

Response to Environmental Impact Statement

in respect of

**Application SSD 15_7016: Proposed Timber Processing Facility
Expansion by Borg Constructions Pty Ltd**

Submission by

CARTER HOLT HARVEY AUSTRALIA PTY LIMITED

and

HIGHLAND PINE PRODUCTS PTY LIMITED



1. BACKGROUND

Carter Holt Harvey Australia Pty Limited (**CHH**) is a member of the Carter Holt Harvey group of companies, which is the largest supplier of wood-based building products, including timber, plywood and laminated veneer lumber, in Australia and New Zealand. One of the manufacturing facilities operated by the Carter Holt Harvey group is a particleboard flooring facility at the Oberon Timber Complex in Oberon, NSW, adjacent to the existing Borg medium-density fireboard (**MDF**) facility and the site of the proposed expanded facility.

Highland Pine Products Pty Limited (**HPP**) operates a timber processing facility at the Oberon Timber Complex in Oberon, NSW, adjacent to the existing Borg MDF facility and the site of the proposed expanded facility. HPP is a joint venture between Carter Holt Harvey and Boral Limited.

CHH and HPP have reviewed the Environmental Impact Statement (**EIS**) prepared by Borg Constructions Pty Ltd (**Borg**) in relation to the proposed Timber Processing Facility Expansion by Borg (**Proposed Development**). CHH and HPP have serious concerns that the EIS fails to meet the requirements of the Secretary's Environmental Assessment Requirements (**SEAR**), in that it:

- does not adequately assess the cumulative impact of the existing environment at the Oberon Timber Complex;
- provides inadequate information on major environmental and planning risks (including information that is incorrect or based on deficient methodology);
- undermines the compliance objectives of the original development approval (DA 27/95); and
- shows that construction on the Proposed Development will interfere with the proprietary rights created by existing Easement (AA) on DP 1200697.

These concerns are set out in further detail below.

2. EXECUTIVE SUMMARY

The EIS fails to provide an assessment of the cumulative environmental impact of all four manufacturing facilities at the Oberon Timber Complex operating at full capacity as permitted under their respective consent conditions. Accordingly, the EIS does not provide a robust baseline from which the cumulative impact of the Proposed Development can be properly measured.

In addition, the EIS does not adequately consider the environmental and operational impact of the Proposed Development on the broader Oberon Timber Complex and surrounding area, particularly in respect of the following key risks:

- **Formaldehyde emissions:** The formaldehyde emission modelling in the EIS fails to consider emissions from the Woodchem MHF Major Hazard Facility (**Woodchem MHF**), owned and operated by the Borg group of companies. This is so despite Woodchem MHF being the largest manufacturer in NSW of formaldehyde-based resins and the second-largest in Australia. This is concerning as the EIS formaldehyde emission modelling, even without consideration of Woodchem MHF, shows that the Proposed Development will exceed the ground level concentration limits for formaldehyde by 50% in certain areas of Oberon.

In addition, the Proposed Development is for the manufacture of 500,000m³ of particleboard per annum by Borg; this translates into approximately 35,000 tonnes per annum of additional formaldehyde-based resin being produced by Woodchem MHF at the Oberon Timber Complex to meet the demand of the new particleboard line. The EIS fails to consider the impact of this increased production.

- **Air quality:** The EIS does not include a robust baseline for assessing impact on air quality, particularly with regard to formaldehyde, fine particulates (PM10) and nitrous oxide (NOx)

emissions. Three of the four facilities at the Oberon Timber Complex manufacture or utilise formaldehyde, and all facilities generate combustion by-products. The EIS fails to adequately consider changes to ground level concentration of pollutants of concern. It also fails to use a baseline derived from the emission limits in the licence for each operating facility, as well as any background levels.

- **Noise:** The testing methodology set out in the EIS is inadequate and the sample size used is too small to be accurate or meaningful. Further, the cumulative impact assessment is inadequate, in that it does not consider the cumulative impact of all sites operating at full capacity.

The EIS sets out relatively random baseline measurements of noise levels. It fails to provide information on whether those measurements represent typical operating conditions, or whether any of the existing operations at the Oberon Timber Complex are below capacity or within their licence limits. A robust baseline should be measured or derived, and cumulative impact assessment made against it.

