reprocessing (sorting, crushing and grinding);
2. heat treatment: where the waste undergoes heat treatment combined with exposure to air and water to reduce the hazardous nature of the waste. The treatment process destroys the low levels of cyanide and neutralises the flammable gas hazard associated with the SPL while retaining the valuable materials such as carbon, fluorides, and other inorganic compounds; and
3. blending: where the treated waste is blended to form mineral products that achieve end user product specifications.

The SPL end-products, known as ReAl and HiCal act as a 'flux' or 'mineralisers', effectively lowering the firing temperature required to fuse raw materials used in the manufacturing of bricks and cement.

There are no proposed changes to the process and activities undertaken at the site as part of the modification.

The proposed modification is requested on the basis that there has been a decline in the market supply of SPL waste, following the closure of Kurri Kurri Aluminium Smelter in 2012. To ensure the commercial viability of the site, other sources of the SPL waste are required from aluminium smelters in the region and interstate.



Figure 1: Site Location

3. APPROVAL HISTORY

On 7 August 2009, the then Director General as delegate of the Minister for Planning granted Project Approval for the Spent Potlining Recycling Facility. The approval permitted the following:

- the construction and operation of a processing facility at the Tomago Aluminium Smelter site to convert approximately 20,000 tpa of SPL waste classified as hazardous waste from the Tomago Aluminium Smelter and the Hydro Aluminium Smelter into fuel and industrial mineral products; and
- the installation and operation of a feed preparation plant; detoxification plant; and blending plant.

4. PROPOSED MODIFICATION

On 19 September 2016, the Proponent lodged a section 75W modification application (MP 06_0050 MOD 1) seeking approval to amend the wording of Condition 5 of Project Approval MP 06_0050 to remove the restrictions on the source suppliers of SPL waste.

The amended wording sought for Condition 5 of Project Approval 06_0050 is provided below:

The Proponent shall not process more than a total of 20,000 tonnes per annum (tpa) of SPL waste classified as hazardous or restricted solid waste from the Tomago Aluminium Smelter and the Hydro Aluminium Smelter collectively.

The modification is requested on the basis that there has been a decline in the market supply of SPL waste, following the closure of Kurri Kurri Aluminium Smelter in 2014. To ensure the commercial viability of the existing SPL recycling facility, other sources of the SPL waste are required from aluminium smelters in the region and interstate.

5. STATUTORY CONTEXT

5.1 Approval Authority

The Minister for Planning is the approval authority for the application. However, the Director Industry Assessments may determine the application under delegation as:

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

5.2 Section 75W

The project was originally approved under Part 3A of the *Environmental Planning and Assessment Act 1979* (EP&A Act). Although Part 3A was repealed on 1 October 2011, the project remains a 'transitional Part 3A project' under Schedule 6A of the EP&A Act, and hence any modification to this approval must be made under the former section 75W of the Act.

The Department notes that:

- the primary function and purpose of the approved project would not change as a result of the proposed modification;
- the modification is of a scale that warrants the use of section 75W of the EP&A Act;
- the approved processing capacity of up to 20,000 tonnes per annum (tpa) of SPL waste would remain unchanged as a result of the proposed modification; and
- any potential environmental impacts would be minimal and appropriately managed through the existing or modified conditions of approval.

Therefore, the Department is satisfied the proposed modification is within the scope of section 75W of the EP&A Act and does not constitute a new development application. Accordingly, the Department considers that the request should be assessed and determined under section 75W of the EP&A Act rather than requiring a new development application to be lodged.

6. CONSULTATION

Under section 75W of the EP&A Act, the Department is not required to notify or exhibit the modification request. Upon receipt, the request was placed on the Department's website and following a review of the documentation, the Department did not consider that further consultation was necessary. Notwithstanding, the Department sought comments from the NSW Environment Protection Authority (EPA) and Port Stephens Council (Council) about the proposed modification.

Both Council and the EPA did not object to the proposed modification. Council requested that consideration be given to the safety of road users of the surrounding road network as a result of changes to the traffic movement.

There were no public submissions received on the proposal.

7. ASSESSMENT

The proposal seeks approval to remove restrictions on the source of SPL waste source supplies. The Department has considered the following in its assessment of the modification request:

- the EA provided to support the proposed modification (see **Appendix A**);
- all submissions received by the Department (see **Appendix B**);
- the Proponents response to submissions (see **Appendix C**);
- the EA report for the original development application (see **Appendix D**); and
- the existing conditions of approval (see **Appendix E**).

