

Product Management Plan

Bombala Sawmill



1 Sandy Lane
BOMBALA NSW 2632
December 2017



Introduction

Pursuant to schedule 3, condition 27 of Project Approval MP 07_0161 and Term 2 of the Order (appendix 1) issued 13 October 2017 by the NSW Department of Planning and Environment (DP&E) Dongwha Timbers Pty Ltd has prepared this Product Management Plan.

It is a requirement of the approval condition and the order that the Environment Protection Authority (EPA) are consulted on the preparation of the plan. The response from the EPA to the draft Product Management Plan is included in appendix 3.

Background

Dongwha Timbers (DWT) operates a modern timber milling and preservation facility near Bombala. The site is the subject of a Project Approval (07_0161) issued by the NSW Government Department of Planning and Environment (Dp&E).

The development sources plantation softwood from the area around Bombala and processes the lumber into a range of treated and untreated products for supply to the domestic market. The site has been used for this purpose since 1979.

The project approval requires 19 separate management plans and reports to be developed (appendix 2) covering a wide range of aspects associated with the development. This Product Management Plan forms part of that broad suite of required documents and focusses on products associated with the WASTE section of the project approval being conditions 26 through to 28A in schedule 3. Condition 26 deals with the historical rear stockpiles of residue.

Wood Residue & Dust

As required by the order form DP&E dated 13 October 2017, the historical timber residue stockpiles in the rear area of the mill will be completely disposed and cleared not later than Jan 31st 2018. In addition, and as part of the DWT Updated Landscape Management Plan, sections of the rear area will be landscaped and revegetated. This work will improve the amenity of the area as well as providing connections to native vegetation areas within the site and external to the site. Amenity improvements will come from reductions in noise and dust as well as a softening of the visual impact of the site from Sandy Lane.

Current production of residue is meeting market demand and no additional residue material is anticipated to be produced in future.

The management of this historical residue and material, as well as the current wood residues and dust generating as part of daily operation/production is dealt with in the Dust and Wood Residue Monitoring and Management Plan as a requirement of approval condition 4 in schedule 3.

This plan is structured to address all the elements in the project approval condition 27 (schedule 3) for each identified waste stream in turn.

CCA and Micro Pro Treated Reject Boards

Description: This product comprises milled lumber that has been through the entire treatment process either using Copper Chromium Arsenate (CCA) or Micro Pro and subsequently rejected for dispatch by onsite quality controllers.

CCA and Micro Pro Treated Reject Boards (cont)

Reuse/Recycle: While not meeting product quality standards for wholesale dispatch for the original intended market many of the boards are reallocated into different supply categories and as such still find an end use in alternative markets. DWT has also implemented a successful employee supply scheme whereby company employees are able to take these products for their own private use.

In addition DWT have established a relationship with a third party wholesaler who takes the boards and then resizes the boards to optimize recovery. Any boards or sections remaining after these reuse options are transported by road to a dedicated disposal facility at Kemps Creek operated by Cleanaway.

Environmental Impacts and liabilities: While the product is in service/use environmental impacts are negligible. The products are manufactured in full compliance with APVMA guidelines. These guidelines in addition to NSW EPA and NSW Department of Health publications should direct the end user of the product in correct handling and disposal measures. If followed the guidelines will ensure that minimal environmental impact occurs from final disposal. It is noted that DWT have no legal jurisdiction over the end users actions.

Design improvement and Liability reduction: The production of waste treated boards presents an economic disadvantage to DWT. Quality management systems are practiced throughout the entire production process with a number of inspection points that withdraw unsuitable product. Such withdrawn product is often re categorized and re worked and placed into an alternative product group. This staged inspection and categorizations results in fewer defective boards getting through to treatment.

In addition the recent substantial capital investment in technology and equipment at the sites constantly optimizes production outputs and ensures that very high quality production processes are achieved at every stage while also minimising waste generation. In addition, the introduction by DWT of the Light Organic Solvent Preservative (LOSP) has made a positive impact on board rejection. This is explained in the LOSP section of this plan.

Material Intensity: Extracts from the Material Safety Data Sheets for CCA and Micro Pro treated timber are below. The concentrations of the active ingredients are identified in the tables.