- **Traffic:** The EIS fails to provide evidence that the traffic study undertaken represents the conditions that would occur when all operations are operating at permitted capacity. Equally, the data that was provided was based on relatively few traffic counts, which undermines its credibility. The traffic study has also failed to consider current usage by other businesses along the adjacent Lowes Mount Road. Legal access to Lot 11 DP 1017456, Lot 1 DP 360361 and Lot 1 DP 128404 (all within 150m of Borg's Gate 4 entrance) has not been assessed and the traffic report fails to discuss the need for turning lanes (in both directions) to access Gate 4, suggesting by implication that the impact would be negligible. Given the current road profile (single lanes both ways), the existing railway level crossing (100m from Borg's Gate 4) and existing rights of use for adjacent industry, the traffic study fails to provide an adequate assessment of impacts to road users along Lowes Mount Road.

- **Water:** The EIS modelling relies on the assumption that the Proposed Development will receive exemption from application of the *Water Management Act 2000*. There is no guarantee that this exemption will be granted. In the event that the storm water harvesting and reuse scheme is not approved or fails operationally, the EIS fails to provide information on the impact on Oberon's potable water supply and subsequent water use impact on other Oberon Timber Complex members, including CHH and HPP.

The EIS also fails to provide an assessment of the environmental impact of the use of bore water by the Proposed Development.

- **Soil:** The Proposed Development site has been the subject of significant contamination issues in the past, resulting in two Site Audit Statements (Nos. 214 & GN243B). Some contaminated material is buried on the site and may be disturbed by the Proposed Development. The EIS fails to discuss how contamination risk will be managed.

Further, the EIS has not given consideration to the mobilisation of any contamination found across the site and the management, control, testing and disposal of soil during the construction phase of the project.

In addition to the above concerns, the EIS undermines the compliance objectives of DA 27/95 in that it seeks to have DA 27/95 set aside, but does not provide any detail on the content of the proposed replacement consent, nor the extent to which the existing conditions of DA 27/95 will be retained. This move may substantially affect the rights and obligations of neighbouring landowners. Given Borg's environmental compliance history (which includes five penalty notices in the past four years and a prosecution in June 2016), CHH and HPP seek reassurance that the existing conditions of DA 27/95 be retained in any new consent. The Proposed Development also purports to interfere with Easement (AA) on Lot 26 DP 1200697, which is protected by law as a proprietary right of adjoining lot owners.

3. FAILURE TO ASSESS CUMULATIVE IMPACT OF THE EXISTING ENVIRONMENT

CHH and HPP have serious concerns that the EIS does not adequately assess the cumulative impact of the existing environment at the Oberon Timber Complex.

The SEAR specifically requires the EIS to set out 'likely interactions between the proposed development, the existing operation and other neighbouring developments' (at page 1) and address cumulative impact issues including 'the existing on-site operations, all existing industrial facilities in the area and other nearby approved and proposed developments, particularly in relation to noise, air quality, soil, water, traffic, waste and hazards and risk' (at page 4).

The Oberon Timber Complex comprises four major manufacturing facilities:

- Borg MDF facility (MDF production);
- Woodchem MHF (resin production);
- Carter Holt Harvey Pinepanels facility (particleboard flooring production); and
- Highland Pine Products facility (sawn and kiln dried timber production).

Woodchem MHF is the second largest producer of formaldehyde-based resins in Australia and the largest producer in NSW. It is the only Major Hazard Facility in regional NSW. Woodchem MHF is a member of the Borg group of companies.

All four facilities at the Oberon Timber Complex generate some form of environmental impact (either actual or permitted). Any new development must be assessed not as a standalone operation, but in the context of a cumulative impact assessment. To achieve this, it is necessary to determine a baseline which represents the total impacts of all existing approved development at the Oberon Timber Complex, and then to assess the additional impacts caused by the Proposed Development.

The EIS fails to provide an assessment of the cumulative environmental impact of all four manufacturing facilities at the Oberon Timber Complex operating at full capacity as permitted under their respective consent conditions. Accordingly, the EIS does not provide a robust baseline from which the cumulative impact of the Proposed Development can be properly measured.

4. INADEQUATE INFORMATION ON MAJOR ENVIRONMENTAL AND PLANNING RISKS

The EIS provides inadequate information on major environmental and planning risks relevant to the Proposed Development. In some cases, the information that has been provided is incorrect or based on deficient methodology. Further details are set out in the table below.