The Department considers potential impacts from the proposed modification are negligible and are assessed in **Table 1**.

Table 1: Assessment of Issues

Issue	Consideration	Recommendation
Traffic	• The Proponent sourcing SPL waste from other sites regionally and interstate which could change the delivery routes to the site, potentially impacting on the safety and the efficiency of the road network. • The original EA report prepared in 2009 for the project approval anticipated 30 truck movements per week during the operation of the site. The EA for the proposed modification anticipated that no substantial changes to the number of vehicles and it would not present any significant impact to the safety or capacity of the existing road network as the same arterial road networks would need to be used to access the site and the arterial road network would have the capacity to absorb minor increases in truck movements. • Council requested that consideration be given to the safety of road users of the surrounding road network as a result of changes to the traffic movement. • The Department's assessment concludes that the removal of restrictions on the SPL waste source supply would have negligible impacts on the existing traffic volumes on-site and along the local road network, as there would be no changes to the transportation route from the regional road network including the Pacific Highway and the volume of SPL waste will not change, therefore truck numbers should remain the same. Further traffic onsite can be adequately managed through the existing conditions of consent and the OEMP.	No additional conditions
Waste Management	• The Proponent is sourcing SPL waste from other sites regionally and interstate could potentially impact on the proper management of the SPL waste at the site and during transportation. • The Proponent currently holds a licence (No.85) issued under the <i>Environmentally Hazardous Chemicals Act 1985</i> for the processing, keeping, selling, distributing, conveying or using of aluminium smelter wastes containing fluoride or cyanide. This licence will not need to be varied because of the modification. • The Proponent also holds an environment protection licence (No 13269) issued under the <i>Protection of the Environment Operations Act 1997</i> which permits the recovery of hazardous and other waste and the storage of hazardous, restricted solid, liquid, clinical and related waste and asbestos waste. • The EPA raised no objection and advised that the current conditions on environment protection licence (no. 13269) can accommodate the modification. • Interstate transport of SPL waste is permissible and is regulated by the <i>Dangerous Goods (Road and Rail Transport) Act 2008</i> and the <i>National Environment Protection (Movement of Controlled Waste) Measure</i> (which is enforced through State and Federal legislation). The Proponent and the waste transporter are required to ensure that the transport of SPL waste is carried out in accordance with the Act and Measure. The <i>Protection of the Environment Operations (Waste) Regulation 2014</i> administered by the EPA also requires SPL waste to be tracked when transported into, within or out of NSW. The waste consignor, transporter and the Proponent all have obligations to ensure that the waste is properly tracked.	No additional conditions

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- There will be no changes to the operation at the site as a result of the proposed modification. The total quantity of SPL waste received and processed at the premises will be below the approved processing capacity of 20,000 tpa.
 - The Department's assessment concludes that the removal of restrictions on the SPL waste source supplier would have no impact on operations at the site and State and Federal legislation is in place to ensure the safe transport of SPL waste to the site.
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8. CONCLUSION

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

- the proposed modification will result in minimal environmental impacts beyond the approved facility; and
- removing restrictions on the source supplier of SPL waste will enable the Proponent to seek SPL waste from other suppliers regionally and interstate.

The Department is satisfied that the modification should be approved.

9. RECOMMENDATION

It is **RECOMMENDED** that the Director, as delegate of the Minister for Planning:

- **considers** the findings and recommendations of this report;
- **approves** the application under section 75W of the EP&A Act, subject to conditions; and
- **sign** the attached Instrument of Modification (**Appendix A**)

Susan Fox
Senior Planning Officer, Industry Assessments


Kelly McNicol
Team Leader
Industry Assessments
15/11/16


Chris Ritchie
Director
Industry Assessments
16/11/16

APPENDIX A: NOTICE OF MODIFICATION

A copy of the notice of modification can be found on the Department's website at:

http://majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=7958

APPENDIX B: SUPPORTING INFORMATION

The following supporting documents and supporting information to this assessment report can be found on the Department of Planning and Environment's website as follows:

1. Modification request and Environmental Assessment

http://majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=7958

2. Submissions

http://majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=7958

3. Response to Submissions

http://majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=7958

4. Environmental Assessment for Project Approval MP 06_0050

http://majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=23

5. Project Approval MP 06_0050

http://majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=23