



Our reference: LIC06/45-34:DOC13/23650:CP
Contact: Craig Patterson (02) 4224 4100

Department of Planning and Infrastructure
(Attention: Pascal van de Walle)
GPO Box 39
SYDNEY NSW 2001

Dear Mr van de Walle

**EXHIBITION OF ENVIRONMENTAL IMPACT STATEMENT (SSD 5544)
CALTEX KURNELL REFINERY CONVERSION PROJECT, BOTANY BAY**

I am writing in response to the above State Significant Development and the exhibition of the Development Application and Environmental Impact Statement (EIS) from 23 May to 28 June 2013.

The Environment Protection Authority (EPA) has reviewed the proposal and has no objection to the proposal proceeding as described in the EIS subject to the comments outlined in this letter and attachment. All comments provided by EPA in relation to the draft EIS have been satisfactorily addressed.

In assessing the proposal EPA identified a number of issues that Department of Planning and Infrastructure (DP&I) should consider and clarify in its overall assessment of the application. These issues are included in **Attachment A** and include the following:

1. Licensing and Environmental Management
2. Water Quality
3. Noise
4. Air Quality
5. Waste Management
6. Reporting

Should project approval be granted, Caltex will need to submit a Licence Variation Application to EPA to vary the Environment Protection Licence for the Kurnell Refinery (Licence 837). The application will need to be submitted prior to the conversion works commencing and any new licence conditions will be developed in discussion with Caltex.

EPA would appreciate receiving a copy of Caltex's response to the submissions to ensure that EPA issues have been adequately addressed. EPA also requests an opportunity to review the draft Conditions of Consent for the proposal prior to finalisation, to ensure there are no consistency issues with any future licences for the project.

It should be noted EPA's comments relate to the development as proposed in the documents and information currently provided to EPA. In the event that the development is modified either by the applicant prior to the granting of consent or as a result of the conditions proposed to be attached to the consent, it will be necessary to consult with EPA about the changes before the consent is issued. This will enable EPA to make additional comments on whether it still considers the proposal appropriate.

Should you have any further enquiries, please contact the officer above.

Yours sincerely



1/7/13

PETER BLOEM
Manager Illawarra
Environment Protection Authority

Att

ATTACHMENT A

ENVIRONMENT PROTECTION AUTHORITY COMMENTS ON EXHIBITED ENVIRONMENTAL IMPACT STATEMENT

Licensing and Environmental Management

1. Caltex Refineries (NSW) Pty Ltd currently holds an Environment Protection Licence (EPL) 837 under the *Protection of the Environment Operations Act 1997* for the operation of a petroleum refinery at Kurnell. All works and activities associated with the Kurnell Refinery Conversion must comply with the conditions of the licence at all times.
2. Section 3.2.3 of the Environmental Impact Statement (EIS) states that a number of amendments to the existing licence will be required to reflect proposed changes to the storage capacities and operational capabilities of the site. It also states that these amendments will be carried out in a staged manner as agreed with EPA. Should project approval be granted, Caltex will need to apply to vary the licence to permit the proposed conversion works prior to the project commencing. The amendments to the licence will be developed in discussion with Caltex. They will likely involve the removal of Tabbagai Gap discharge point and associated monitoring conditions, changes to noise limits and the addition of a Pollution Reduction Program (PRP) to characterise wastewater during terminal operations.
3. Upon completion of the conversion works and cessation of refinery activities, Caltex will need to apply to vary the licence to convert the licence from a petroleum refinery licence to a terminal operations licence for the storage and distribution of petroleum products.
4. All works and activities associated with the Kurnell Refinery Conversion Project must be carried out in accordance with the following documents except as expressly provided by a condition of the EPL or as otherwise agreed in writing by EPA:
 - a) EIS and associated Appendix prepared by URS Australia dated May 2013
 - b) Construction Environmental Management Plan and associated sub plans including but not limited to:
 - Soil and Erosion Management Plan
 - Contamination Management Plan
 - Stormwater Management Plan
 - Noise Management Plan
 - Air Quality Management Plan; and
 - Waste and Resource Management Plan.
5. Prior to the commencement of the Kurnell Refinery Conversion Project, all Environmental Management Plans and associated site procedures must be completed. Appropriate procedures should also be developed for reviewing and improving the requirements of each plan to allow for adaptive management and to address any contingencies that may arise over the life of the project.
6. Section ES1.1 of the EIS states that the removal of the refinery infrastructure and any related remediation (should it be required) will be subject to approval under a separate development application. On 17 June 2013, EPA issued Caltex a Preliminary Investigation Order under Section 10 of the Contaminated Land Management Act 1997 to ensure that all contamination legacies are addressed in a timely and comprehensive manner through the development of a transparent holistic remediation strategy. Caltex must continue to progress the requirements of this Notice in conjunction with the proposed Kurnell Refinery Conversion works.