1.6 & Figure 3 Project Map

A review of current Google Earth imagery suggests that some of the Proposed Development works may have already commenced. The Proposed Hardstand (item 31 in Figure 3, page 20), Emergency Basin (item 32 in Figure 3, page 20) and First Flush Basin (item 33 in Figure 3, page 20), all of which are listed as 'Proposed Infrastructure' in the EIS, are all at various stages of development.

The EIS (page 10) notes that the nearest sensitive receptor is approximately 600m from the boundary of the Proposed Development. Receptors are located 400m to the north; 450m to the east; and the local high school is 420m to the south of the site boundary.

4.2 Project Need

Borg currently uses approximately 200,000m³ of particleboard per annum for its manufacturing operations, of which CHH supplies approximately 80% from its Australian sites. The EIS states that Borg currently sources its particleboard needs from 'a mix of off-shore and inter-state suppliers'. This is incorrect. Carter Holt Harvey's particleboard facility in Tumut, NSW supplies Borg with approximately 64,000m³ of particleboard per annum. This volume comprises approximately 30% of Borg's total particleboard needs.

5.1.3 Preferred Option

The EIS states that Borg is currently operating in accordance with both DA 27/95 and its Environmental Protection Licence (EPL 3035). This is incorrect. Borg has been the subject of five penalty notices (each resulting in a fine) under the *Protection Of the Environment Operations Act 1997* for various non-compliances during the past four years.

In addition, in June 2016, Borg was prosecuted in the Land and Environment Court for breach of Environmental Protection Licence EPL 3035. Borg was ordered to pay fines and costs in excess of \$130,000 and also issue a written public apology.

6.0 Project Description

As source material, the EIS refers to using 'external urban waste supplies', 'chipped waste products', 'broken pallet material', 'urban waste material' (page 35) and 'strange material' (page 36). Critical information is missing as follows:

- The EIS should set out fully what these materials are and their constituent parts. Without this information, the impact on air emissions from processing this material is unknown. For example, the waste material could be chemically treated timber;
- The quantity of throughput is insufficiently detailed, only stating that an additional 500,000m³ of particle board will be produced. These numbers will be key drivers of some environmental impacts (notably heavy vehicle traffic, air emissions, noise and water quality) and should be substantiated;
- A mass balance, indicating all inputs and outputs from the site is required to support the claims made in the EIS regarding traffic, emission, usage and benefits to the region; and
- Given that there are fibre supply constraints in the region, and because Borg is proposing to use recycled timber as a processing input, a detailed assessment of proposed supply mix is required in order to sufficiently measure the impacts outlined in the EIS.

11.0 Air Quality

The emission points in the EIS do not match those on the accompanying plans. It appears that several emission points have been omitted from the air quality study without explanation (e.g. stacks in the New Press Building, new thermal oil boiler and new bag houses, including those on new treatment lines internal to existing buildings). These omissions require further explanation.

We note that the study uses an assumption that Oxides of Nitrogen (NO_x) is multiplied by 40% to provide Nitrous Oxide (NO₂) concentrations. This number is conservative, as stated in the report, for the one-hour averaging period. CHH and HPP understand that the Approved Methods typically assume that all NO_x is converted to NO₂ or use the ozone limiting method and seeks to understand why this method was not applied in this case.

For cumulative emission scenario, the study has considered the existing site plus the proposed expansion. TSP, PM₁₀ and NO₂ are present in the atmosphere at background levels without the existing or proposed expansion as these are generated both naturally and also as a result of human activity.

Measurements in 2014 at Bathurst indicate maximum 24 hour and annual mean PM₁₀ concentrations of 37.6 µg/m³ and 21.2 µg/m³. When these indicative background concentrations are added to the modelled cumulative impact, this indicates a potential to exceed the 24 hour standard in all reported locations, and levels close to criterion for the annual mean.

For NO₂ the closest monitoring location is Oakdale, which is within the Sydney basin and is likely to be a conservative indication of background NO₂. Maximum and annual mean concentrations measured there in 2014 were 53.4 µg/m and 4.1 µg/m.

If similar background levels occurred in Oberon it would indicate a possibility of

exceedance of the one hour NO₂ concentration in the maximum off-site location.

The above results exclude the existence of other facilities at the Oberon Timber Complex which undertake similar activities.

CHH and HPP seek clarity on why background levels have not been considered in the EIS modelling and further, given that the SEAR required that cumulative impacts of other facilities be assessed, why these have not been added to any impact assessments.