CCA treated timber, extract from MSDS

3. COMPOSITION/ INFORMATION ON INGREDIENTS

Ingredient	Identification	Classification	Content
ARSENIC	CAS: 7440-38-2 EC: 231-148-6	T;R23/25 N;R50/53	<0.8%
CHROMIUM	CAS: 7440-47-3 EC: 231-157-5	Not Available	<0.8%
TIMBER (SOFTWOOD/HARDWOOD)	Not Available	Not Available	>98%
COPPER	CAS: 7440-50-8 EC: 231-159-6	Not Available	<0.5%

Micro Pro treated timber, extract from MSDS

3. COMPOSITION/ INFORMATION ON INGREDIENTS

Ingredient	Identification	Classification	Content
METHANOL	CAS: 67-56-1 EC: 200-659-6	F;R11 T;R23/24/25 T;R39/23/24/25	0.04 to 0.08%
SODIUM NITRITE	CAS: 7632-00-0 EC: 231-555-9	T;R25 O;R8 N;R50	<0.008%
TIMBER (SOFTWOOD/HARDWOOD)	Not Available	Not Available	>95%
COPPER (II) CARBONATE HYDROXIDE	CAS: 12069-69-1 EC: 235-113-6	Not Available	1 to 2%
ADDITIVE(S)	Not Available	Not Available	<1%
N,N-DIDECYL-N,N-DIMETHYLAMMONIUM CARBONATE	CAS: 894406-76-9	Not Available	0.4 to 0.8%
DISPERSANT(S)	Not Available	Not Available	0.1 to 0.3%
PROPYLENE GLYCOL (PROPANE-1,2-DIOL)	CAS: 57-55-6 EC: 200-338-0	Not Available	0.05 to 0.15%
DIDECYL TERTIARY AMINE	CAS: 7396-58-9 EC: 230-990-1	Not Available	<0.08%

Hazardous Materials: Chromium and Arsenic

Classification and Quantity: The quantity of treated boards put to disposal at Kemps Creek is closely monitored by DWT. The disposal of boards in this manner represents a cost to the business and is recorded as part of the financial management of the site. The boards are loosely placed into 15 cubic metre skip bins. Conservative estimates indicate that approximately 5 cubic meters (solid) boards are held in each full skip bin. Skip bins are removed approximately every two weeks resulting in an annual quantity of around 130 cubic metres per annum.

CCA treated boards generated by DWT are currently classified as Hazardous Waste under the NSW EPA Waste Classification Guidelines. Of note is the differential treatment given to classification of CCA treated timber under the Waste Classification Guidelines. Under the guidelines CCA treated timber that is generated by building demolition processes is classified as General Solid Waste (non-putrescible).

Effectiveness of this element of the Product Management Plan will be measured in the amount of treated reject boards (cubic metres) produced as a percentage of the throughput of the treatment cylinders (cubic metre) per calendar year. This calculation will be included in an annual review process built into the site wide quality management system.

CCA and Micro Pro Drip pad wastes.

Description: This waste stream comprises sawdust and splintered timber dislodged from the timber packs during loading and unloading of the treatment cylinders. In addition small amounts of dust that deposits under the covered area are picked up into this waste stream. The material is collected from the area and stored in dedicated receivable containers. These containers are removed from site by Cleanaway contractors for disposal by landfill at the Kemps Creek facility.

Reuse/Recycle: Current technologies do not support the reuse or recycling of this material.

Environmental Impacts and Liabilities: This material contains only dilute concentrations of the treatment product typical of the concentrations of the mainstream treated timber. It is managed and handled with similar processes used for managing the treated damaged boards. The system is completely closed and supported by robust engineering solutions.

The volume of the waste created had been minimized by utilizing dedicated plant for the drip pad area. This ensures that material is not tracked into the dip pad area from outside. In addition stringent housekeeping policy ensures that foreign material entering the area is minimized. Similarly mechanical handling practices of the packs of timber is reviewed regularly with the aim to minimize damage to the product. This also minimizes generation of this waste stream.

Design Improvement and Liability Reduction: DWT are progressively minimizing dust and foreign material contamination site wide. The planned rollout of construction of concrete hardstand areas and bitumen sealed haul roads as well as ongoing targeted water spray tanker operations all minimize dust generation and migration. In addition, targeted mechanical sweeping of high impact areas is being trialed as a solution across the site.

