

Borg Panels

# ENVIRONMENTAL IMPACT STATEMENT

(Application to Amend Development Consent under the Provisions of  
Section 75W of the Environmental Planning & Assessment Act, 1979)

Co Generational Power Plant  
Lot 26 DP 1200697

June, 2015



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### ENVIRONMENTAL ASSESSMENT (Application to Amend Consent under the Provisions of Section 75W of the Environmental Planning & Assessment Act, 1979)

Co Generational Power Plant (Borg Panels Oberon)  
Lot 26 DP 1200697

Project No. 14.042

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## EXECUTIVE SUMMARY

### Background

The Oberon facility forms part of the larger timber product related precinct on the northern outskirts of Oberon, NSW. Borg Group (hereby referred to as Borg) have a variety of landholdings in the area, which provide support to the overall production activities on the site. The proposed development intends to allow the replacement of the existing steam boilers with a Gas Fired Co-Generation Plant.

### Importance to the Local Economy

The Western Research Institute *'Oberon Economic Analysis'* completed in November 2006 indicates the significance of the timber/wood manufacturing industries to the Oberon LGA. The report sets out that such industries contribute approximately \$111million to the local economy each year. This has obvious flow on effects for the local economy for a range of ancillary staff as well as those associated with plantation timber growing across the region.

Borg is well aware of the importance of the site to the local economy and aim to work with the local Council and residents/employees on any plans for alterations to the site.

### Subject Site

The subject land is located to the northern outskirts of Oberon to the east of Lowes Mount Road.

The Borg plant is part of a larger precinct operated by a number of separate companies, which generally involve timber product manufacture.

The subject land is identified as Lot 26 DP 1200697.



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## Proposed Development

The current application does not seek to increase production or make any significant amendment to the operations on the site. The proposed development is:

- Removal of two gas fired steam boilers that were put in place in 2000 (to replace a fire damaged Weiss heat plant unit)..
- Installation of a Gas Fired Co-Generation Plant, enclosed in sound proof enclosures which will generate electricity (replacing grid supplied power) from the combustion of natural gas, provide heat energy for the MDF Press Dryer, and will be used to heat process water.

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## Planning Considerations

The following planning considerations are relevant to the proposed development:

- The proposed development includes relatively minor alteration and additions to an existing business which operates under a previously issued Ministerial approval. For this reason, this application has been made under the provisions of Section 75W of the *Environmental Planning & Assessment Act 1979* (which relates to modification of Ministerial approvals). As such, the proposed development will be determined by the Minister for Planning.
- Steam generators currently in operation are an integral part of the existing approved industrial operations on the site, and similar steam generators are operating on other sites within the site boundary of the wider Oberon Timber Complex, it is assumed that the approval for such elements were included within the overall site approval issued under DA 27/95, or subsequent modifications under Mod-83-10-2002-i, which dealt with the rebuilding of fire damaged infrastructure.
- Steam is also referenced in the ERM Environmental Impact Statement from 1995 as an existing activity and as a proposed activity, (Note Pages 43, 47, 50 and 51 of the EIS).
- Discussions have been held with the EPA regarding any additional requirements for licencing. Documentation has been provided that outlines the emissions from the proposed works, which will fit under the current licensing requirements for the site.
- The plant is to be located within sound proof enclosures, and no negative acoustic impacts are anticipated to occur. Supported by Noise Impact assessment prepared by Vipac engineers.
- The subject land has a current zoning of **IN1 – General Industrial** under the provisions of the *Oberon Local Environmental Plan 2013* (LEP). The proposed development is permissible under the current zoning.
- The proposed development is consistent with the provisions of Council's Development Control Plan, including Part D – 'Commercial & Industrial Development',
- The proposed development will not have any adverse impacts in terms of flora/fauna, soils, water heritage or other impacts.
- Appropriate arrangements have been made for dealing with wastes from the construction process.

## Conclusion

The proposed development will enable the installation of a Co Gen power plant which enables the operations on site to reduce overall energy usage. No impacts on noise and emissions from the site will occur as a result of the proposed development.

Given the above, and the vast regional economic and employment benefits the facility provides to Oberon, it is requested that The Department support this Section 75W Application.

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# 1. INTRODUCTION

## 1.1 Background

The Design Partnership has been engaged by Borg to prepare an Environmental Assessment to accompany an application for amendment to existing Ministerial approvals.

The existing approvals for the uses were established by applications approved by the Minister and Borg now aim to make some relatively minor amendments to the approvals under the provisions of Section 75W of the Environmental Planning & Assessment Act, 1979 (this section of the Act relates to *'Modification of Ministers Approval'*)

It is not the intention of the works proposed under this Application to significantly alter the current operations on site or to increase productive capacity – the proposed development aims to replace existing steam boilers with more modern equipment that integrate better into the overall site energy balance and allow the generation of power on site.

## 1.2 History of the Borg Panels Site

The following extracts are taken from *'The Thematic History of Oberon Shire'* authored by Philippa Gemmell-Smith (March 16, 2004) and is included to provide a history of timber products manufacture in Oberon Shire. Importantly the publication includes extensive details in relation to the subject land.

A review of history publications reveals that the Oberon Shire has a significant timber industry, with timber plantations being established as far back as the late 1920s/early 1930's:

*'The Forestry Commission of NSW recognised the suitability of the Oberon district for the growing of softwoods, and the first pines were planted in the Vulcan and Jenolan State Forests in 1929. In 1930 the Oberon Prison Afforestation Camp was established and began annual plantings in the Gurnang State Forest in 1931. Pine planting was done as Depression relief work.'*

*'After trials of Pinus radiata, Monterey Pine, was recognised as the most successful pine species. During the 1930s large areas of Crown land were reserved for forestry purposes. During World War II the Cotton family of Broken Hill contracted to supply sawn timber for the Broken Hill North Mine, it being a wartime measure to replace the timber imported from America. The Cottons chose Oberon as a suitable source, and sent Robert Cotton and his wife, Eve, who moved there in 1941 to build a sawmill for cutting mine timbers. They lived first at Dulce Domum. They bought Cunynghame and Star's sawmill and transferred its milling and the log licenses to Oberon and started to build the factory. It began supplying at the end of 1942 under the name Timber Industries Pty Ltd. In 1946 Monty Cotton, returned from war service and joined the team. The following year they bought Beresford Brown's sawmill at Beaconsfield (Black Springs). This gave the Cottons the sawmilling licenses over the whole Oberon shire'*