Other operations in close proximity to the site include Highland Pine Products, Carter Holt Harvey, Woodchem MHF and Australian Native Landscapes. Emissions from these industries must be included in a detailed cumulative assessment as discussed above.

If their emissions are similar to those from Borg, and the usual background levels of PM₁₀ and NO₂ as listed above are present, it is likely that ambient air quality for all modelled parameters would be above acceptable criteria and this could have significant implications for all operators within the OTC.

The following issues identified in the EIS require further investigation:

- A risk assessment of the use of 'urban waste' (page 35) as substrate, including a full lifecycle assessment considering potential impacts from emissions and also wind born emissions from ash residues;
- The risks associated with other potential pollutants, such as dioxins, furans, heavy metals and other potential carcinogenic emissions, given Borg's proposed use of 'urban waste' and other non-standard fuels, and what measures Borg will put in place to control the potential impact;
- Why the Proposed Development has not considered the use of a Reverse Catalytic Oxidiser or equivalent technology to reduce the impacts of formaldehyde and Volatile Organic Compounds (VOC). Wet Electrostatic Precipitator (WESP) technology, as proposed in the EIS, is ineffective in dealing with these type of emissions;
- Impacts from the 8MW gas fired heat plant (installed as part of the new press line) have not been adequately discussed in the EIS;
- Justification for the claimed 95% reduction in formaldehyde emissions through the diversion of roof vent emissions to the existing site wood fired heat plants. The heat plants do not have any emissions control technology on their stacks. The claim for destruction of 95% of formaldehyde has no supporting documentary evidence and remains unsubstantiated;
- Confirmation of whether all new emission points will comply with Group 6 emission standards as required under the *Protection of the Environment (Clean Air) Regulation 2010* for industry in NSW;
- Confirmation of whether any altered emission point on the existing Borg facility will meet Group 6 emission standards, given that new plant at the Proposed Development will be vented via existing emission points. Existing heat plants at the Borg Facility are currently Group 4 emission standards, and one plant is unable to comply with this standard (as noted in the latest available Borg Panels Annual Return submitted to the EPA);
- Cumulative impacts generated by adjacent operations at the Oberon Timber Complex as discussed in paragraph 3 above and as required by the SEARs, including:
 - Emissions from the adjacent Borg-owned Woodchem MHF formaldehyde resin manufacturing facility (including fugitive emissions from vents and pipes/tanks), given that the site must increase throughput or alter production in order to supply the proposed new

	<p>development;</p> <ul style="list-style-type: none"> - Fugitive emission discharge from the existing site waste water treatment plant including future potential impacts, given additional waste water generation and potentially a change in influent quality; - Existing fugitive emissions from stockpiles and other areas such as start-up cyclones, fibre dumps, onsite wood chipping operations and onsite board shredding operations; and - The impact that additional truck movements – which are above the maximum limits already approved for adjacent facilities – will have on pollutant load in the airshed; <ul style="list-style-type: none"> ▪ The Proposed Development's use of 'urban waste' for substrate may result in frequent reject of resinated fibre immediately prior to the press. Air emissions (including formaldehyde emissions) associated with this process do not appear to have been taken into account in any air modelling set out in the EIS; and ▪ An explanation of why the existing heat plants have <u>not</u> been considered as waste incinerators to be regulated under Group 6 (waste incineration limits), given that resinated urban and other wood waste, treatment plant sludge and resinated waste from existing and new processes (including from other Borg facilities) may be consumed as fuel.
11.0 Formaldehyde	<p>Given the presence of pollutants of concern such as formaldehyde (classified by the World Health Organisation as a Group 1 carcinogen), it would be prudent to undertake a Human Health Risk Assessment based on the cumulative impact assessment as part of the EIS. This has not been done.</p> <p>Given that the airshed is impacted by all industry, best practice measures require that any new development must look to reduce impacts on amenity. Should the cumulative impact of industry increase as a result of the development, there is a risk to all existing businesses within the airshed. The EIS should explore this issue in greater detail.</p>
12.0 Hazard and Risk	<p>The EIS does not include consideration of Borg's own Woodchem MHF, which is a manufacturer of formaldehyde and a designated Major Hazard Facility. Construction of the Proposed Development will occur in close proximity to the Woodchem MHF facilities, and the proposal includes further storage of dangerous goods. No cumulative impact assessment on these risks has been provided. This issue should be considered in both a Plant Hazard Analysis and also in the EIS, given that the location of Woodchem MHF is within the Proposed Development site.</p> <p>It is noted in the specialist Hazard and Risk Report (EIS Appendix G) that there is a need to revise the Woodchem MHF safety report before it can be considered to be a fully separate operation and site. This should have occurred prior to the submission of the EIS.</p>
13.0 Noise & Vibration	<p>The EIS is deficient in two key respects. First, the testing methodology is inadequate and the sample size used is too small to be accurate or meaningful. Second, the cumulative impact assessment is inadequate, in that it does not consider the cumulative impact of all sites operating at full capacity. Specifically:</p> <ul style="list-style-type: none"> ▪ The testing methodology described in paragraph 2.3 of Appendix H comprised three noise measurements of 15 minutes each, taken on one day (14 October 2015) between 10pm and 10:45pm. This is grossly unreliable as an indicator of noise levels at the site and does not consider seasonal or operational factors that may have affected the results; ▪ As noted earlier, the EIS fails to derive a full baseline which is based on all

