Major Project application

NSW GOVERNMENT
Department of Planning

Date received: ____/____/____ Project Application No. _____

1. Before you lodge

This form is required to apply for the approval of the Minister to carry out a project to which Part 3A of the *Environmental Planning and Assessment Act 1979* (the Act) applies.

Before lodging this application, it is recommended that you first consult with the Department of Planning (the Department) concerning your project.

A Planning Focus Meeting (PFM) may need to be held for this project involving the Department, relevant agencies, council or other groups identified by the Department. If a PFM is held, the Department will issue the Director-General's requirements for the Environmental Assessment following the meeting.

All applications must be lodged with the Director-General, by courier or mail. An electronic copy should also be emailed to the assessment contact officer assigned to the project.

NSW Department of Planning
Ground floor, 23-33 Bridge Street, Sydney NSW 2000
GPO Box 39 Sydney NSW 2001
DX 10181 Sydney Stock Exchange
Phone 1300 305 695

2. Details of the proponent

Company/organisation/agency: Caltex Refineries (NSW) Pty Ltd

ABN: 17 000 032 128

☒ Mr ☐ Ms ☐ Mrs ☐ Dr ☐ Other

First name: Peter

Family name: Burns

Position: Project Manager

STREET ADDRESS

Unit/street no.: 2

Street name: Market Street

Suburb or town: Sydney

State: NSW

Postcode: 2000

POSTAL ADDRESS (or mark 'as above')

GPO Box 3916

Suburb or town: Sydney

State: NSW

Postcode: 2001

Daytime telephone: 02 9250 5312

Fax: 02 92505792

Mobile: 0421 560 484

Email: pburns@caltex.com.au

3. Identify the land you propose to develop

STREET ADDRESS (where relevant)

Unit/street no.

Street or property name: Penrhyn Road

Suburb, town or locality: Banksmeadow

Postcode: 2019

Local government area(s): Botany Bay

State electorate(s): Maroubra

REAL PROPERTY DESCRIPTION

Lot 1 / DP 1050144 / Banksmeadow

Note: The real property description is found on a map of the land or on the title documents for the land. If you are unsure of the real property description, you should contact the Department of Lands.

Please ensure that you place a slash (/) to distinguish between the lot, section, DP and strata numbers. If the project applies to more than one piece of land, please use a comma to distinguish between each real property description.

OR detailed description of land attached. ☐

MAP: A map of the site and locality should also be submitted with this application.

4. Major Project description and other requirements

Provide a brief title for your project.

Tank Replacement Project

PROJECT APPROVAL

If you are applying for approval of a project, include in the project title, all significant components for which approval is being sought. If the application relates to part only of a project, the project title should reflect this.

Is the application for approval of a project? ☒ Yes ☐ No

Is the application related to part only of a project? ☐ Yes ☒ No

CONCEPT PLAN APPROVAL

If you are applying for approval of a concept plan, include in the project title, all components for which approval 'in concept' is being sought. If the application also relates to approval of a project, a description of this should also be included in the project title.

Is the application for approval of a Concept Plan? ☐ Yes ☐ No

Is a project application being made concurrently for all or part of the project? ☐ Yes ☐ No

You are also required to provide a Project Description and address any matters required by the Director-General in accordance with section 75E or section 75M of the Act. Failure to do so may lead to your application being rejected.

Is a Project Description attached? ☒ Yes ☐ No

Does the Project Description include any additional matters required by the Director-General under section 75E or section 75M of the Act? ☐ Yes ☒ No

Note: An electronic copy of the project description is also required as all applications must be provided on the Department's website. You should contact the Department on the correct electronic format.

ESTIMATED CAPITAL INVESTMENT VALUE

Please indicate the estimated capital investment value (CIV) of the project. The CIV includes all costs necessary to establish and operate the project, including the design and construction of buildings, structures, associated infrastructure and fixed or mobile plant and equipment (but excluding GST and land costs).

$4.5 million

EQUIVALENT FULL-TIME JOBS

Please indicate the number of jobs created by the project. This should be expressed as a proportion of full time jobs over a full year.

Construction jobs (full-time equivalent)	9
Operational jobs (full-time equivalent)	0

5. Approvals from State agencies

Does the project require any of the following: (tick all that are appropriate)

- ☐ an aquaculture permit under section 144 of the *Fisheries Management Act 1994*
- ☐ an approval under section 15 of the *Mine Subsidence Compensation Act 1961*
- ☐ a mining lease under the *Mining Act 1992*
- ☐ a production lease under the *Petroleum (Onshore) Act 1991*
- ☐ an environment protection licence under Chapter 3 of the *Protection of the Environment Operations Act 1997* (for any of the purposes referred to in section 43 of that Act)
- ☐ a consent under section 138 of the *Roads Act 1993*
- ☐ a licence under the *Pipelines Act 1967*

6. Landowner's consent or notification

As the owner(s) of the above property, I/we consent to this application being made on our behalf by the proponent:

Land	Land
Signature	Signature
Name	Name
Date	Date

Note: Under clause 8F of the *Environmental Planning and Assessment Regulation 2000* (the Regulation), certain applications for approval under Part 3A of the Act do not require the consent of the landowner, however, the proponent is required to give notice of the application:

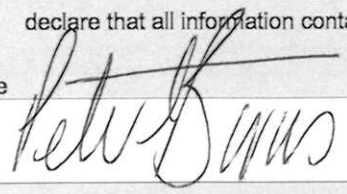
- in the case of linear infrastructure projects, by notice in a newspaper circulating in the locality prior to the commencement of the public consultation period,
- in the case of mining or petroleum production projects, by notice in a newspaper circulating in the locality within 14 days of this application being made,
- in the case of critical infrastructure projects, to the owner of the land within 14 days of this application being made, and
- in other cases, to the owner of the land at any time before the application is made.

7. Proponent's signature

As the proponent(s) of the project and in signing below, I/we hereby:

- provide a description of the project and address all matters required by the Director-General pursuant to section 75E and/or section 75M of the Act, and
- apply, subject to satisfying clause 8D of the Environmental Planning and Assessment Regulation, for the Director-General's environmental assessment requirements pursuant to Part 3A of the Act, and
- declare that all information contained within this application is accurate at the time of signing.

Signature



In what capacity are you signing if you are not the proponent

Caltex Project Manager

Name

Peter Burns

Name, if you are not the proponent

Date

22 May 2007

R E P O R T

Banksmeadow Storage Tank Replacement

Project Application

and

Preliminary Environmental Assessment

Prepared for

Caltex Refineries (NSW) Pty Ltd

2 Market Street
Sydney
NSW 2000

22 May 2007

43177504

Project Manager:

……
William Barrett
Associate Consultant

URS Australia Pty Ltd

Project Director:

……
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Principal

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Author:

……
William Barrett
Associate Consultant

Date: 22 May 2007
Reference: 43177504
Status: Final

Contents

Executive Summary

This is a Preliminary Environmental Assessment Report prepared under the provisions of Part 3A of the *Environmental Planning and Assessment (EP&A) Act 1979* for the replacement of two fuel storage tanks at the Caltex Banksmeadow Terminal located at Port Botany, Sydney. The purpose of this document is to provide sufficient information on the proposed project and its potential environmental impacts to allow the NSW Department of Planning to issue environmental assessment requirements for a project approval.

The project proponent is Caltex Refineries (NSW) Pty Ltd, a subsidiary of Caltex Australia Petroleum Pty Ltd. Caltex Australia Petroleum Pty Ltd is the largest refiner and marketer of petroleum products in Australia with operations in all states and territories. Caltex Australia owns and operates two petroleum fuels refineries (Kurnell in Botany Bay and Lytton in South Brisbane) with a combined capacity of more than 35 million litres per day.

The project proposal is a direct response to the Australian Government's Biofuels Action Plan. Under the plan, each of the major oil companies, members of the Independent Petroleum Group, and the major retailers set out volumetric goals and business plans for the development and provision of ethanol and biodiesel blended fuels.

Caltex is currently investing in service station, terminal and blending facilities to support the increasing demand for biofuels and to meet its targets as set within the Biofuels Action Plan. The proposed replacement tanks form one part of this continuing investment.

The tanks will replace two existing, redundant tanks and will be approximately 12 m high with a diameter of 10.5 m and a storage capacity of 1 million litres each. They will be built within an existing bunded area at the Banksmeadow Terminal site. They will store either ethanol in both tanks, or ethanol in one tank and biodiesel in the other, depending on market demand and supply considerations. Ethanol is blended with unleaded petrol to produce a 10% ethanol, 90 % petrol blend which is marketed as E10 unleaded petrol. Biodiesel is blended with diesel to produce a range of biodiesel blended fuels. These biofuel blends are then trucked from Banksmeadow to service stations across NSW. Construction of the tanks is estimated to take approximately 6-9 months at an estimated cost of $4.5 million.

Section 1 Introduction

1.1 Introduction

Caltex Refineries (NSW) Pty Ltd (hereafter referred to as Caltex) is proposing to replace two fuel storage tanks located at their Banksmeadow Storage Terminal in Port Botany, Sydney (**Figure 1.1**). The two existing tanks (Tanks T910 and T911) are currently redundant and have been empty for a number of years and are located within the south-eastern part of the Banksmeadow site (**Figure 1.2**). The new tanks (NT1 and NT2) will be built within an existing bunded area. Their purpose is the storage of ethanol and/or biodiesel or other petroleum or biofuel products as the need may arise. The tanks are required to allow Caltex to meet their requirements under the Australian Government's Biofuels Action Plan (refer **Section 2.2**).

The removal of the existing tanks and the construction and operation of Tanks NT1 and NT2 is considered to comprise a major project as defined by *State Environmental Planning Policy (Major Projects) 2005* and therefore requires approval from the Minister for Planning under Part 3A of the *Environmental Planning and Assessment Act 1979* (EP&A Act). Caltex, therefore, intends to apply for project approval for the construction and operation of Tank NT1 and NT2 in accordance with Part 3A of the EP&A Act.