Material Intensity: The material is considered to be primarily made up of treated timber sawdust and splintered material. Extracts from the Material Safety Data Sheets for CCA and Micro Pro treated timber are below. The concentrations of the active ingredients are identified in the tables.

CCA treated timber, extract from MSDS

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ARSENIC	CAS: 7440-38-2 EC: 231-148-6	T;R23/25 N;R50/53	<0.8%
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Micro Pro treated timber, extract from MSDS

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DIDECYL TERTIARY AMINE	CAS: 7396-58-9 EC: 230-990-1	Not Available	<0.08%

Hazardous Materials: Chromium and Arsenic

Classification and Quantity: The quantity of material produced is estimated at 1.2 cubic metres per annum. The material is put to disposal at the Cleanaway Kemps Creek facility. Drip pad wastes are currently classified as Hazardous Waste under the NSW EPA Waste Classification Guidelines.

Effectiveness of this element of the Product Management Plan will be measured in the amount of drip pad waste (cubic meters) produced as a percentage of the throughput of the CCA treatment cylinder (cubic meter) per calendar year. This calculation will be included in an annual review process built into the site wide quality management system.

CCA and Micro Pro Treatment Cylinder liquid residue.

This waste comprises liquid residues flushed from the treatment cylinder. 100% of this material is recovered and returned back to the treatment chemical storage for reuse.

Light Organic Solvent Preservative (LOSP) treated boards.

DWT have introduced LOSP treatment as an alternative to CCA/Micro Pro. Apart from the positive environmental benefits stemming from the treatment product itself there are also significant changes (reductions) in waste generation. This treatment process is applied after the timber has been packed and banded. As such there is no further material handling applied to the product after treatment save loading and dispatch.

Given that no boards are produced to waste this product is not further detailed in this plan. The introduction of this treatment does however indicate a commitment by DWT to reduce waste generation were opportunities present.

Boiler Ash

While to most recent approval modification dealt with the installation of an 18MW wood fired boiler this appears unlikely to proceed. On that basis the management of boiler ash is not further considered.

Prevention of further build-up of residues in the future


Currently DWT have secured long term contracts to deal with 100% of all residue streams produced under the present operating conditions and approval. In the event of a particular contract failure DWT have a prepared contingency protocol which identifies alternative markets and supply logistics to ensure a rapid and effective continuation of residue sales and removal. As a result there is no additional residue being generated at this time, nor any planned for the future.

The vast majority of residue stockpiles come from legacy issues from previous operations. As previously stated this material will be completely removed from site by the end of January 2018. The DWT Updated Landscape Management Plan deals with the restoration of this area. Once restored no further environmental issues are expected from this issue.

Future Change Impacts on Waste Product Management

In response to EPA consultation DWT advise that in the foreseeable future they do not anticipate the creation of any new waste stream generated by different production mechanisms, materials or processes. That said should new or altered processes be considered the management of waste generation is one of the primary elements of developing the business case required for investment in new processes. As previously identified the production of waste represents an economic disadvantage to DWT.

Appendix 1 Order issued under S121B

 **Planning & Environment**

Contact: Dr Paul Rutherford
Phone: 02 6229 7907
Email: paul.rutherford@planning.nsw.gov.au
Our ref: MP 07_0161

Kwang-Byeong Chae
Managing Director
Dongwha Timbers Pty Ltd
ACN 104 629 058
PO Box 146
BOMBALA NSW 2632

Attention: Michael Dyer,
General Affairs Manager

ORDER

SECTION 121B – ENVIRONMENTAL PLANNING AND ASSESSMENT ACT 1979

This is an Order given in accordance with item No. 18 of the Table in Section 121B of the *Environmental Planning and Assessment Act 1979 (the Act)* to remedy and restrain breaches of an approval under Part 3A of the Act.

The Order is served on you as the person who caused, is causing or is likely to cause the breach, or the person entitled to act on the approval.

The original Order given to you on 31 August 2017 is hereby revoked in accordance with s121ZG and replaced by this Order, which has the effect of specifying revised dates compliance with Terms 1 to 4 as set out in Table 1.

Premises

The land located at 1 Sandy Lane, Bombala, 2632 New South Wales, being Lot 2 DP1016573 and Lot 27 DP1061792 (*the Premises*).