In the 1960's particle board manufacture commenced in Oberon:

*'The first particle board factory in Australia, Pyneboard, was in Oberon. When the Forestry Commission advertised the rights to purchase the thinnings from pine plantations in the Oberon area, a joint venture between CSR, Timber Industries and Fletchers (a New Zealand company that was already producing particle board) was formed, and established the factory in 1961. Pyneboard created jobs for nearly 200 people. In 1964 CSR and APM took over Pyneboard as equal shareholders.'*

Since that time there have been a number of additions, alterations and changes in ownership:

*'In 1978 CSR purchased Pyneboard outright and installed a new press to produce thin particle board. Pyneboard was developed into Structaflor, the particle board flooring plant in 1979. In the 1980s the timber industry ceased to be a locally owned industry. It started on the path of rapid expansion to compete on the global market. In 1978 the Cottons sold Timber Industries sawmill to Blue Metal Industries, and who sold to Boral in 1982.'*

In the 1980's there was a significant expansion of the industries in the area:

*'A massive expansion of the industry followed with the building of another fibreboard processing plant by AMCOR/Elders Resources NZ Forest Products Limited. With the decision to build the plant Oberon reaped the benefit of access to natural gas in 1987, before other towns in the Central West.'*

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*Fibron, the world's first fully computerised medium density fibreboard plant opened in 1988, and in 1989 was sold to CSR. In 1994 CSR won a tender issued by State Forests of NSW for the right to purchase an additional 380,000 tonnes of sawlogs and small pulpwood logs per year. Another massive expansion began, this one costing \$350 million, doubling the size of the MDF (medium density fibreboard) factory, with a new sawmill and a tannin extraction plant. The building process was a huge boon to the town, especially the accommodation sector. CSR Timber Products sawmill opened in November 1996. Woodchem, the resin plant, was built by London based company ACM Wood Chemicals and opened in 2000.*

*Also in 2000 the major part of the timber factories ceased to be Australian. The expansion had overstretched CSR. In 1999 it was making a loss in its Oberon operations, and in May 2000 sold most of its nationwide timber interests to Carter Holt Harvey, a New Zealand forestry company 50% owned by the U.S. giant International Paper. Its remaining plant in Oberon, FeaturPanels was sold to JELD-WEN, an American multi-national but privately held corporation.*

*CSR's share in the 50/50 proposed joint sawmilling venture with Boral was also taken over by Carter Holt Harvey. Called Highland Pine Products their partnership gave them the volume of logs to get the base cost down and to compete on the world market.*

*In preparation for this move Boral rationalised its operations closing its Bathurst section. Only months after the joint venture, Highland Pine announced 59 permanent jobs would be lost.*

*At the same time the company announced a \$26 million expansion to amalgamate the two sawmills (CSR's and Boral's) into one on the Carter Holt Harvey site.*

*In May 2001 Carter Holt Harvey launched Customwood, the internationally known brand name of Oberon's sister plant in New Zealand, in Oberon. The move was designed to increase the export market, particularly to China and the United States. In 2002 the company announced marketing alliances with Sierra Pine to extend its marketing to North America, and with IPPM in China.'*

Carter Holt Harvey's operations were initially successful and profitable. However, over the past 4 to 5 years a range of sales, separations and consolidation of uses has taken place. Various lots and uses have been sold off to separate parties. Current ownership is shown in **Figure 1**.

- MDF Site owned by Borg (the subject of this application)
- Woodchem owned by Borg
- CHH Owned Land owned by Carter Holt Harvey
- HPP Site 1 owned by Boral
- Structafloor owned by Carter Holt Harvey
- HPP Site 2 owned by Carter Holt Harvey