This Project Application has been prepared by URS Australia Pty Ltd (URS) on behalf of Caltex. The purpose of this document is to provide sufficient information on the proposed project and its potential environmental impacts to allow the NSW Department of Planning (DoP) to issue environmental assessment requirements for a project approval of Tank NT1 and NT2, in accordance with Part 3A of the EP&A Act. This document, therefore, also acts as a formal request for the environmental assessment requirements.

This document has been prepared taking into consideration the requirements of the following:

- Part 3A of the EP&A Act;
- Part 1A of the *Environmental Planning and Assessment Regulation 2000* (the Regulation);
- Project Applications Under Part 3A – Steps in the Process. DoP (2005);

In accordance with the Draft Guideline *Steps in the Assessment and Approval of Major Projects under Part 3A,* this Project Application comprises an outline of the project and a preliminary environmental assessment and includes the following:

- the location and a map identifying the site (**Section 1** and **Figure 1.1 and Figure 1.2** of this document);
- a description of the proposed NT1 and NT2 replacement tanks (**Section 2** and **Figure 1.2** of this document);
- justification for the NT1 and NT2 tanks to be considered a project to which Part 3A of the EP&A Act applies (**Section 2**);
- the capital investment value and other relevant information for determining whether Part 3A applies to the project (**Section 3**);
- the statutory planning provisions applying to the site (**Section 3**);
- a summary of other approvals including whether an Environment Protection Licence would be required in accordance with the requirements of the *Protection of the Environment Operations Act 1997* (**Section 3**); and

Section 1 Introduction

- a preliminary assessment identifying the likely environmental issues of the proposal (**Section 4**).

1.2 Location

The Caltex Banksmeadow Terminal is located on the north side of Botany Bay, approximately 12 km south of Sydney's CBD (**Figure 1.1**). The Terminal is bounded by industrial storage facilities to the north, the Patrick Stevedores Container Terminal to the south, the P&O Trans Australia Terminal to the east, and Penrhyn Road and the Penrhyn Estuary to the west. Access to the Terminal is off Penrhyn Road.

The main physical feature of the area is Botany Bay, a large and relatively shallow embayment approximately 4,163 ha in area. To the east of the Banksmeadow Terminal is Penrhyn Estuary which is a small tidal inlet formed by the reconfiguration of the northern shores of the Bay in the late 1970's during the construction of Port Botany. Penrhyn estuary provides ecological habitat for fish and a variety of shorebirds and waders.

1.3 Banksmeadow Terminal

Banksmeadow is Caltex's main storage terminal in NSW and has a maximum storage capacity of 50 million litres. The facility stores products from the Kurnell Refinery which reach the terminal via pipelines under Botany Bay. The main products stored are petrol, diesel, heating oil, aviation fuel and fuel oils. These products are mainly distributed from the terminal via tanker, except for fuel oil which is predominantly distributed to Brotherson Dock by pipeline for ships bunkers.

Section 2 Project Description

2.1 Biofuels

Biofuels are fuels produced from renewable organic sources. Biofuels are alcohols, esters, and other chemicals made from cellulosic biomass such as herbaceous and woody plants, agricultural and forestry residues, and a large portion of municipal solid and industrial waste. The term biofuels can refer to fuels for electricity and fuels for transportation. Biofuels for transportation, include ethanol, biodiesel, biomethanol, and pyrolysis oils.

Biofuels with commercial prospects in Australia predominantly comprise ethanol and biodiesel. These are the most common types of biofuels that are being developed and used in Australia. This is due to several factors including the state and feasibility of feedstock conversion technology, feedstock availability, and fuel usability.

Biodiesel is made from renewable feedstocks, such as canola oil and tallow. Biodiesel is then blended into diesel in varying ratios to create a number of biodiesel blends that meet different customer requirements.

Ethanol is an alcohol-based alternative fuel produced by fermenting and distilling starch crops that have been converted into simple sugars. Feedstocks for this fuel include corn, barley, and wheat. Ethanol can also be produced from "cellulosic biomass" such as trees and grasses and is called bioethanol. Ethanol is most commonly used to increase octane and improve the emissions quality of gasoline. One of the products Caltex provides to service stations is E10 Unleaded. This fuel is enhanced with 10% ethanol.

2.2 Tank Replacement Project

Ethanol E10 unleaded petrol is currently supplied from Banksmeadow Terminal utilising ethanol stored at the neighbouring Vopak Terminal Sydney Pty Ltd in Friendship Road, Port Botany. The current process is trucking intensive as:

- the tanker is initially loaded with the 90% petrol component at Banksmeadow, then
- the tanker travels to Vopak to have the 10% ethanol component loaded, and then
- the tanker returns to Banksmeadow so that the total E10 load can be processed and the Bill of Loading issued.