Approval

Development Application MP 07_0161 was granted by the Minister for Planning on 7 September 2010 under section 75J of the Act (*the Approval*), for the expansion of an existing sawmilling operation to increase softwood log input capacity from 106,000 to 400,000 tonnes a year, and including the:

- relocation and or replacement of existing mill infrastructure over a period of four years;
- demolition of existing structures no longer required;
- construction of a new greenmill and timber treatment plant, and associated infrastructure including additional boilers and kilns, and a new wastewater management system; and
- construction of new site access roads, office and car park.

Department of Planning & Environment
130 Pitt Street Sydney NSW 2000 | GPO Box 39 Sydney NSW 2000 | T 02 9274 6311 | F 02 9274 6455

Terms of the Order

You are required to comply with the terms of the Order and the dates for compliance with the Order as set out in Table 1 below.

Table 1.

Terms of, and dates for, compliance with the Order given to Dongwha Timbers Pty Ltd under s121B of the Environmental Planning and Assessment Act 1979

Term Number	Terms of Order	Period for Compliance	Conditions of Approval Currently Not Complied With	Reasons for Order
1.	Prepare and submit an updated Landscape Management Plan to the Secretary	18 December 2017	Schedule 3, Condition 38. Within 12 months of the approval of MOD 2, the Landscape Management Plan (required under Condition 38 and approved on 10 February 2012) shall be updated to the satisfaction of the Secretary in consultation with the EPA	The approval date for MOD 2 was 15 July 2015, therefore the due date for the updated Landscape Management Plan, as required by Schedule 3, Condition 38, was 15 July 2016. As of the date of this Order, the Landscape Management Plan has not been updated to the satisfaction of the Secretary as required.
2.	Prepare and submit a Product Management Plan to the Secretary	18 December 2017	Schedule 3, Condition 27. The Proponent must prepare and implement a Product Management Plan, to the satisfaction of the Secretary. The Plan must be prepared in consultation with the EPA and approved by the Secretary within 12 months of the approval of MOD 2	As of the date of this Order, a Product Management Plan has not been submitted or approved by the Secretary as required.

<p>3.</p>	<p>Submit to the Secretary an Independent Environmental Audit (IEA), including responses to recommendations made in the audit report.</p> <p>Note 1: The Approval requires that the person(s) proposed for appointment as independent auditor must be endorsed by the Secretary prior to commencement of the audit.</p> <p>Note 2: The audit report should follow the Department's Independent Audit Guideline available at http://www.planning.nsw.gov.au/Policy-and-Legislation/Mining-and-Resources/-/media/06A174B7A3C84531A025721A4717A8A1.ashx</p>	<p>1 April 2018</p>	<p>Schedule 4, Condition 5:</p> <p>Within 2 years of this approval, and every three 3 years thereafter, unless the Secretary directs otherwise, the Proponent shall commission and pay the full cost of an Independent Environmental Audit of the project. This audit must:</p> <ul style="list-style-type: none"> (a) be conducted by suitably qualified, experienced and independent team of experts whose appointment has been endorsed by the Secretary, (b) include consultation with the relevant agencies, (c) assess the environmental performance of the project and assess whether it is complying with the relevant requirements in this approval and any relevant EPL (including any assessment, plan or program required under these approvals), (d) review the adequacy of strategies, plans or programs required under these approvals, and, if appropriate (e) recommend measures or actions to improve the environmental performance of the project, and/or any assessment, plan or program 	<p>An Independent Environmental Audit report of the project has not been received by the Department (7 September 2010) as required by Schedule 4, Condition 6 of the Approval.</p>
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	<p>required under these approvals.</p> <p>Schedule 4, Condition 6:</p> <p>Within 6 weeks of the completing of this audit, or as otherwise agreed by the Secretary, the Proponent shall submit a copy of the audit report to the Secretary, together with its response to any recommendations contained in the audit report.</p>		
<p>4.</p> <p>Remove the entire Rear Stockpile/s of wood residues from the site.</p>	<p>Schedule 3, Condition 26:</p> <p>Within 12 months of the approval of MOD 2, or as otherwise agreed to by the Secretary, the Proponent shall ensure that the entire Rear Stockpile(s) is removed from the site or disposed of in the Wood-fired Boiler.</p>	<p>31 January 2018</p>	<p>12 months from the approval of MOD 2 (as outlined as the timeframe for removal of the rear stockpiles in Schedule 3, Condition 26) was the 15 July 2016. A Departmental inspection of the Premises, on 18 November 2016, identified that the rear stockpile/s had not been removed as required and installation of the new wood-fired boiler had not commenced.</p> <p>The Environmental Assessment for MOD 2, titled Bombala Sawmill, Section 75W Modification, dated August 2014, highlighted the environmental issues relating to the rear (residual) stockpile/s and made a number of commitments to the removal of the rear stockpile/s.</p>

