

ASSESSMENT REPORT

Section 75W Modification – Coca-Cola Amatil Preform and Closure Manufacturing Facility (10_0125)

1. BACKGROUND

Goodman International Pty Ltd (Goodman) owns the M7 Business Hub which is located within the Eastern Creek Precinct (2) of the Western Sydney Employment Area (Figure 1).

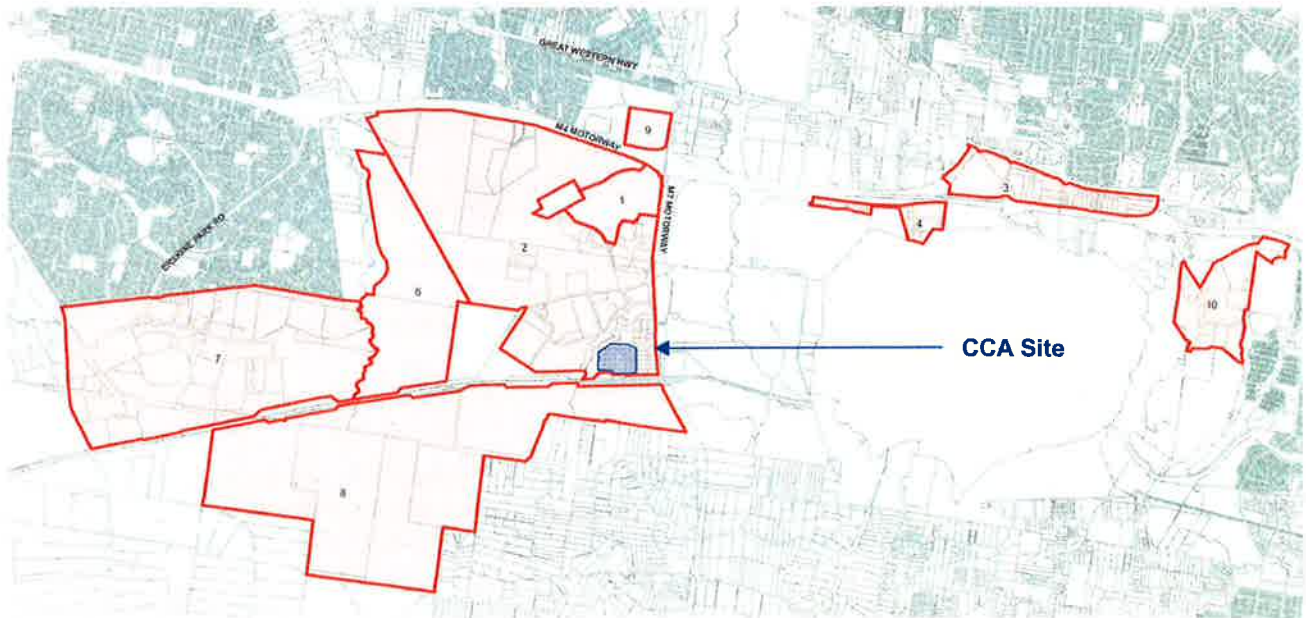


Figure 1: CCA site in the context of the Western Sydney Employment Hub

Coca-Cola Amatil (CCA) currently leases a warehouse and distribution centre from Goodman in the M7 Business Hub. The facility is used for the purposes of receiving, storing and supplying beverages and related produce. The site has an area of approximately 15 hectares and is accessed off Wallgrove Road (Figure 2).



Figure 2: CCA Warehouse and Distribution Centre

Preform and Closure Manufacturing Facility

Construction of the Preform and Closure Manufacturing Facility is almost complete. CCA is currently fitting out and installing its equipment ready to commence operations.

This manufacturing process involves converting polyethylene terephthalate (PET) and high density polyethylene (HDPE) resin pellets into preforms and closures¹. Printers and printer dryers are then used to add logos to some of the closures. The air stream emitted from this process would contain Volatile Organic Compounds (VOCs).

"Prior to commencement of operations, the Proponent shall install an extraction and afterburner system, as described in the EA, to capture and treat the Volatile Organic Compounds (VOCs) emitted from the printing process. The design of the extraction system should be consistent with AS 1668 The Use of Ventilation and Air Conditioning in Buildings Part 1 and 2".

3. STATUTORY CONTEXT

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, provided that:

- ¹ Preforms are moulded plastic bottle casts that are used in CCA's in house blow fill operation to produce plastic beverage containers (bottles), and closures are lids used for bottles.

- 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 because Council had no objection to the modification (see below), a political donation disclosure statement from Goodman has not been made and no submissions were received from members of the general public. Consequently, 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, the application was placed on the Department's website and following a review of the application, the Department sought comments from Blacktown City Council (Council) and the Office of Environment and Heritage (OEH).

Council has no objection to the deletion of this condition because the amount of VOCs that would be emitted from the printing process would have negligible impact on the surrounding area.

The **EPA** (OEH has recently become the **Environmental Protection Authority** or **EPA**) concluded that the VOC stream from the printing process (without the extraction and afterburner system) would emit ground level concentrations of individual toxic and odorous air pollutants well below applicable NSW air quality criteria at all nearest sensitive receiver locations.

5. ASSESSMENT

Goodman, on behalf of CCA, engaged SLR Consulting Australia Pty Ltd (SLR) to carry out a (quantitative) process emissions impact assessment (PEIA). The assessment reviewed the anticipated impacts from the closure printing process, examined the potential ground level impacts from this process, and determined the need for the operation of an extraction and afterburner system at the facility.

The assessment found that the maximum predicted ground level concentrations of VOCs at the nearest residences would be well below relevant health and odour criteria, which is supported by the EPA. This is predominantly due to the low level of VOCs that would be emitted from the printing process and the relatively large distance from the facility to the nearest sensitive receptor of more than 800 metres.

Furthermore, given that the system would consume a significant amount of fuel and electricity in order to destroy the VOCs generated from the printing process, the assessment argues that it is not an appropriate technology for emission control in this case because it would result in an unsustainable use of natural resources and would represent a high operational cost to CCA.

The Department, the EPA and Council are satisfied that there would be no adverse health or odour impacts to surrounding receivers if the printing process is permitted to be carried out at the facility using a conventional exhaust extraction system. As a result, the installation of an extraction and afterburner system is not considered to be necessary in this case.

6. CONCLUSION

The assessment has found that an extraction and afterburner system is not considered necessary and that the project can still be managed to ensure an acceptable level of environmental performance without this requirement.

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**.



Chris Ritchie
Team Leader - Industry
Mining & Industry Projects

27/1/12



Chris Wilson
Executive Director
Major Projects Assessment

30.1.12

Nick Hall
Industry
9228 6438