The Tank Replacement Project will eliminate these trucking movements as ethanol will be permanently stored at the Banksmeadow site obviating the need for ethanol filling at Vopak.

The Tank Replacement Project would comprise:

- Removal of existing Tanks T910 and T911;
- Site preparation and foundations for new Tanks NT1 and NT2;
- Construction of new Tanks NT1 and NT2;
- Installation of pipework connecting tanks to existing tanker unloading facilities; and
- Installation of pipework connecting tanks to existing tanker loading facilities.

Figure 1.2 shows the footprint of the existing and the new tanks. The new tanks will each have a capacity of 1 million litres. They will be approximately 12.0 m high and have a diameter of approximately 10.5 m. They will be constructed to comply with the relevant Australian Standards. Foundation depth will be approximately 1.0 m. The tanks will store either ethanol, biodiesel or other petroleum or biofuel products, depending on market demand and supply considerations.

Section 2 Project Description

The tanks would be filled via the existing truck unloading bay. Ethanol and/or biodiesel from the tanks would be blended at the existing loading bay on site to create a blended biofuel which will then be trucked to service stations.

2.3 Project Need and Justification

Since 2000, the Australian Government has produced a number of reports on the costs and benefits of biofuels. In 2001 the Government announced as a biofuels target that 350 million litres of biofuels would be included in Australia's fuel mix by 2010.

Following this announcement, a series of studies were undertaken which assessed the feasibility of the 350 million litres target. In 2005, the Prime Minister reaffirmed the Government's commitment to achieving the target of at least 350 ML of biofuel production by 2010 and also announced a package of measures to help address market barriers and restore consumer confidence in the biofuels industry.

Based on market share at the time, Caltex have been allocated a target of supplying approximately 100 ML of biofuel by 2010. In order to reach this target, Caltex is continuing to incorporate biofuels into transportation fuel products with the introduction of E10 unleaded and New Generation Diesel (biodiesel blends). Enhanced with renewable non-fossil biofuels such as ethanol and biodiesel, these fuels help reduce greenhouse gas emissions and reliance on traditional fossil fuels.

Caltex met its 2006 target under the Australian Government's Biofuels Action Plan. In order to continue to meet its targets under the Biofuels Action Plan, Caltex is investing in service station, terminal and blending facilities to support increasing demand for biofuels. The proposed replacement tanks form one part of this continuing investment. The replacement tanks form an important component of an integrated infrastructure investment programme which will allow Caltex to continue to work towards meeting its targets.

Section 3 Planning Considerations

This Project Application has been prepared in order to obtain environmental assessment requirements for the Tank Replacement Project from the Department of Planning. The environmental assessment for the project will be prepared in accordance with the environmental assessment requirements, as required by Section 75F of the EP&A Act, in order to obtain approval from the Minister for Planning.

Banksmeadow Terminal is subject to the legislative controls of Commonwealth, State and local planning and environmental frameworks. This section discusses the site within the context of these legislative and planning provisions.

3.1 Commonwealth Legislation

Part 3 of the *Environment Protection and Biodiversity Conservation (EPBC) Act 1999* (Commonwealth) states that an action which *has, will have or is likely to have a significant impact on a matter of national environmental significance* may not be undertaken without prior approval of the Commonwealth Minister for Environment and Heritage, as provided for under the provisions of Part 9 of the EPBC Act. The Act provides the following as matters of national environmental significance for which Ministerial approval is required:

- *World heritage properties;*
- *Wetlands of international significance (including Ramsar wetlands);*
- *Listed threatened species and communities;*
- *Listed migratory species protected under international agreements (CAMBA and JAMBA);*
- *Protection of the environment from nuclear actions; and*
- *Marine environment.*

The Banksmeadow Terminal is located within five kilometres of the Towra Point Nature Reserve, a Ramsar wetland of international significance, and the Kurnell Peninsula Headland which is included in the National Heritage List established under the EPBC Act.

The site area comprises land which has been significantly disturbed, and which lies within an operational storage terminal. The area surrounding the proposed facility is predominantly industrial in character. It is anticipated that the environmental assessment of the Tank Replacement Project would indicate that the project would have minimal or no impact on the local area and, hence, would not be a controlled action under the EPBC Act. It is therefore anticipated that it would not require the approval of the Commonwealth Minister for Environment and Heritage. Further studies undertaken as part of the Environmental Assessment Report would confirm this.

3.2 State Legislation

3.2.1 Environmental Planning and Assessment Act 1979

The Environmental Planning and Assessment Act 1979 (EP&A Act) and the Environmental Planning and Assessment Regulation 2000 (the Regulation) provide the framework for the assessment and approval of proposed developments in NSW.

The proposed Tank Replacement comprises a major project under Part 3A of the EP&A Act to be assessed by the Director General of the Department of Planning and determined by the Minister for Planning. The application of Part 3A of the EP&A Act to the proposed Tank Replacement project is discussed in further detail in the following section.

