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Department of Planning & Infrastructure
GPO BOX 39
SYDNEY NSW 2001

APPLICATION

DE-2011/123

Date

14 July 2011

Dear Sir/Madam

Development	Modification request for Port Kembla Grain Handling Terminal (DA 084/672 MOD 1)
Location	Grain Terminal, Tom Thumb Road, PORT KEMBLA NSW 2505, Coal Loader, Corrimal Street, WOLLONGONG NSW 2500

I write in reference to the above Part 3A Modification Application which is currently on exhibition. Council would like to thank you for providing the opportunity to comment on the proposal. A limited increase to the capacity of the Grain Handling Terminal is supported in principle as it would lead to economic and social benefits for the Illawarra region. However, an unlimited approval to increase the tonnage of grain by road is not supported by Council.

The proposal has been considered by officers from various divisions of Council and the following comments have been provided for your consideration in the assessment of the proposal:-

1. Traffic & Transport

The Traffic Section notes that the road hopper, currently operating 12 hours a day, 5 days a week, can accommodate a maximum of 8 grain trucks per hour (1 vehicle every 7 or 8 minutes). Therefore even if the operations of the facility were to be extended to 24 hours, the impact during the road network peak would remain unchanged. However the proposals could potentially generate an additional 50% of traffic movements to the loader over a 24-hour period (worst-case scenario).

This 'worst-case scenario' traffic impact was shown to represent less than 5% of the heavy vehicle traffic on the network. It should also be noted that the 'actual' impact would be based on demand from grain producers which is seasonal, so the traffic generation would be less in some months.

It should also be noted that all traffic impacts, with the exception of Tom Thumb Road (private access owned by PKPC), will be on the State Road network which is the responsibility of the RTA/State Government. Therefore comments should be sought from the RTA regarding the adequacy of the network/intersections along the haulage route.

Notwithstanding any of the above, the following issues are raised by the Traffic Section:

- a. The Department of Planning & Infrastructure should consider if more could be done to transfer grain haulage onto rail which would limit the cumulative impacts of heavy vehicle traffic from Port Kembla on the local and regional road network.
- b. Any increase in road freight is likely to have implications for road safety. However the Traffic Report submitted by Cardno does not provide an accident analysis for the specified haulage route. The applicant should address this issue in future submissions.

2. Planning comments

a. Unlimited Capacity by Road

Council shares Neighbourhood Forum 5's concerns regarding the proposed modification to allow unlimited capacity of Port Kembla Grain Terminal ('PKGT') to receive grain by road. Having no limitations on the amount of grain received by road may have the (unintended) result of reducing the amount of grain received by rail. The continued utilisation and maximisation of grain haulage by rail is considered preferable in terms of minimising traffic impacts and environmental impacts such as noise and air quality. Opportunities for improving the capacity and efficiency of rail freight networks for grain haulage should be a priority in order to encourage sustainable growth with regard to Port Kembla Grain Terminal, although it is noted that this may be outside the scope of the application at hand.

Designated road transport routes for grain haulage would need to be identified so that any increase in heavy vehicle traffic does not impact on the local road network and have subsequent cost implications for Council. This is in line with the findings of the *NSW Grain Freight Review (September 2009, p12)* which identifies the following issue related to possible rail line closures:

Finding

Local councils are not well placed to handle the inevitable increase in road costs that flow from rail line closures. These closures have in the past represented an unfunded transfer of asset management risks and costs from rail authorities to road owners – RTA and local government.

Recommendation

Any future grain line closures should be accompanied by a clear definition of the preferred alternative road routes and a funding plan (negotiated by all affected road owners) for improving these routes to accommodate the additional traffic load.

The cumulative and long term impact of approving unlimited grain haulage to PKGT warrants careful consideration in light of the Port Kembla's port operations. Particularly in light of GrainCorp's comments in Part 9.7 of the Environmental Assessment Report that states:

"It is possible that in the next decade Port Kembla will become the sole grain export elevator of significant scale in NSW, and as a result grain export tonnage handled will significantly increase."

b. 24 hour operation

Allowing a nominated maximum amount of grain road haulage to operate 24 hours a day, 7 days a week is considered reasonable to provide more flexibility for grain to be exported from PKGT, particularly if Port Kembla is the nearest port to the grain supplier. Increasing the maximum tonnes of grain received per annum up to a nominated amount is also considered reasonable to address seasonal fluctuations and encourage the efficient use of the grain handling terminal.

c. Illawarra Regional Strategy

An increased capacity of the PKGT is consistent with the aims of the Illawarra Regional Strategy in terms of "...building on the current strengths in....the export opportunities presented by the port of Port Kembla." (Department of Planning, 2006-31, p9). However, it is noted that existing road infrastructure may be inadequate to allow unlimited grain deliveries by road.

d. Recommendations

- If approved, it is recommended that the relevant conditions be modified to set a nominated maximum tonnage of grain per annum that can be received at PKGT by road. The current curfew limits the delivery of grain by road to daylight hours, and the EAR states that the proposed modification will not increase the number of heavy vehicles that can be processed at the grain terminal per hour. Based on this, the maximum tonnage that could be processed (allowing for some seasonal fluctuations) would be over double the approved capacity of 200,000 tonnes per annum (as there are currently no weekend operations). On this basis, approving an unlimited amount of grain received by road as requested by GrainCorp is not considered to be warranted.
- Any approval for increasing the amount of grain haulage by road should include conditions to regularly monitor the impacts of the increased reliance on grain haulage by road with regard to noise, air quality, road infrastructure and traffic impacts.

Again I would like to thank the Department for providing Council with the opportunity to review and supply comments on the proposed modification of Port Kembla Grain Handling Terminal. The Department's consideration of these issues during the assessment of this Project would be appreciated. If any additional information is supplied by the applicant, Council would appreciate the opportunity to review such information.

Should you require any clarification of the above matters please contact Rebecca Welsh of Council's City Planning Division on (02) 4227 7111.

Yours faithfully,



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