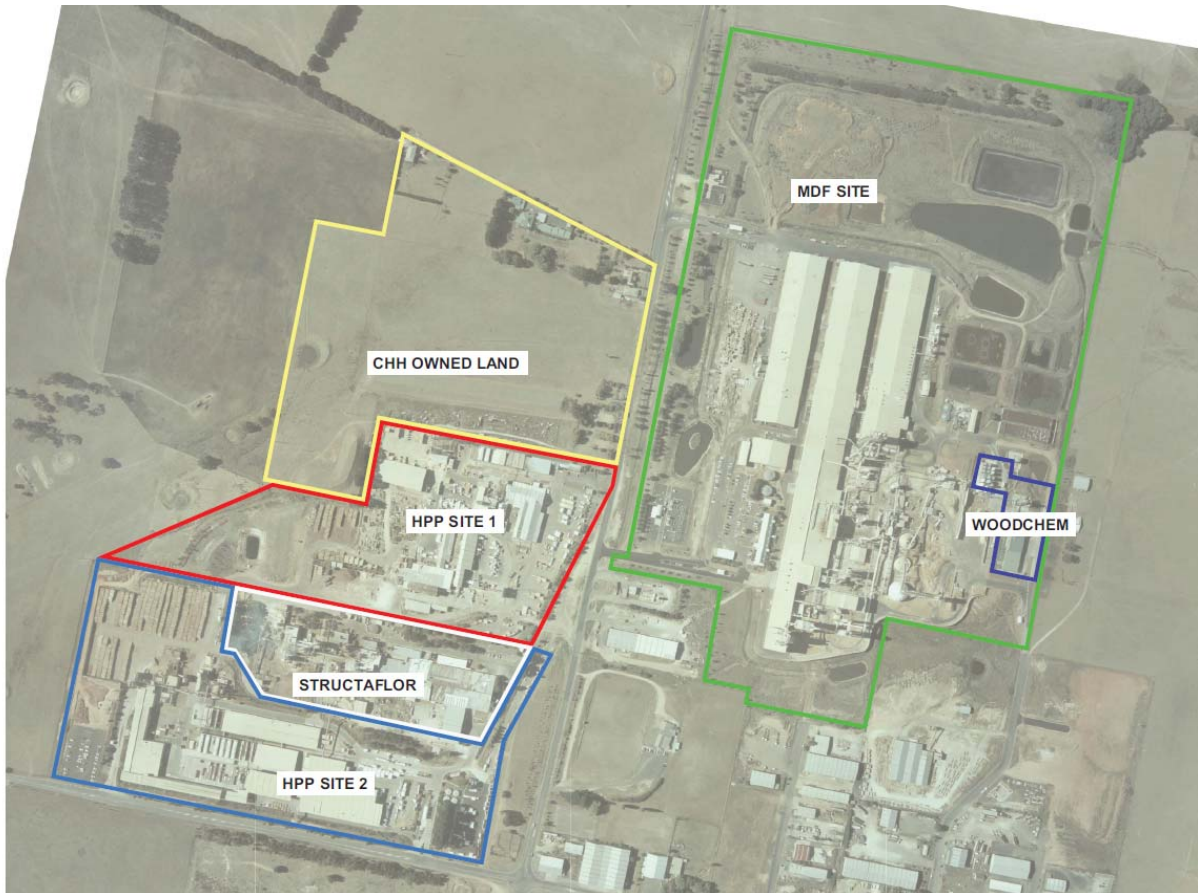


Figure 1: Current site ownership covered by Ministerial Approval,

### 1.3 Borg Group

After commencing the manufacture of thermolaminated vinyl doors in Charmhaven in the early 1990's, Borg has established itself as a leading Australian manufacturer of melamine panels and components for all joinery applications.

Borg is made up of a number of inter-related companies that manufacture a range of joinery materials including Polytec Doors (primarily for kitchen and bathroom use), white melamine panels, decorative melamine board products, shelving components, and Createc. With a commitment to Australian manufacturing, Borg focuses much of its activities on manufacturing plants throughout NSW (including a world class manufacturing plant at Charmhaven and a 45,000m<sup>2</sup> manufacturing and distribution centre at Somersby)

### 1.4 Purchase of the Oberon MDF Facility

Experiencing significant growth over the past 2 decades, Borg has continued to invest in leading edge, world class machinery across its manufacturing sites. Ensuring the production of the highest quality product in the most cost effective manufacturing processes is integral to Borg's intent of delivering superior value to its customers.

In March 2010, Borg acquired the former Carter Holt Harvey Oberon Medium Density Fibreboard (MDF) facility at Oberon and a few months later, acquired the associated JeldWen factory located adjoining the MDF plant.

This facility manufactures a range of Customwood MDF products include:

- Standard MDF,
- Moisture Resistant MDF,
- E0 (Low Formaldehyde Emitting) MDF.
- The Oberon facility also manufactures Ultraprime MDF Mouldings.

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A Section 75W Application was made in 2011 to provide for the rationalization of the development footprint of the site. An additional two Section 75W applications were made in 2014, one (Mod 6) to provide for alterations to the Woodchem operations on site and one (Mod 7) to undertake a number of upgrades and allow the temporary expansion of the site to an adjoining property.

## 1.5 Importance to Local Economy

The Oberon MDF facility forms part of the larger timber product related precinct on the northern outskirts of Oberon. The MDF plant currently directly employs around 150 full time staff with 95% of these employees being residents of the Oberon township. A small number of staff are drawn from nearby townships and rural areas.

The Western Research Institute '*Oberon Economic Analysis*' completed in November 2006 indicates the significance of the timber/wood manufacturing industries to the Oberon LGA. The report sets out that such industries contribute approximately \$111million to the local economy each year (around 46% of the total local economic output).

This has obvious flow on effects for the local economy for a range of ancillary staff including those involved in services such as cleaning, security, maintenance and other aspects related to site management. In addition, significant raw materials are drawn from local sources (including *Pinus radiata* plantations from NSW State Forests and private forest growers).

Borg is well aware of the importance of the site to the local economy and aim to work with the local Council, relevant State agencies and residents/employees on any plans for alterations to the site. Borg management see the MDF plant as an integral part of their future company plans and recognise the importance of the plant to the local economy – for this reason the future development/expansion of the plant is seen as a 'win-win' situation.

## 1.6 The Purpose of the Current Application

The current application does not seek to increase production or make any significant amendment to the operations on the site. Rather, the proposal seeks to simply rationalise some of the site uses through the provision of some relatively minor extensions/new buildings.

The proposed development includes:

- Removal of two steam boilers that were put in place in 2000 (to replace a fire damaged Weiss heat plant unit). These consist of waste wood combustion furnaces which are used to heat thermal oil and create steam.
- Installation of a Gas Fired Co-Generation Plant which will generate electricity (replacing grid supplied power) from the combustion of natural gas, provide heat energy for the MDF Press Dryer, and will be used to heat water.
- Provision of soundproof enclosure to contain the plant.

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## 2. STRATEGIC CONTEXT

### 2.1 Resolutions of Council

Council has adopted a number of policies and resolutions which have implications on the development within the Oberon LGA. This includes a Council Resolution of March 27, 2007):

*'That provision be made in the LEP and Assets Management Plan for at least the doubling of the population of the Oberon LGA over the next twenty five years.'*

The Council see potential for growth in the local population, supported by growth in industry and jobs.

### 3. SUBJECT LAND

#### 3.1 Regional Context

The Oberon LGA covers an area of 3,626 sq km and lies approximately 125 kilometres to the west of Sydney in the NSW Central Tablelands.

The LGA borders the City of Lithgow to the north, Blue Mountains to the east, Wollondilly to the south-east, Goulburn/Mulwaree and Upper Lachlan to the south and Bathurst Regional to the south-west.

The LGA has a population of 5,030 with the majority of the population (approximately 70%) living in the Oberon township (being 3,498 people).

In addition to the main settlement of Oberon there are a number of small villages (including Black Springs, Burruga and Mt David) as well as rural localities.

The primary industries within the LGA are agriculture (including sheep and beef farming as well as plantation timber growing) as well as industries associated with logging, sawmilling and timber dressing along with the manufacture of wood products.



Figure 2: the Oberon LGA in its context with the NSW

#### 3.2 Subject Land

The subject land is located to the northern outskirts of Oberon to the east of Lowes Mount Road. The Borg operations are part of a larger precinct operated by a number of separate companies, which generally involve timber product manufacture. There are a number of inter-relationships between these firms as some rely on others for materials/processes and the like.

The subject land is identified as Lot 26 DP 1200697.