Section 3 Planning Considerations

Part 3A Major Projects

The State Environmental Planning Policy (Major Projects) 2005 (Major Projects SEPP) indicates that development known as a major project requires assessment and approval of the Minister for Planning in accordance with Part 3A of the EP&A Act. The Major Projects SEPP defines certain types of development as comprising major projects. The Tank Replacement project is considered to fit within the following definition of a major project under the Major Projects SEPP:

Schedule 2 – Part 3A Projects – specified sites

7. Port and Related Employment Lands

(1) Botany Development within the area identified on Map 5 to this schedule for the purpose of …

(b) a facility that manufactures, stores or uses significant quantities of dangerous goods and meets the criteria in State Environmental Planning Policy No 33 – Hazardous and Offensive Development of being potentially hazardous.

Applying SEPP 33 Hazardous and Offensive Development Application Guidelines published by the Department of Urban Affairs and Planning (now DoP) provides advice on interpreting and implementing the policy. The guidelines assist in identifying developments which should be considered under SEPP 33, and on the broad assessment requirements of the policy.

A meeting was held on 2nd May 2007 with the DoP Major Project Assessment Planning Officer and Risk Assessment specialist. Data relating to the existing site and to the Replacement Tank proposals was reviewed. Following the meeting, the following was concluded:

Caltex proposes to replace tanks T911 (capacity 1,000 m^3) and T910 (capacity 600 m^3) with two new tanks NT1 (capacity 1,000 m^3) and NT2 (capacity 1,000 m^3). The new tanks will be within Bund F with the existing tanks T912 (capacity 600 m^3) and T913 (capacity 1,558 m^3). Taking into account that:

1. All four tanks will store materials classified as DG3, PG II or III (it is proposed tank NT2 to store biodiesel, which is combustible material C1, but for the purposes of SEPP33 screening, a combustible material, stored within the same bund with other flammable materials is treated as DG3 PG III);

2. The total quantity of materials classified as DG 3, PG II and PGIII is above 1000 m^3;

3. The distance from the edge of the Bund F to the nearest site boundary is 33 m; and

using the relevant screening method, presented in Figure 9 Class3 PGII and PG III flammable liquids, it is evident that SEPP33 will apply and the proposed development is potentially hazardous.

As a major project, the Replacement Tank project is subject to the provisions of Part 3A of the EPA&A Act. Accordingly, the proposals will be subject to assessment by the Director General of the Department of Planning and determination by the Minister for Planning in accordance with Part 3A of the EP&A Act.

3.2.2 Environmental and Planning Legislation

Protection of the Environment Operations Act 1997

The Protection of the Environment Operations Act 1997 (POEO Act) relates to pollution management and waste disposal in NSW. The POEO Act also establishes the environmental licensing of certain activities, which are listed in Schedule 1 of the Act. The Banksmeadow Terminal has an existing Environment Protection Licence (Licence No. 6950) issued by the NSW Environment Protection Authority (part of the Department of Environment and Climate Change) (DECC) under the provisions of the POEO Act. The activities at the terminal which are scheduled (and, therefore, trigger the requirement for the licence) comprise:

- petroleum works that store petroleum with an intended storage capacity in excess of 2,000 tonnes of any petroleum products; and

- waste activities – generating or storing hazardous waste, industrial waste or Group A waste.

(EPA Licence No. 6950 Section A1.2)

As part of the Part 3A process, this Project Application would be forwarded to the DECC for comment. Caltex would also consult with the DECC in order to ensure that the proposed development is designed and approved in accordance with DECC licensing requirements.

Relevant Environmental Acts, Regulations and Policies

While the EP&A Act provides the framework for the planning and development approvals system within NSW, there may be a number of other Acts and Regulations of relevance to the Tank Replacement project. These Acts and Regulations would be identified and considered during the environmental assessment of the project. It is noted that Part 3A of the EP&A Act removes the need to obtain some approvals under these other Acts and Regulations.

State Environmental Planning Policies

There are a number of State Environmental Planning Policies (SEPPs) whose provisions relate to the terminal site and the proposed project. These would be addressed in the environmental assessment. These SEPPs include State Environmental Planning Policy 33 – Hazardous and Offensive Development (see below) and SEPP (Major Projects) 2005.

Regional Environmental Plans

From the information available to date it is considered that there are no Regional Environmental Plans that have the potential to impact on this proposed project.

Local Planning Controls

Banksmeadow Terminal is located within the City of Botany Bay local government area. The site is located within land zoned as Zone 4(a) Industrial within the Local Environment Plan (LEP). The primary objective of the zone is 'to ensure that development for industrial purposes is carried out in a manner which contributes to the economic and employment growth of the area and, in so doing, improves amenity and does not affect adversely the environment or give rise to unacceptable levels of risk in the area'.

Section 4 Summary of Environmental Impacts

This section provides a preliminary assessment of potential environmental impacts and matters for further consideration. The matters referred to in this section comprise a preliminary assessment identifying the likely environmental issues, in accordance with the *Draft Guidelines Steps in the Assessment and Approval of Major Projects* under Part 3A prepared by the Department of Planning.