other sites operating at capacity, and therefore fails to provide an accurate cumulative impact assessment with regard to noise;

- Any noise assessment should also consider tonal and impulsive noise impacts and include vendor supplied noise generation data, not best guess estimates as noted in the EIS-supplied noise monitoring report;
- The Noise Impact Assessment (contained at Appendix H to the EIS) claims that no manufacturer data is available for noise modelling. CHH and HPP reject this claim. All reputable manufacturers have noise emission information available which can be used for modelling in this context. Without this information, the noise impact assessment in the EIS has little value;
- The noise assessment is based on the site meeting its EPL criteria and not the noise criteria as set out in the current site DA 27/95 (which Borg seeks to have withdrawn as part of this DA approval). Therefore there is no real assessment of the cumulative impacts of the Proposed Development, and other surrounding operations at the receptor locations;
- Given that noise is a common source of complaint in the township, we note with concern that the results of the modelling predict that current EPL licence limits will be exceeded under certain conditions. We also note that the results considerably exceed the conditions of DA 27/95. The EIS does not suggest how compliance can be achieved without having to rely on administrative controls (which can be easily overridden);
- The impact traffic movement (noted in the EIS supplied noise assessment as a 2dB increase) has not been assessed considering the cumulative effect of existing operations (at full approved capacity). The EIS fails to provide evidence that the traffic study undertaken represents the conditions that would occur when all operations are operating at permitted capacity. Equally, the data that was provided was based on relatively few traffic counts, which undermines its reliability; and
- There has been no detailed assessment of potential vibration impacts on adjacent industrial facilities for the proposal including vibration from chippers, log debarking, vehicle movement and new press operations, including potential impacts on the adjacent (Borg owned) Woodchem MHF.

Given that the EIS acknowledges the level of noise generated with the use of a mobile chipper on-site, CHH and HPP suggest that conditions should be applied to the consent and EPL requiring:

- Mobile chipping only at daytime (7AM-5PM) Mon-Fri; and
- No mobile chipping during enhanced wind conditions (any direction).

14.0 Soil

The Proposed Development site has been the subject of significant contamination issues in the past, resulting in two Site Audit Statements (Nos. 214 & GN243B). Some contaminated material is buried on the site and may be disturbed by the Proposed Development.

The EIS has not given consideration to the mobilisation of any contamination found across the site and the management, control, testing and disposal of spoil during the construction phase of the project.

Historical underground storage tanks (**USTs**) on the existing Borg MDF site are located in an area which would place them under the proposed particleboard production hall. CHH and HPP can find no reference to the USTs in the EIS and it is not clear whether Borg has removed them. If not, CHH and HPP seek to confirm whether there are any remedial or management procedures proposed to prevent any future impact on surface water, groundwater or soil (including the validation and remediation of any spoil prior to its relocation as fill for other areas).

In addition CHH and HPP are aware of a number of redundant USTs on Lot 1 of DP 1085563 (formerly used as a fuel depot). This would place them under the

new flake dryer which is to be constructed as part of the Proposed Development. Once again the EIS does not make mention of any proposed remedial action in relation to these USTs, or any future impact on surface water, groundwater or soil (including the validation and remediation of any spoil prior to its relocation as fill for other areas).