Figure 3: the Oberon LGA in its context with the towns of Bathurst and Lithgow

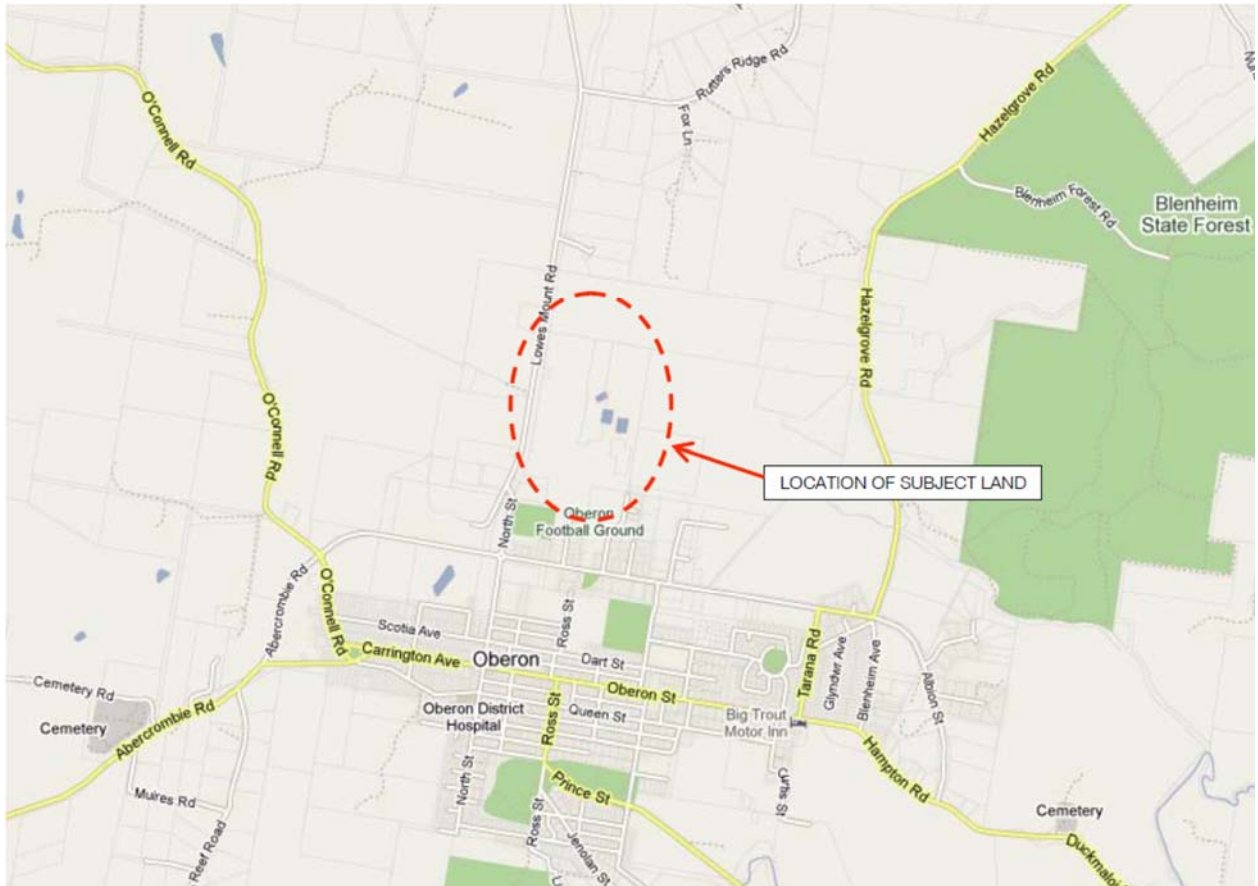


Figure 4: The location of the land on the northern outskirts of Oberon.

### 3.3 Surrounding Land

To the immediate south of the subject land lies other industrial and light industrial uses. Beyond which lies the urban area of Oberon itself.

To the south-west (on the opposite side of Lowes Mount Road) there are a range of other industrial uses including those related to the timber/wood products manufacture.

To the north and east of the subject land lies (generally) undeveloped lands currently used for industrial, agriculture and associated activities.

### 3.4 Existing Development

The subject land is currently developed for the purposes of a manufacturing facility for Medium Density Fibre board (MDF). This existing development includes:

- A number of large industrial scale buildings which contain various processes involved with the manufacture of MDF and MDF products;
- Concrete hard stand areas between the buildings
- An existing two-storey administration/amenities building with associated staff car parking
- Various necessary items of infrastructure including venting, conveyors and the like.
- Other facilities/buildings associated with the use of the land (including maintenance areas, security entry/exit gates, weigh bridges and the like.
- Fencing, landscaping and other site facilities.

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### 3.4.1 Current Approval

The current approval for the site dates from October 5, 1995. At this time the approval related to not only the subject land but to other adjoining lands which (at the time) were held in the same ownership and used as part of a larger business entity. Since that time the approval has been amended a number of times, including amendments in 2001, 2003, 2006, 2008, 2011, 2014 and a current, undetermined, application before The Department.



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## 4. PROPOSED DEVELOPMENT

### 4.1 Description of Proposed Development

The proposed development includes:

- Removal of two steam boilers that were put in place in 2000 (to replace a fire damaged Weiss heat plant unit). These consist of waste wood combustion furnaces which are used to heat thermal oil and create steam.
- Installation of a Gas Fired Co-Generation Plant which will generate electricity (replacing grid supplied power) from the combustion of natural gas, provide heat energy for the MDF Press Dryer, and will be used to heat water.
- Installation of a 3m x 8m x 2.85m soundproof enclosures (lined with 50mm thick Rockwool) to contain the plant. This will significantly decrease overall noise emission levels from the plant when compared to the plant being located in open air.

The material changes are very minor in nature. Existing boilers of an older, less efficient and less energy efficient design are to be replaced with modern Co-Generational Plants, which have lower overall emissions and significantly lower running costs. The new Co-Generation Plant will be gas fired, will be installed under an existing awning and will be contained within soundproof enclosures.

Detailed consideration of the impacts of this proposed minor amendment is provided in Section 5 of this report.

The following provides other relevant details:

- Local tradespersons and suppliers will be used, where appropriate, for the various aspects of the construction process.
- The new Co-Gen plants will be installed within soundproof enclosures.
- The new Co-Gen plants will be installed in the same location as the existing boilers on site under an existing awning.
- No impacts on the existing acoustic environment will occur.
- Monitoring for air quality impacts will be undertaken post-construction in consultation with the EPA

### 4.2 Staging

No staging is proposed.

### 4.3 Approvals Sought

The proposed development seeks relatively minor amendments to the existing operations of the site under the provisions of *Section 75W* of the *Environmental Planning & Assessment Act, 1979*.