4.1 Land Use

The proposed tanks are located wholly within the existing terminal area and replace two existing tanks as shown in **Figure 2.1**. Surrounding land use is predominantly industrial in character.

4.2 Soils & Geology

The nature of the existing soils will be determined prior to construction including their suitability for the proposed structural loads, their erodibility, texture, salinity and erosion potential. These qualities will be assessed to assist in developing the design of the proposed tanks and any control measures required during construction to mitigate adverse environmental impacts. The Environmental Assessment will include procedures to be followed in the event that contaminated soil is encountered during the construction phase.

4.3 Surface Water & Ground Water

During the construction and operation of phases of the development, surface water runoff from the site would have the potential to impact surrounding water bodies. This will be managed through the existing bunding arrangements and, during the construction phase, through the Construction Phase Environmental Management Plan.

The potential for contaminated groundwater to be present in proximity to the site will be determined through a desk-based assessment and a review of existing groundwater data. The EAR will identify procedures to be followed should contaminated groundwater reach the foundation trench during the construction phase. Management strategies and procedures for dewatering and for the disposal of waste water will be determined.

Consultation would be carried out with Botany Bay City Council and the Department of Water and Energy (DWE) to ensure that the proposed development complied with relevant guidelines and legislation. Mitigation measures will be recommended to address any potential impacts identified.

4.4 Hazard & Risk

As discussed in Section 3.2.1, based on the quantities and type of Dangerous Goods and the proposed separation distance to the site boundary for the development, State Environmental Planning Policy 33 – Hazardous and Offensive Development (SEPP33) will apply to the project and the proposed development is classified as potentially hazardous. SEPP 33 specifies that a preliminary hazard analysis (PHA) must be prepared for development applications for 'potentially hazardous industry'. The PHA will be prepared, in accordance with Hazardous Industry Advisory Paper No. 6 – Guidelines for Hazard Analysis, to:

- Identify potential hazards involved in the proposal and to ensure that proposed safeguards are adequate; and
- Demonstrate that the proposal will not impose an unacceptable level of risk.

The PHA will demonstrate that the level of risk conforms to the criteria established in Hazardous Industry and Planning Paper No. 4 and will provide the consent authority with sufficient information to form a judgement about the level of risk involved in the proposed development.

Section 4 Summary of Environmental Impacts

4.5 Traffic & Transport

As discussed in **Section 2.2** biofuel is already produced at the Banksmeadow Terminal through the mixing of ethanol which is currently stored at the Vopak Terminal. The Tank Replacement Project will therefore remove the need to move ethanol by truck from the Vopak Terminal to the Banksmeadow Terminal.

The operation of the storage tanks will therefore reduce vehicle traffic between Friendship Road and Penrhyn Road.

No additional vehicle movements out of the terminal will be generated as the product will be stored and mixed with existing product going off-site.

During the construction phase, there would be a small temporary increase in traffic movements. These movements are considered to be insignificant in terms of typical traffic movements to the terminal. It is not proposed to undertake detailed modelling of traffic volumes associated with the storage tanks.

4.6 Air Quality

The potential impacts to Air Quality of the proposed development primarily concern dust generation associated with construction operations, and VOC emissions from the tanks during storage and refilling of the biodiesel and ethanol stocks.

An assessment will be made of construction phase impacts to Air Quality and mitigation measures identified. VOC Emissions will be calculated using the USEPA's tank emissions model (Tanks V4.09d) which is based on a database of USEPA AP-42 emission factors coupled with a database of fuel stock compositions.

4.7 Waste

The Tank Replacement Project would not generate significant quantities of waste. Small quantities of construction waste would be recycled wherever practicable or disposed of at appropriate licensed waste facilities.

4.8 Noise

The proposed tank replacement project includes the construction and operation of plant and equipment including the tanks, pipe work and associated pumps. The plant and equipment would be similar to that already at the terminal. The construction and operation of the plant and equipment is likely to generate relatively low levels of noise. Given the industrial nature of the site and distance between the proposed location of the tanks and sensitive receiver locations, it is considered unlikely that there would be any perceptible increase in the noise level outside of the terminal site.

4.9 Heritage

The site has been used as a storage terminal for over 55 years, with established infrastructure to support operations. The replacement tank would be constructed and operated within the boundary of the Banksmeadow Terminal, on land which has been previously cleared and disturbed. The likelihood of any impacts to heritage is considered to be extremely low.

4.10 Ecology

The replacement tanks would be constructed and operated within the boundary of the existing Banksmeadow site, on land that has previously been cleared and disturbed. The likelihood of any significant impacts on flora or fauna is considered low. It is not anticipated that detailed surveys will be required.

Section 4 Summary of Environmental Impacts

4.11 Visual

The tanks replace existing tanks and are not significantly different in their location or form. The tanks would be of a similar industrial nature to surrounding land uses, and would be located adjacent to existing structures at the site.