CHH and HPP note that Borg plans to construct two large water storage ponds and a considerable area of hard stand on Lot 1 of DP 1076346. This lot was made subject to an EPA *Declaration of Significantly Contaminated Land* (No. 20091105) in October 2009. The Declaration states:

This Declaration applies to the section of King's Stockyard Creek found to be impacted with aldrin and dihedron, located wholly within the boundary of Lot 1 in DP 1076346 in the local government area of Oberon. The Declaration also applies to the drainage line that runs from the eastern site boundary to King's Stockyard Creek.

CHH and HPP understand that the previous owner of the land undertook remediation of the site during the last five years and that the remediation is the subject of Site Audit Statement 214 (**SAS214**).

SAS214 details remediation work carried out by the former landowner, including the location of Borrow pits 1 and 2 (containment cells). These contain contaminated spoil relocated from drainage lines with organo chlorine pesticides (**OCP**) in the 2-10mg/kg range. The proposed development details the installation of surface water storage dams adjacent to, or directly on, Borrow pit 1. There is no explanation in the EIS (or its supporting documentation) of how this risk will be managed, or what validation method will be used to manage human health impacts.

SAS214 also notes the relocation of low level contaminants on the site to area of low impact i.e. away from drainage lines although the contamination remains on Lot 1 DP1076346.

The EIS contains no reference to this remediation, any risks associated with the mobilisation of residual contaminants in the soil, or SAS214 itself. Similarly, the EIS does not confirm whether the proposed earthworks (constructing two water storage basins (14,000m³) and the construction of 12,000m² of hard stand) have been designed in conformance with any recommendations made by the Site Auditor. If not, it is unclear how Borg is intending to prevent contamination of Kings Stockyard Creek and the Fish River with OCP during the construction and operational phases.

CHH and HPP note that the proposed development of a 14,000m² hardstand on Lot 24 of DP 1148073 covers an area that was historically used for storage of a significant volume of potentially contaminated material. There is no evidence in the EIS to suggest remediation and validation of potentially historical contamination has taken place.

15.0 Water

The EIS is deficient in three key respects. First, it has assumed exemption from the *Water Management Act* will be granted. Second, it fails to properly consider the potential impact on groundwater in the Oberon region. Third, its calculations contain a fundamental error. Specifically:

- The EIS does not provide a proper basis for its assumption that the Proposed Development will be granted exemption from the Water Management Act, nor does it properly assess the risks of such exemption being withdrawn or the failure of storm water harvesting processes. In the event that water levels in the dam supplying the Oberon township fall below 10%, and the project cannot harvest as described in the EIS, the potential impact on water supply to existing industry is significant. This potential consequence is ignored in the EIS;

- There is no mention of licence requirements for the new dams, nor the Maximum Harvestable Right Dam Capacity (**MHRDC**) for the site;
- Neither the EIS nor the Water Cycle Assessment Report (**WCAR**) provides a full explanation of the following issues with respect to the impact of harvesting on the catchment:
 - Impacts on downstream users;
 - Biota impact assessment in Kings Stockyard creek;
 - Alternatives if extraction rates are not acceptable considering existing use rights of other industry;
 - An assessment of the current allowable extraction rate of existing groundwater (via the spring dam) including impacts of extraction from the Woodchem MHF bore on Borg owned land;
 - An assessment of historical extraction and its impacts on the perched and deep aquifer utilised by upstream users under licence;
 - Information on what measures and controls will be implemented if extraction is not allowed;
 - Supporting information regarding grounds under which the EIS recommendation that the project be granted dispensation under the Water Management Act;
 - An assessment of water quality considering worse case inflows managed under a commercial agreement with upstream contributors to the storm water system; and
 - Consideration of existing easements and commercial agreements with upstream contributors to the storm water system given the EIS proposes to alter water flow across the catchment;
- The EIS does not provide proper assessment of the impacts of the Proposed Development on groundwater given that:
 - the perched aquifer is within 1 metre of storm water drainage network infrastructure at the adjacent industrial facility;
 - changes to groundwater flows could impact on existing containment cells of contaminated spoil upgradient of the Proposed Development site; and
 - the Proposed Development engaged Sustainability Workshop to complete a WCAR. It should be noted that Table 13 (p.91) is incorrect by three orders of magnitude (i.e., 1000X) for the discharge of aldrin and dieldrin. The EPL (3035) has a 0.3µg/L (not mg/L) limit on aldrin and dieldrin. This error has the potential to significantly distort the water impact assessment.