Section 75W of the Act relates to amendments to Ministerial approvals and is relevant in the case of this site given that the operations have been established under previous Ministerial consents.

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## 5. PLANNING CONSIDERATIONS

Section 79C of The Environmental Planning and Assessment Act, 1979, as amended, provides the basis for the assessment of development applications in NSW. Section 79C(1) states:

*(1) Matters for consideration — general*

*In determining a development application, a consent authority is to take into consideration such of the following matters as are of relevance to the development the subject of the development application:*

- (a) the provisions of:*
  - (i) any environmental planning instrument, and*
  - (ii) any draft environmental planning instrument that is or has been placed on public exhibition and details of which have been notified to the consent authority, and*
  - (iii) any development control plan, and*
  - (iv) any matters prescribed by the regulations, that apply to the land to which the development application relates,*
- (b) the likely impacts of that development, including environmental impacts on both the natural and built environments, and social and economic impacts in the locality,*
- (c) the suitability of the site for the development,*
- (d) any submissions made in accordance with this Act or the regulations,*
- (e) the public interest.*

The following sections of this Statement detail matters that are of relevance to this development application and that have been taken into consideration with the preparation of the proposal.

### 5.1 Environmental Planning Instruments

#### 5.1.1 State Environmental Planning Policy No. 33 – Hazardous & Offensive Development

*State Environmental Planning Policy No 33 – ‘Hazardous and Offensive Development’ (SEPP 33)* provides guidance for the assessment of developments that are considered potentially hazardous or offensive. The policy ensures that development proposals for potentially offensive or hazardous industry is assessed on a merits basis and not subject to an outright prohibition within planning instruments. *SEPP 33* also ensures that appropriate measures are taken to reduce the impact of such developments on the environment.

In consideration of the SEPP during the preparation of this Statement of Environmental Effects, a review of the NSW Governments draft guideline *‘Implementing SEPP 33’* (July 2008) has also been made.

*SEPP 33*, at *Clause 3*, provides definitions for *‘potentially hazardous industry’* and *‘potentially offensive industry’* to which Part 3 of the SEPP applies.

The definitions provided within the SEPP are:

*‘potentially hazardous industry means a development for the purposes of any industry which, if the development were to operate without employing any measures (including, for example, isolation from existing or likely future development on other land) to reduce or minimise its impact in the locality or on the existing or likely future development on other land, would pose a significant risk in relation to the locality:*

- (a) to human health, life or property, or*
- (b) to the biophysical environment,*

*and includes a hazardous industry and a hazardous storage establishment.’*

*‘potentially offensive industry means a development for the purposes of an industry which, if the development were to operate without employing any measures (including, for example, isolation from existing or likely future development on other land) to reduce or minimise its impact in the locality or on the existing or likely future development on other land, would emit a polluting discharge (including for example, noise) in a manner which would have a significant adverse impact in the locality or on the existing or likely future development on other land, and includes an offensive industry and an offensive storage establishment.’*



### 5.1.1.1 Preliminary Hazards Analysis under the SEPP

Under the provisions of the SEPP (Clause 12), a preliminary hazards analysis must be prepared for any development that is considered to be a potentially hazardous development. The proposed development is for the extension of an existing potentially hazardous industry. However, no expansion in the amount of potentially hazardous material used at the site is proposed to be carried out. As such, it is considered that no Preliminary Hazards Analysis will be required.

### 5.1.1.2 The Proposed Development Under the SEPP

The proposed development does not represent an increase in size of the existing operations on the site. Although the use of the Woodchem site itself may be considered to be potentially hazardous industry under the SEPP, the existing approval and approvals regime in place and the fact that no increase in the amount of potentially hazardous materials to be stored or used on site will be required, mean that no further consideration of SEPP 33 is required.

## 5.1.2 Oberon Local Environmental Plan, 2013

### 5.1.2.1 Current Zoning

The subject land has a current zoning of IN1 – General Industrial zoning under the provisions of the *Oberon Local Environmental Plan, 2013* (LEP)

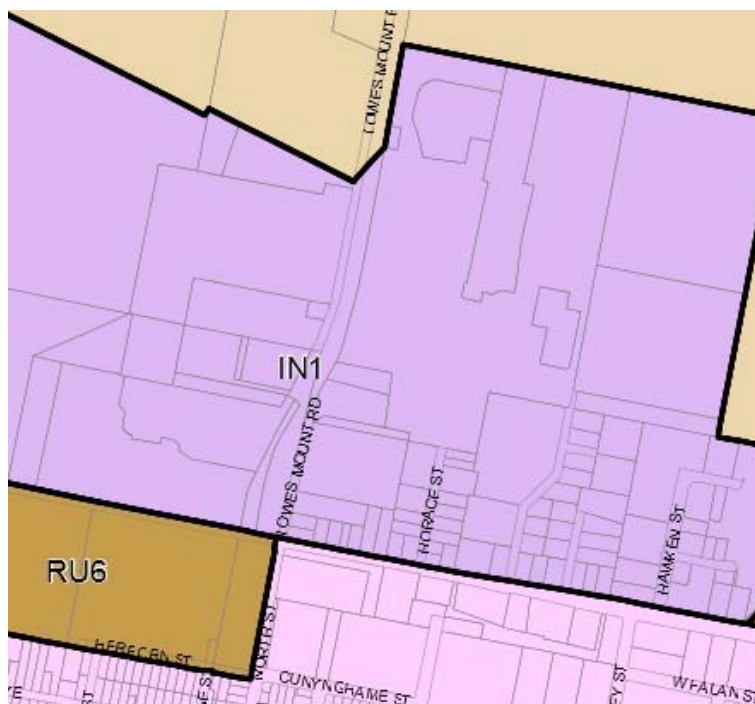


Figure 17: Zoning extract (Source: Oberon Council)

### 5.1.2.2 Zone Objectives

The objectives of the current zone as follows:

- To provide a wide range of industrial and warehouse land uses.
- To encourage employment opportunities.
- To minimise any adverse effect of industry on other land uses.

- To support and protect industrial land for industrial uses.

The proposed development is consistent with the objectives of the zone as set out under the provisions of the LEP. All works are to be internal to the existing buildings on site, and will be enclosed within sound proof enclosures.