4.12 Socio-Economic

The replacement tanks would be likely to have positive impacts on the existing social and economic environment of the Banksmeadow and the local area. The construction phase would involve expenditure of approximately $4.5 million and generate associated employment. The operational phase will contribute to the continued operation of the terminal and will also contribute to the growth and development of the biofuel industry with associated benefits to suppliers and related industry.

4.13 Stakeholder Consultation

Caltex will consult with relevant stakeholders, including government agencies and Botany Bay Council, as part of the environmental assessment process for the proposal.

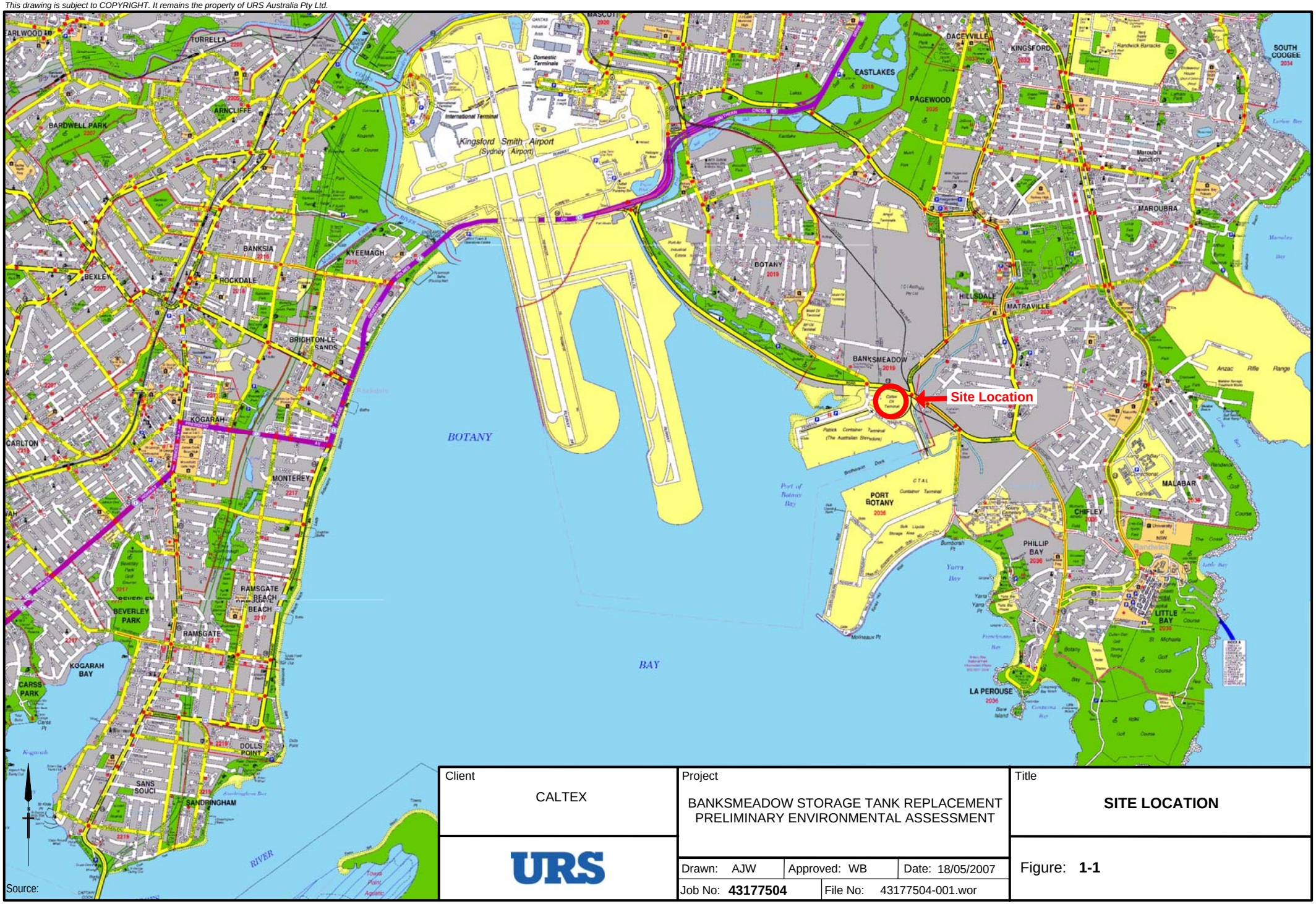
Section 5 Conclusions

Caltex proposes to construct two replacement tanks to store ethanol and biodiesel at their Banksmeadow Terminal, as part of their response to the Government Biofuel Action Plan. The construction and operation of the replacement tanks is considered to comprise a major project as defined by *State Environmental Planning Policy (Major Projects) 2005* and, therefore, requires approval from the Minister for Planning under Part 3A of the EP&A Act.

This document acts as a formal request for the DoP to issue environmental assessment requirements for the proposal. A preliminary environmental assessment of the proposal, contained in this document, indicates that the key environmental issues associated with the proposal comprise potential impacts on risks and hazards, air quality, and groundwater. These issues would be assessed in detail as part of the environmental assessment of the proposal. The other environmental issues are not considered likely to be significant and will not require such detailed assessment.

