

ASSESSMENT REPORT

Section 75W Modification – IPMG Warwick Farm Printing Facility (08_0088 MOD 4) - Hazards Studies

1. BACKGROUND

The Warwick Farm printing facility is operated by Independent Print Media Group (IPMG) at Warwick Farm in the Liverpool local government area (see Figure 1).



Figure 1: Site location – regional context

IPMG is a leading Australian printing company with printing facilities located in Sydney, Melbourne and Brisbane.

On 24 March 2009, the IPMG printing facility at Warwick Farm was approved by the then Minister for Planning, and included the refurbishment of an existing industrial building for the purposes of 24 hour rotogravure print production, warehousing and distribution of media (including magazines, newspapers and catalogues).

In particular, the approval included the installation of 3 rotogravure printing presses in the print room, a vapour recovery system and two boiler stacks (18 metres in height) used to discharge emissions generated by the boilers.

The IPMG site is surrounded by a range of land uses including large industrial operations, light industrial units, residences on nearby Manning Street and horse stables associated with the nearby Warwick Farm Racecourse (approximately 800m to the north-east – see Figure 2).

Other key land uses in the vicinity of the site include (see Figure 2):

- Car parking associated with Liverpool Hospital, approximately 50m to the south;
- Liverpool Hospital, located on the western side of the rail line approximately 350m to the south west;
- The Liverpool Sewage Treatment Plant (STP), approximately 400m to the east;
- The Georges River, approximately 450m to the east; and
- Warwick Farm railway station, approximately 3.5km to the north.



Figure 2: Locality plan

Since the original approval of the printing facility in 2009, three modifications to the project have been approved.

In June 2010, the Minister approved a modification to the project for the construction and operation of a new rail spur line connecting the IPMG site to the adjacent Southern Sydney Freight Line (SSFL) to allow IPMG to transfer paper from Port Kembla to the Warwick Farm printing facility and finished product off-site.

In May 2011, the Director-General approved an additional modification to allow IPMG to temporarily undertake Heat Set Web Offset (HSWO) printing at the premises in addition to rotogravure (as originally approved). This was partly because of an economic downturn in the printing industry and HSWO printing and equipment is generally much cheaper in terms of upfront and on-going costs.

This modification approved two interim operating scenarios at the facility, namely:

- Print Scenario 1 - installation and operation of 6 HSWO printing presses; and
- Print Scenario 2 - installation and operation of 1 rotogravure and 4 HSWO printing presses.

In April 2011, the Director, Mining & Industry Projects approved a third modification to allow minor building design and site layout changes to accommodate the specific layout, placement and size of the machinery mainly associated with HSWO printing.

IPMG intends to use the facility for standard HSWO printing until such time as the financial state of the printing industry improves (i.e. demand for print products increases). The approval for the facility is flexible in that if over time the market conditions do improve, it allows IPMG the option of reverting back to 3 rotogravure printing presses, as per the original approval.

Operation of the facility as originally approved (3 rotogravure printing presses) required the storage of approximately 145m³ of Toluene, a Class 3 Dangerous Good. This triggered the requirement for a Preliminary Hazard Analysis under *State Environmental Planning Policy No. 33 – Hazardous and Offensive Development* and the need for conditions of approval regarding hazards and safety, namely condition 24 in schedule 2, which requires IPMG to undertake a Fire Safety Study, Final Hazards Analysis and a Hazards and Operability Study, prior to the commencement of construction.

IPMG now intends to commence construction under interim Print Scenario 1 (above) for the installation and operation of 6 HSWO printing presses as soon as possible.

However, the solvents used in HSWO printing are considerably less volatile and are not considered hazardous. Therefore, IPMG's hazards consultant Sherpa has identified that the requirements of condition 24 in schedule 2 are currently unnecessary and given the costs involved in undertaking such studies, would like to remove this condition.

2. PROPOSED MODIFICATION

IPMG is now seeking to modify its existing approval to remove the requirement for hazards and safety studies under condition 24 of the project approval.

IPMG intend to commence construction at the site as soon as possible and would like condition 24, schedule 2 removed in order for these works to commence without the burden of these additional studies that they do not consider necessary for the purposes of standard HSWO printing.

3. STATUTORY CONTEXT

Under clause 8J(8) of the *Environmental Planning and Assessment Regulation 2000*, the Minister's consent is taken to be an approval under Part 3A of the Act and can be modified by the Minister under section 75W of the Act.

The Executive Director, Major Projects Assessment, may determine this application on behalf of the Minister in accordance with the Minister's delegation of 14 September 2011, subject to the following:

- where the relevant local Council has not made an objection;
- where a political donations disclosure statement has not been made; and
- there are less than 25 public submissions in the nature of objections.

The Department is satisfied that the application meets the terms of the delegation and that the Executive Director may determine the application under delegated authority.

4. CONSULTATION

Under section 75W of the EP&A Act, the Department is not required to notify or exhibit the application. However, upon receipt, the application was placed on the Department's website and following a review of the application, the Department sought comments from Liverpool City Council (Council).