16.0 Waste

The EIS refers to 'burning of gas products on site' as a 'key aspect of the Project' (EIS 16.3 p 96) but there is limited detail regarding this in Chapter 6 of the EIS. EIS 16.2 Table 16 indicates that the existing wood fired heat plants on site are to be used in the role of waste incinerators. CHH and HPP is aware that these heat plants have little or no emissions control equipment currently fitted to them.

Only a minor assessment of waste impacts has been provided and the assessment of waste has not fully considered:

- the impact of burning treatment plant sludge given the potential additional

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pollutant load contemplated in the development;

- the impact of burning the WESP sludge;
- the impact of burning scrubber sludge on the air shed;
- as mentioned above, given the amount of product burnt, supporting information as to why the existing heat plants should not be considered as waste incinerators and be required to meet tighter emission standards as noted in the Protection of the Environment (Clean Air) Regulation 2010;
- the impact of ash going to local council landfill given the burning of urban waste; or
- the impact on human health given the potential accumulation of contaminants in the ash should they become fugitive emissions.

The Proposed Development includes an 8MW thermal oil heat plant; however, the EIS contains no information on its specifications, risks or impact on the Proposed Development's emission profile.

5. THE EXISTING DEVELOPMENT APPROVAL CONDITIONS - DA 27/95

Borg has stated that it is seeking to set aside the existing development approval DA 27/95 with respect to all land owned by Borg Panels Pty Limited, including the Proposed Development site. The EIS does not adequately explain how the existing development conditions in DA 27/95 will apply to the Proposed Development land, nor how the new DA will affect the rights and obligations of neighbouring landowners, including CHH and HPP. Given that DA 27/95 affects the operations of neighbouring landowners, CHH and HPP require assurances that the existing development conditions contained in DA 27/95 will be assumed by the new lots once consolidated.

6. EASEMENT (AA) TO DRAIN WATER (ITEM 1 OF LOT 26 DP 1200697)

Lot 26 DP 1200697 is burdened by registered Easement to Drain Water 5 Wide 10 Wide & Variable Width (AA) (shown as item 1 on DP 1200697) (**Easement**). The Easement is a proprietary right in favour of neighbouring Lot 86 DP 574012, Lot 10 DP 1017456 (both HPP facility land) and Lot 11 DP 1017456 (on which a CHH facility is situated).

The Easement infrastructure allows the benefited lots the opportunity to contain any form of surface water pollution if required. The changes mooted in the EIS have the effect of removing this infrastructure to a large extent. The EIS provides no information on how any surface water pollution from the benefited lots would otherwise be contained and managed.

By law, the Easement cannot be interfered with, modified or extinguished without the consent of the registered proprietors of the benefiting lots. As at the date of this submission, no registered proprietor has received a request for consent from Borg in relation to its proposed interference with the Easement.

7. CONCLUSION

The EIS fails to meet the requirements of the SEAR in four key respects. First, it does not provide a comprehensive cumulative impact assessment which takes into account the existing environment and other land users at the Oberon Timber Complex. Second, the assessment which the EIS does provide contains inadequate information on major environmental and planning risks and includes information that is incorrect or based on deficient methodology. Third, Borg's proposal to remove the existing development consent DA 27/95 risks undermining the compliance objectives of the original development approval and may adversely affect the rights and obligations of neighbouring landowners. Fourth, the Proposed Development purports to interfere with Easement (AA) on Lot 26 DP 1200697, which is protected by law as a proprietary right of the registered proprietors of Lot 86 DP 574012, Lot 10 DP 1017456 and Lot 11 DP 1017456.

CHH and HPP support economic development of the Oberon region and of the Australian timber industry. However, such development must be sustainable and in accordance with environmental management best practice. The EIS as currently drafted does not achieve this. CHH and HPP have set out its concerns and, where appropriate, further measures and information required to carry out a comprehensive risk assessment which meets the requirements of the SEAR.

CHH and HPP trust that the detail provided in this response sets out its concerns with sufficient clarity. However, CHH and HPP welcome the opportunity to discuss these issues further. Please contact David Toyne on 0447 015 991 or david.toyne@chhbuildingsupplies.com to arrange.

Submitted by

A handwritten signature in black ink, appearing to be 'DT', written over a horizontal line.

David Toyne

on behalf of

Carter Holt Harvey Australia Pty Limited

Highland Pine Products Pty Limited

27 July 2016