The development aims to ensure that all works minimise adverse impacts on other land uses. The proposal will also assist in ensuring the economic viability of the site, ensuring the continuation of employment for the local community and having obvious flow on effects in terms of economic benefits to local settlements (including the Oberon town itself as well as surrounding areas)

### 5.1.2.3 Definition & Permissibility

The proposed development on the site would be best described as a development that is ancillary to the existing approved development on site, which is considered to be a 'Heavy industry':

*heavy industry means a building or place used to carry out an industrial activity that requires separation from other development because of the nature of the processes involved, or the materials used, stored or produced, and includes:*

- (a) hazardous industry, or*
- (b) offensive industry.*

*It may also involve the use of a hazardous storage establishment or offensive storage establishment.*

The permitted uses in the zone are as follows:

*Depots; Freight transport facilities; Funeral homes; General industries; Hardware and building supplies; Industrial training facilities; Kiosks; Landscaping material supplies; Light industries; Liquid fuel depots; Neighbourhood shops; Plant nurseries; Roads; Rural supplies; Take away food and drink premises; Timber yards; Vehicle sales or hire premises; Warehouse or distribution centres; Any other development not specified in item 2 or 4*

Heavy industry is not specified in either items 2 or 4, and therefore the proposed usage is permitted in the zone.

### 5.1.2.4 Clause 5.10 – Heritage Items (including Archaeological Sites)

Clause 5.10 of the LEP relates to development in the vicinity of heritage items, heritage conservation areas, archaeological sites or potential archaeological sites and states:

There are no items of European heritage significance which are affected by the proposed development.

In terms of potential Aboriginal Archaeological sites – there is nothing to indicate that any part of the land is likely to have significance as an archaeological site. The land which is to be used for the erection of the enclosures for the plant is located within the existing footprint of the development on site.

## 5.2 Oberon Development Control Plan (DCP)

### 5.2.1 DCP Part D – 'Commercial & Industrial Development'

The aims and objectives of this part of the DCP are:

*'(a) The aim of this plan is promote the development of a visually pleasing and appealing development of the Commercial Centre and industrial area.*

*(b) The objectives of this plan are to:*

- i) control the material to be used in the façade of commercial and industrial development.*
- ii) apply specific controls for the setback of development.*
- iii) apply requirements for traffic management and parking.*
- iv) allow flexibility in the application of the controls.'*

At the conclusion of this DCP component, the 'other matters' noted state that all matters set out in the DCP are

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*'... to be considered and provided for in each development where possible, having regard to site and surrounding circumstances. The design of the development should contribute to the enhancement of the Oberon's visual amenity. The design should allow for the development to be neat and tidy.'*

The proposed development achieves the underlying objectives of this component of the DCP. In this respect, it is reiterated here that one of the primary purposes of the proposal is to provide a minor extension to an existing industrial building on site and to rationalise the loading/unloading of materials.. The proposal will not only assist in the improvement of processes on the site, but will permit for a more 'tidy' appearance to the development – entirely consistent with the requirements of Part D of the DCP.

Table 1: Evaluation of DCP (Part D) Requirements

DCP Component	Requirement	Complies?	Comments
D4.1 – Building Setback	Provide a building setback minimum of 6 metres from the Street and 4.5 metres from any side street.  Where there is an existing development which is built to the front boundary along the Street, the Plan does not require that building to be set back upon redevelopment or extension.	Y	The proposed development is located solely within the existing Borg landholding. The Co-Generation units will be located within the footprint of the current factory and will not intrude upon the road setback,
D4.2 – Building Facade	The building facade should be designed to enhance the visual amenity of the area. The building designer will be required to give special consideration to the building facade and the site landscaping.	Y	The proposed development is consistent with the existing development on the site and will not adversely impact upon the visual amenity of the area.
D4.3 – Setback Area Use	Each development will be considered on its merits and having regard to the adjoining development and the development when considered within the existing streetscape.	Y	The proposed development will have no additional impacts on the existing streetscape of the area.
D4.4 - Parking	The use of lots adjoining the rear of a commercial lot, for car parking is permissible. The use of these lots or the use of an existing rear lane is encouraged so as to reduce the number of driveways, which would otherwise cross the footpath. Disabled carparking is required on each development site. Signposting indicating the availability and location of car parking on the site is to be provided at the front of the site.		No change to existing approved car parking on site is proposed. The works will not generate any significant additional car parking demand.
D4.5 – Access Driveways	The access driveways must be designed in accordance with appropriate Engineering Specifications at full cost to the Developer to Councils satisfaction. The access crossing over the footpath from the kerb of the road/street to the gateway of the development is to be concreted.	Y	The proposed development will not result in any alteration to the existing access points. The proposed development will not lead to any additional vehicular traffic over and above that which is already approved to the site.
D4.6 – Site Access	The design of the driveways and manoeuvring areas are to be, wherever possible, accessible to rigid trucks for loading and unloading and will enable on site reversing movements for the forwards direction entry and exit of all vehicles, including the rigid trucks. Council will require turning circles to be detailed on the site plan.	Y	All internal access areas, hard stand areas and the like have been appropriately designed to allow for turning of heavy vehicles. All vehicles will enter and exit the site in a forward direction.
D4.7 - Signs	The development will be required to ensure that no sign is projecting over the front boundary of the lot. Refer to State Environmental Planning Policy 64 – Advertising and Signage for the requirements for signage. The SEPP 64 provides for business and building identification signs.	N/A	No new signage is proposed as part of this development.
D4.8 - Awnings	Council will require all commercial development in the Oberon Street to provide awnings over the adjacent footpath to provide weather protection for pedestrians.	N/A	Not relevant to the proposed development.

## 5.2.2 DCP Part F – ‘Vehicle Circulation & Parking’

Objectives of Part F of the DCP are:

- To outline the vehicle parking requirements relating to all forms of development.
- To encourage the creation of car parking and service vehicle areas that enhances the function and appearance of the development.
- To ensure that adequate provision is made for off street parking and vehicle access in accordance with the volume and turnover of traffic likely to be generated by the development.
- To assist those involved in the design of service and parking areas to provide efficient, useable space for those activities.
- To preserve the safety and efficiency of the existing road system as a carrier of through traffic.

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The proposed development does not propose to make any alteration to the number of vehicles entering/leaving the site – as such, no additional demand for parking of vehicles will be made.

### **5.2.3 DCP Part H – ‘Notification’**

Part H of the DCP relates to notification and advertising of Development Applications. The Department of Planning and Environment (on behalf of the Minister for Planning) will exercise its duties in respect to this component of the DCP as part of its assessment of the application.