Consultation with other government agencies and other neighbouring sites was considered unnecessary as the environmental impacts of the proposal would essentially remain unchanged.

Council did not support the removal of this condition, however considered it appropriate for the hazards and risks studies to be deferred, and to only be undertaken if rotogravure print operations are undertaken at the site.

No submissions were received from members of the general public.

5. ASSESSMENT

5.1 Hazards and Risk

Key issues assessed as part of the original project approval included impacts on flora and fauna, soil and water, greenhouse gases, traffic and Aboriginal heritage. The Department considers this to be an administrative modification with no environmental impacts beyond those originally assessed.

The application seeks to remove the requirement for hazards and safety studies in condition 24 of the project approval.

A summary of the existing condition 24 and the proposed modifications is provided below:

- 24 *Prior to the commencement of construction of the proposed project (except for construction of those preliminary works that are outside the scope of the hazard studies), the Proponent shall prepare the studies set out under subsections (a) to (c) below (the pre-construction studies). All studies shall be kept on site and presented to the Director-General on request.*
- (a) *A **Fire Safety Study** – This study shall address the relevant aspects of the Department of Planning's Hazardous Industry Planning Advisory Paper No. 2, 'Fire Safety Study Guidelines' and the New South Wales Government's 'Best Practice Guidelines for Contaminated Water Retention and Treatment Systems'.*
 - (b) *A **Hazard and Operability Study**, chaired by an independent qualified person, shall be carried out in accordance with the Department of Planning's Hazards Industry Planning Advisory Paper No. 8, 'HAZOP Guidelines'. If the Proponent intends to defer the implementation of a recommendation, reasons must be documented.*
 - (c) *A **Final Hazard Analysis** (FHA) shall be prepared in accordance with the Department of Planning's Hazardous Industry Planning Advisory Paper No. 6, 'Guidelines for Hazard Analysis'. The FHA may be omitted if the final design does not differ significantly from that assumed in the Preliminary Hazard Analysis.*

As above, operation of the facility as originally approved (3 rotogravure printing presses) required the storage of approximately 145m³ of Toluene, a Class 3 Dangerous Good. IPMG is now about to commence construction under interim Print Scenario 1 (above) for the installation and operation of 6 HSWO printing presses.

HSWO printing does not involve the use or storage of Toluene. The solvents used in the HSWO printing process are considerably less volatile and are not considered hazardous. Rather than using Toluene, a similar quantity of ink (not classified as a Dangerous Good), and a much smaller quantity (approximately 3 m³) of blanket wash cleaner (a hazardous substance but non-Dangerous Good) would be stored on-site.

The Department has consulted with its Hazards Unit with regards to the proposed modification who is satisfied that because Toluene is not used for HSWO printing and warehousing, the requirements of condition 24 b) and c) (i.e. for a Hazard and Operability Study and Final Hazard Analysis) may be removed, unless rotogravure printing is commenced at the site.

Therefore, the Department has recommended a modified condition of approval which would require IPMG to fulfil the requirements of condition 24 b) and c), but only in the event that rotogravure printing commences at the site. This modified condition would ensure that IPMG's approval maintains its flexibility in that IPMG still has the option of reverting back to rotogravure printers, without the need for further modification, if market conditions improve. The modified condition is also consistent with the views expressed by Council in their submission.

Notwithstanding the above, the Department's Hazards Unit recommended that the requirement of condition 24 a) to prepare a Fire Safety Study (FSS) for the project be retained in its current state (prior to the commencement of construction) because HSWO printing presses still present fire hazards/risk to surrounding sensitive land uses. The Department has therefore maintained the requirement for a FSS in the modified conditions of approval.

However, the Department has amended the condition slightly to allow the FSS to be prepared to reflect the intended operating scenario at the site (i.e. installation and operation of 6 HSWO printers) rather than the original approved operating scenario with purely rotogravure printers. Under the modified condition, the FSS would need to be updated should this scenario change (i.e. if rotogravure printers are installed at the site). This modified condition recognises that the fire safety requirements of the site would be different depending on the print scenario in which they operate.

Based on the above, the Department is satisfied that the proposed modification would not increase hazards and risk associated with the project. The Department considers this to be an administrative modification to rectify an anomaly in the existing approval with no environmental impacts beyond those originally assessed.

6. CONCLUSION

Given that the proposed modification predominantly comprises administrative amendments to the approval, the Department considers the proposed modification would not result in any increase in the existing environmental impacts of the approved project. Consequently, the Department believes the proposed modification should be approved.

IPMG has also reviewed and accepted the requirements of the draft conditions.

7. RECOMMENDATION

Under delegation of the Minister, it is RECOMMENDED that the Executive Director:

- consider the findings and recommendations of this report;
- approve the proposed modification under Section 75W of the EP&A Act;
- sign the attached instrument **Tagged A**.

Felicity Greenway
14/12/11

Felicity Greenway
Team Leader - Industry
Mining & Industry Projects

Chris Wilson

Chris Wilson
Executive Director
Major Projects Assessment

Andrew Hartcher
Environmental Planner, Industry

14.12.11