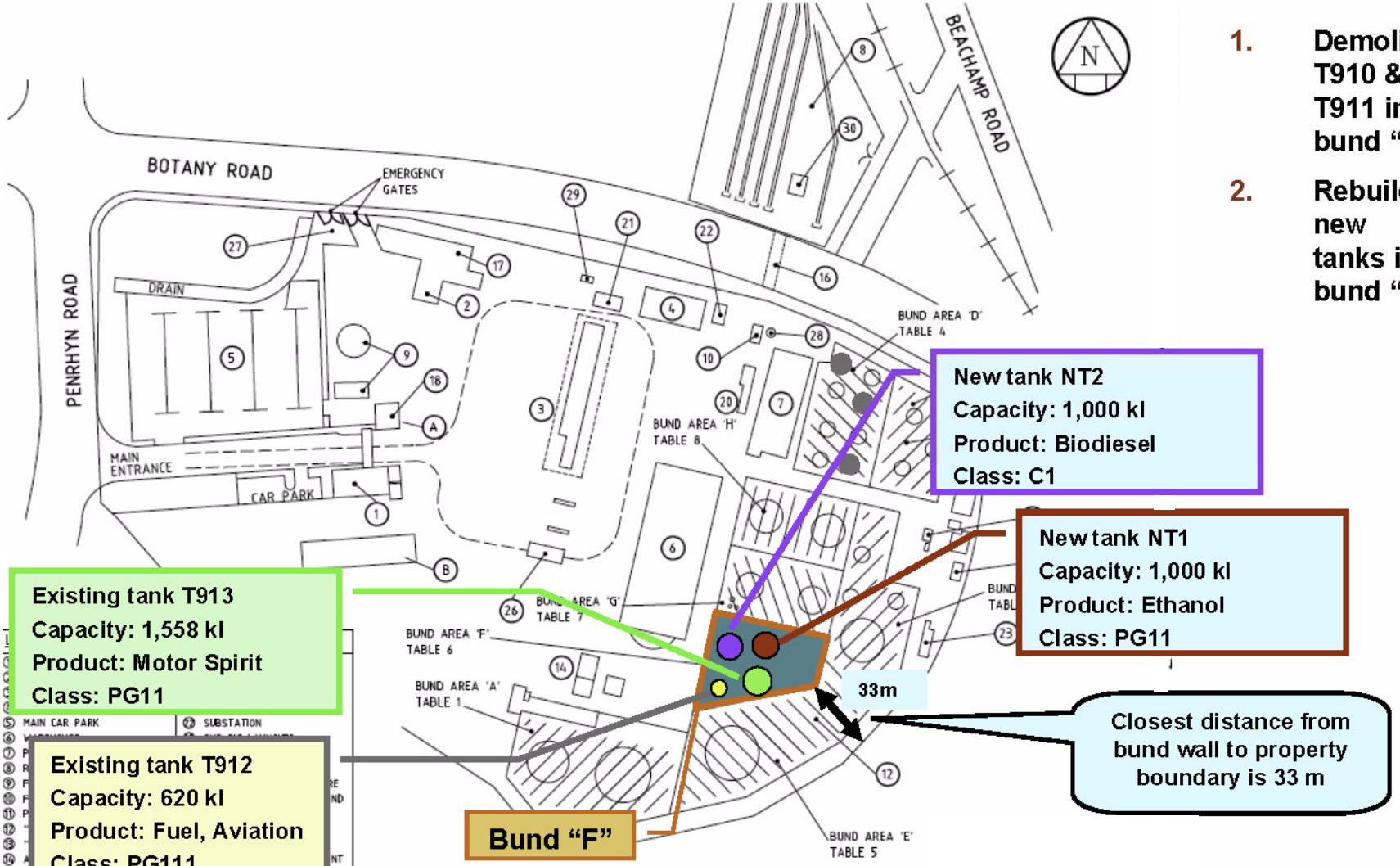
Upon receipt of the DoP's environmental assessment requirements, Caltex will prepare an environmental assessment and submit the assessment as part of the Project Application to the DoP for approval to demolish the existing tanks and to construct and operate the proposed replacement tanks.

Figures



Source:

Client: CALTEX	Project: BANKSMEADOW STORAGE TANK REPLACEMENT PRELIMINARY ENVIRONMENTAL ASSESSMENT		Title: **SITE LOCATION**
URS	Drawn: AJW	Approved: WB	Date: 18/05/2007
	Job No: **43177504**	File No: 43177504-001.wor	Figure: **1-1**



Source:

Client: CALTEX	Project: BANKSMEADOW STORAGE TANK REPLACEMENT PRELIMINARY ENVIRONMENTAL ASSESSMENT		Title: **PLOT PLAN - PROPOSAL**
URS	Drawn: AJW	Approved: WB	Date: 18/05/2007
	Job No: **43177504**	File No: 43177504-001.wor	Figure: **1-2**