## **5.3 Likely Impacts of Development**

### **5.3.1 Context and Setting**

The proposed development is consistent with the regional and local context of the locality. In this respect, the site is situated within a precinct where there are a range of industrial uses for timber/wood products manufacture. These uses complement each other and there are efficiencies/inter-relationships between a number of these separate businesses.

In terms of the regional context, the existing MDF manufacturing plant (along with adjoining and nearby supporting uses) has become an influential part of the Oberon community – supporting a significant proportion of the workforce and providing the impetus for a range of other industries which are important for the community (including plantation timber growing).

The proposed development is to be located in the same place as the current boilers. This is within the footprint of the existing manufacturing facility and will not be visible from outside the site.

### **5.3.2 Access, Transport and Traffic**

The proposed development does not involve the amendment that would result in additional vehicles entering or exiting the site.

### **5.3.3 Public domain**

The proposed development will not alter the current appearance or amenity of the current approved development. All works are located in the footprint of existing development on the site.

The Co-Gen plants will be located in soundproof enclosures on the same location as the current steam boilers.

### **5.3.4 Utilities**

The proposed development will reduce overall demand on utilities by the current factory facility. The Co-Gen plants will utilise natural gas for power, reducing reliance on grid provided electricity.

### **5.3.5 Heritage**

The proposed development will not have any impact on any item of European or Aboriginal Archaeological heritage. In this respect the subject land is significantly disturbed and has been extensively used for a range of uses over the last few decades. No new buildings or any excavation is proposed as part of the development.

### **5.3.6 Water**

No changes to the existing approved stormwater management plan for the site will be undertaken. All new works will drain in to the existing stormwater system on site.

### **5.3.7 Soils**

The proposed development will not have any adverse impact in terms of loss of productive agricultural soils. No agricultural zoned land will be affected by the proposed development. In addition, the proposed development will not result in significant problems as a result of instability, erosion or the like. All works are located on an existing cleared and paved area of the site, and the units themselves are located within shipping containers so ground disturbance is minimal.

### 5.3.8 Flora and Fauna

The proposed development will not have any adverse impact on flora or fauna. The significant component of the site has been significantly disturbed and is completely devoid of any vegetation.

### 5.3.9 Waste

In April 2008 DECC (now DECCW) replaced the *Environmental Guidelines: Assessment, Classification and Management of Liquid and Non-liquid Wastes* with the *Waste Classification Guidelines*. This document outlines a simple step-by-step process for waste generators to follow to classify their waste for disposal.

Classifying wastes into groups that pose similar risks to the environment and human health facilitates their management and appropriate disposal.

Six waste classes are used:

- Special waste
- Liquid waste
- Hazardous waste
- Restricted solid waste
- General solid waste (putrescible)
- General solid waste (non-putrescible)

Each of these waste types are defined within the *Waste Classification Guidelines*.

A review the *Waste Classification Guidelines* reveals that waste from the site would be best defined as **General solid waste (non-putrescible)** and **Hazardous waste**.

As such, a vast proportion of the waste produced during the construction of the development is capable of being sorted and recycled or re-used. It is expected that the construction process will result in the production of very little waste. Such wastes will be sorted and recycled where appropriate. An existing approval exists for the Hazardous waste generated, and no alteration to this process is proposed.

Any waste that cannot be recycled will be disposed of via an appropriate contractor. This is consistent with the existing, approved, approach.

### 5.3.10 Safety, Security & Crime Prevention

The proposed development has been designed to take into account safety, site security and crime prevention. The site already has a well established security presence and all visitors must pass through a secure entry gate in order to access the site. The site is completely fenced by appropriate security fencing and provision is made for security cameras and the like. Many areas of the site have views and/or overlook other areas to provide casual surveillance (the security entry points have views of the Lowes Mount Road frontage, the administration building looks over the carparking areas). The site is suitably designed in terms of security

In terms of safety on site, all personnel must undertake a WorkHealth and Safety induction before entering, must wear appropriate safety equipment (goggles, hard hat, ear protection, high visibility vests etc). All visitors are accompanied by a site employee at all times. The site office keeps records of all visitors and appropriate markings/safety signage is provided where appropriate and in accordance with legislative requirements.

### 5.3.11 Noise & Vibration

At the current time, the operation of the site results in significant component of site activities being undertaken either outside of the

existing buildings, or involving transition of materials between buildings (through outdoor areas). This involves the generation of noise and vibration.

The proposed development is for the installation of a two (2) Co-Gen plants to replace existing steam boilers. There is the potential for this equipment to generate additional noise. In the discussions held to date with the EPA the creation of noise was of significant concern.

As a result, the two plants will be located within soundproof enclosures to ensure that licence targets for noise are met. Whilst it is acknowledged that some noise will be generated, the provision of the soundproof enclosure will significantly minimise noise impacts in the immediate vicinity. However, given the background noise associated with the Oberon Timber Complex, no significant change on noise levels at the key receptors identified by the Department of Planning or the Environmental Protection Authority will be noticeable. These noise levels will remain within the approved levels.

An acoustic report by Vipac Pty Ltd has been prepared which indicates that the proposed development will not create any additional noise impacts on key surrounding sites. This report concluded:

*The potential cumulative noise impact from the proposed Gas Fired Co Generator units is likely to be negligible at each of the noise sensitive receptors (no increase in cumulative noise levels at each of the monitoring locations, except R4, where there is a predicted increase of 1dB) as the existing Borg operations would mask the noise emissions from the proposed Gas Fired Co Generators.*

This report is included as Appendix B.

As a result, no additional controls are considered to be required to be placed on the development.

### 5.3.12 Dust & Air Quality

The proposed development will not create any additional dust or air borne particles from the subject site.

Discussions have been held with the EPA regarding the potential for emissions from the proposed Co-Gen plants. This is included as Appendix A. The EPA advised the following regarding emissions targets:

*"The EPA draws Borg's attention to the air quality limits stipulated within Schedule 4 of the Protection of the Environment Operations (Clean Air) Regulation 2010 which state that for this type of 'Group 6 plant'(plant that first commenced operations after 1 September 2005), nitrous oxide concentrations must be less than 450mg/m<sup>3</sup> and volatile organic compounds/carbon monoxide must be less than 40mg/m<sup>3</sup> / 125 mg/m<sup>3</sup> respectively (with an oxygen reference condition of 3%)*

The plants are second-hand, and were previously installed at a waste disposal facility. At this location the readings were:

- Nitrous Oxides average 290mg/m<sup>3</sup>.
- Volatile Organic Compounds 0.14mg/m<sup>3</sup>
- Carbon dioxide 11.2%
- Oxygen 7%.