Non-Compliance with the Order

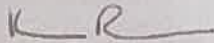
It is an offence under Section 125 of the Act to fail to comply with this Order. The maximum penalty for breaching or failing to comply with an Order issued under Section 121B of the Act is \$2 million and a further penalty of \$20,000 for each day that the offence is continuing.

Appeal

You are advised that you may appeal to the Land and Environment Court against the terms of this Order or a specified part of this Order under the provisions of section 121ZK of the Act. Such appeal must be made within 28 days after the service of this Order on you, and does not affect the requirement for you to comply with the terms of this Order.

Departmental Contact

The contact for this matter is Dr Paul Rutherford, phone (02) 6229 7907 or email paul.rutherford@planning.nsw.gov.au.



Kirsty Ruddock
Director – Compliance and Investigations 13/10/17
as delegate of the Minister of Planning

Appendix 2 List of Plans and Reports required under the approval

3-4 Dust and Wood Residue Monitoring and Management Plan

3-6 Air Emissions Management Plan

3-11 Noise Validation Report

3-12 Remedial Action Plan

3-13/14 Validation Report and Site Audit Report

3-20 Soil and Water Management Plan

3-21 Site Water Balance

3-23 Storm water Management Scheme

3-24 Soil and Water Monitoring Program

3-25 Irrigation Management and Monitoring Plan

3-27 Product Management Plan

3-30 Signs and Markings Plan

3-33 Energy Efficiency Plan

3-34 Aboriginal Cultural Heritage Management Plan

3-36 Safety Management System

3-37 Landscape Management Plan

4-1 Environmental Management Strategy

4-2 Review of Environmental Performance

4-5 Independent Environmental Audit



Appendix 3.

Please find below the EPA's comments re: Draft Product Management Plan. If you require further information or would like to discuss the points raised, please don't hesitate to contact me on the below numbers.

- The EPA advises that the licensee must ensure that any liquid and/or non-liquid waste generated and/or stored on the licensed premises is assessed and classified in accordance with the NSW EPA Waste Classification Guidelines (as per Environment Protection Licence 11205 - Condition 05.1). Licence Condition 05.2 states that the licensee must ensure that waste identified for recycling is stored separately from other waste.
- The licensee must ensure that all waste is appropriately transported and disposed of at a facility that is lawfully able to accept it. Further information can be found at www.epa.nsw.gov.au or by contacting the South East Regional Office of the EPA on (02) 6229 7002.
- (1) The EPA notes that the Product Management Plan advises that historic residue located in the rear stockpiles is addressed within the "Dust and Wood Residue Monitoring and Management Plan". It is unclear within the Product Management Plan if these waste types (dust and wood residue) are generated as part of current operations/production, and if so, how this waste stream is/will be managed to prevent further residue stockpile build-up into the future.
- (2) The EPA suggests that consideration be given to the inclusion of a review provision within the Product Management Plan to capture future changes in products or production which may generate new waste streams

Janine Goodwin

Senior Regional Operations Officer – South East Region

South and West Branch, NSW Environment Protection Authority

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Report pollution and environmental incidents 131 555 (NSW only) or [+61 2 9995 5555](tel:+61299955555)


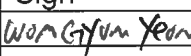


Please send all official electronic correspondence to queanbeyan@epa.nsw.gov.au

Please note that I work part time (Monday to Thursday)

Dongwha Timbers Pty Ltd
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 BOMBALA NSW 2632
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Document Status

Revision	Author	Reviewer	Sign	Issuer	Sign	Date
1	M Dyer	DongJin Lee	 13 Dec 2017	WonGyun Yeom		13 DEC 2017