Water Quality

7. Section 11.6.2 of the EIS states that during terminal operations there will be a significant reduction in wastewater volume and contaminant load and that the existing wastewater treatment plant (WTP) will need to be reassessed. EPA has advised Caltex that it must continue to operate the existing WTP in accordance with the licence until refinery operations cease. When the Refinery has been decommissioned and terminal operations are the main activity carried out at the premises, EPA will attach a PRP to the licence for the characterisation of terminal wastewater streams and investigation of

alternative treatment options. Further variations to the licence in relation to discharge limits and monitoring requirements will occur upon completion of the PRP.

Noise

8. The Noise Management Plan should be developed in consultation with EPA to address potential noise impacts associated with the construction activity. The Plan should include the recommended feasible and reasonable noise mitigation measures and detail the proposed performance evaluation procedures (including noise monitoring) to assess the effectiveness of these measures and any potential impacts on sensitive receptors.
9. All construction activities associated with the Kurnell Refinery Conversion Project must comply with the Project Specific Noise Criteria as specified in the EIS and Noise Management Plan. Only activities related to the day-to-day refinery operations may be regulated under the existing licence limits for noise.
10. Appropriate respite periods should be implemented to address any noise complaint(s) associated with any construction noise and any loud construction works.
11. Section 12.9.4 of the EIS details predicted noise levels for the site with all plant operating including the Refinery. These noise levels are based on a report prepared by HFP Acoustic Consultants. Based on the values provided in Table 12-12, EPA proposes to amend the LA10 (15 minute) noise limits in the licence to reflect appropriate LAeq (15 minute) noise levels. This Licence Variation will be developed in discussion with Caltex prior to the commencement of the proposed conversion works. Further revision of the licence noise limits will occur when refinery activities cease.

Air Quality

12. The EPL for the Kurnell Refinery includes a number of programs for the management of air emissions from the premises including an Odour Reduction Program and Leak Detection and Repair Program. Until refinery operations cease, Caltex must continue to progress these programs to ensure compliance with the licence, particularly in regards to the emission of potentially offensive odours from the premises. The licence requirements (including discharge limits and associated monitoring) will be reviewed when refinery operations cease.

Waste Management

13. The proposed conversion works include the cleaning and modification of some of the existing tanks on site to store refined product. Section 9.7.1 of the EIS states that measures will be implemented to contain and collect any potentially contaminating product for appropriate disposal either to the onsite waste system or the landfarm. As part of Caltex's Licence, the Company has committed to evaluating alternative options for the sustainable management of oily wastes/sludges that will facilitate the cessation of land farming at the premises. Where reasonable and feasible, Caltex should minimise the quantity of oily wastes/sludges placed in the landfarm during the conversion works to assist with the future remediation of this area.
14. Section 10.6.1 of the EIS states that asbestos has been noted on the site in various places mainly associated with pipeline easements and waste areas. The Construction Environment Management Plan must identify appropriate management measures to prevent unnecessary or excessive disturbance of asbestos contaminated material to ensure the protection of the environment and human health. It should also detail the proposed methodology for handling, removing and disposing of any asbestos contaminated material generated by the conversion activities. The storage, disposal and transport of asbestos waste must be undertaken in accordance with the *Protection of the Environment Operations (Waste) Regulation 2005*. EPA also recommends that Caltex consult with NSW Health and Workcover in regards to this matter.
15. All contaminated soil and associated waste materials must be managed in accordance with the *Protection of the Environment Operations Act 1997* and associated regulations and characterised in accordance with the EPA's *Waste Classification Guidelines*.

Reporting

16. In accordance with the existing licence, Caltex or its employees must notify EPA of any incident that is causing or is likely to cause environmental harm as soon as the person becomes aware of the incident.