Full information regarding the emissions in the previous installation of these Co-Gen plants is included as Appendix A.

Advice from the manufacturer indicates that there is substantial tuning that can be undertaken on the plants to minimise emissions; much of this fine tuning is dependent on what fuel source is used. As the proposed plants will utilise natural gas rather than digester gas from the landfill it is anticipated that emissions will be significantly lower than in their previous usage.

In the correspondence between Borg and the EPA the following is noted:

*The EPA will require Borg to undertake post commissioning testing to demonstrate compliance with the Clean Air Regulations regardless of whether the manufacturer claims the limits can be met or if aftermarket emissions controls need to be fitted to the cogeneration units.*

Borg undertakes to carry out post installation testing of the Co-Gen plants to monitor these levels and tune the plant to the required levels.

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### 5.3.13 Social & Economic Impact

The proposed development is likely to have a number of positive social and economic impacts. The proposal is entirely consistent with the intended direction taken by Council's policy and in resolutions by Council. It is clear that the Borg site is an important part of the fabric of the community – both by virtue of its prominent location and by the significant contribution that it makes to local employment. This employment includes not just full time employees but also other associated industries (including plantation forestry, local suppliers, as well as employment of contractors, cleaners and the like). The significant direct employment provided by the plant has obvious flow on benefits for the community. In this regard the contribution made by the plant to the town of Oberon and the community of the entire LGA is well known (and includes extensive employment of local contractors/tradespersons, use of local hotels and catering facilities, local suppliers and other specialist staff as well as a general reliance on the Oberon township for a range of support activities).

The proposed development will provide immediate employment of contractors from the building industry for the construction and associated tasks. And whilst the current works are unlikely to increase productive capacity, they are an investment in the plant that will provide for the economic viability of the current operation, with the possibility of future expansion.

The proposed development will decrease the overall reliance and usage of outside supplies of energy, reducing overall reliance on external, generally non-renewable fuel sources and reducing overall demand on infrastructure in the area.

### 5.4 Suitability of the site for the Development

The subject land is suited to the proposed development. The proposed development aims to make relatively minor alterations to an existing well established industrial use which is consistent with the nature of the current activities on the site.

### 5.5 Submissions

As part of the Department of Planning & Infrastructure's assessment of the application in accordance with the *Environmental Planning & Assessment Act, 1979*, the Department is bound to consider any submissions made during the required consultation/notification process.

### 5.6 Public Interest

The proposed development will make a minor amendment to the existing Oberon factory, replacing existing steam boilers with Co-Generational Power Plants. No significant changes to production, noise, emissions or the like will occur as a result of the proposed development.

The proposal will assist in ensuring the commercial viability of the Borg operations, and will pave the way for potential future expansion to manufacturing process. The economic importance of the plant to the Oberon town (and region) is widely known. The timber/wood manufacturing industries contribute approximately \$111million to the local economy each year with the Borg plant being an important part of this industry.

This has obvious flow on effects for the local economy for a range of ancillary staff as well as those involved in plantations timbers across the region.

Given the importance of the industry to the local economy, and the role that the Borg plant plays in that industry, it is clear that the public interest is best served by approval of the application.

## 6. CONCLUSIONS

In summary, the following matters are relevant in considering the proposed development:

The proposed development includes relatively minor alteration and additions to an existing business which operates under a



previously issued Ministerial approval. For this reason, this application has been made under the provisions of Section 75W of the *Environmental Planning & Assessment Act 1979* (which relates to modification of Ministerial approvals). As such, the proposed development will be determined by the Minister for Planning.

The proposed development is as follows:

- Removal of two steam boilers that were put in place in 2000 (to replace a fire damaged Weiss heat plant unit). These consist of waste wood combustion furnaces which are used to heat thermal oil and create steam.
- Installation of a Gas Fired Co-Generation Plant which will generate electricity (replacing grid supplied power) from the combustion of natural gas, provide heat energy for the MDF Press Dryer, and will be used to heat water.
- Installation of sound proof enclosure to contain the above plant.

The economic importance of the plant to the Oberon town (and region) is widely known. The timber/wood manufacturing industries contribute approximately \$111million to the local economy each year with the Borg plant being an important part of this industry. The following is of note:

- The proposed development includes relatively minor alteration and additions to an existing business which operates under a previously issued Ministerial approval. For this reason, this application has been made under the provisions of Section 75W of the *Environmental Planning & Assessment Act 1979* (which relates to modification of Ministerial approvals). As such, the proposed development will be determined by the Minister for Planning.
- Steam generators currently in operation are an integral part of the existing approved industrial operations on the site, and similar steam generators are operating on other sites within the site boundary of the wider Oberon Timber Complex, it is assumed that the approval for such elements were included within the overall site approval issued under DA 27/95, or subsequent modifications under Mod-83-10-2002-i, which dealt with the rebuilding of fire damaged infrastructure.
- Steam is also referenced in the ERM Environmental Impact Statement from 1995 as an existing activity and as a proposed activity, (Note Pages 43, 47, 50 and 51 of the EIS).
- Discussions have been held with the EPA regarding any additional requirements for licencing. Documentation has been provided that outlines the emissions from the proposed works, which will fit under the current licensing requirements for the site.
- The subject land has a current zoning of **IN1 – General Industrial** under the provisions of the *Oberon Local Environmental Plan 2013* (LEP). The proposed development is permissible under the current zoning.
- The proposed development is consistent with the provisions of Council's Development Control Plan, including Part D – 'Commercial & Industrial Development',
- The proposed development will not have any adverse impacts in terms of flora/fauna, soils, water heritage or other impacts.
- Appropriate arrangements have been made for dealing with wastes from the construction process.
- Acoustic studies have been carried out, and the Co-Generation Plants are to be located in soundproof enclosures to ensure no cumulative impacts on nearby noise receptors.

Given the above, and the vast regional economic and employment benefits the facility provides to Oberon, it is requested that The Department support this Section 75W Application, and give consent for the temporary use of the adjoining land to allow for these site works to be carried out.

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## Attachment A: Product Detail and EPA Correspondence

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## Attachment B: Acoustic Report