



Office of Environment & Heritage

Your reference

Our reference:

Our contact:

DOC11/30132

Mr Paul Wearne, (02) 4224 4100

Department of Planning and Infrastructure
(Attention: Karen Rae)
GPO Box 39
SYDNEY NSW 2001

Dear Ms Rae

I am writing in reply to your request for comment regarding the modification request for Port Kembla Grain Handling Terminal, (DA 84/672 MOD 1) received by Office of Environment and Heritage (OEH) on 29 June 2011.

The Environmental Assessment (EA) states that the modification involves the deletion of three consent conditions which were imposed in response to community concerns regarding the haulage of grain by road. These relate to:

- limiting the amount of grain that can be received by road to a maximum of 200,000 tonnes per annum, unless by reason of emergency;
- restricting the receipt of grain by road to a single shift only during daylight hours, Monday to Friday inclusive; and
- emergency provisions by the Minister of Planning in the event the above conditions can not be met.

On the basis of a review of the information provided, OEH does not support in principle any proposal to modify these conditions unless:

- all alternatives to maximising rail haulage have been rigorously investigated; and
- all necessary measures have been implemented to minimise as far as practicable the environmental impacts associated with any increased road haulage.

The EA states the proposal will increase road haulage from a single shift during day-light weekday hours to 24 hours/7 days a week. As a worst case scenario, this equates to eight trucks per hour for 24 hours, 384 truck movements per day and over 1344 truck movements a week. The EA also states that some of the main road systems in Wollongong including Southern Freeway and Mt Ousley Road will deteriorate by 2020 due to traffic growth even if the modification does not proceed. The EA also highlights the 2007 Auslink Sydney – Wollongong Corridor Strategy stating that Mount Ousley Road is already at capacity in the morning peak and this is expected to worsen. By 2016, the road is expected to be 20 per cent over capacity. These EA findings highlight concerns about any move towards reducing reliance on rail.

1. Opportunities for Road/Rail Modal Split

OEH considers that rail haulage has significant environmental benefits over road haulage. OEH supports measures to avoid progressive increases in truck movements and their associated cumulative environmental impacts. These impacts can include reduced air quality, increased greenhouse gas emissions and increased noise. There is also potential public health impacts associated with the vehicle emissions from trucks. The Illawarra Airshed does not at all times satisfy the current air quality goals for fine particulates and photochemical smog (ozone). Vehicle emissions are known to be significant contributor to these pollutants.

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The proponent has indicated that the above emergency road haulage provisions are impractical due to the unpredictable nature of grain production combined with unreliable rail and shipping timetables. In addition, the proponent has also indicated that the proposed changes are required due to rail transport no longer being capable nor viable for the adequate servicing of Port Kembla's grain export program.

OEH recommends that Department of Planning and Infrastructure (DoPI) should seek advice from Department of Transport on whether the justifications detailed in the EA on the inadequacies of the rail system to support the grain terminals proposed modification are justified.

The EA states *"Both rail and road transport will continue to be used and rail transport will continue to be preferable to road transport where both options exist"*.

While at this present time, rail haulage may not be meeting the needs of the Port Kembla Grain Handling Terminal, OEH recommends that a modal split between rail and road haulage should be investigated and adopted as a target for any approval condition. This approach is consistent with the approved Port Botany Container Facility and the Port Kembla Cargo Handling Facility. For example, the Project Approval for *Expansion of the Port Kembla Cargo Handling Facility (05_0073)* approved by the Minister for Planning on the 6 April 2006 states:

The proponent shall develop and implement a program to investigate and implement all reasonable options over time to maximise the use of rail to transport freight to and from the site. The program shall aim to achieve at least a transport modal split of 20 per cent rail freight haulage by a target date of December 2010. The proponent shall provide a report to the Director General and Council within three years of the operation of this approval and every year thereafter, or as maybe agreed by the Director- General, to detail progress on achievement of this transport modal split. The report shall include details of:

- a) the annual proportion of freight transported to and from the site by rail*
- b) the origin and destination of cargo; and*
- c) measures being investigated or undertaken by the Proponent to achieve the preferred minimum transport modal split option of 20% rail freight transport.*

Further opportunities to maximise rail opportunities are also available as part of the Port Kembla Outer Harbour Development Stage 1 Project (MP 08-0249). This was approved on 3 March 2011. A requirement of this approval is the development of a Rail Master Plan. This plan will provide a strategic framework for the development and implementation of rail infrastructure and upgrades necessary for redevelopment of the Outer Harbour to achieve modal splits for bulk, general and container cargo. This plan must be developed by the Port Kembla Ports Authority in consultation with key transport agencies, rail and intermodal operators and other key stakeholders such as port users.

Efficient rail and road haulage is a significant issue for all Port Kembla Port users to ensure its future growth. In this regard an integrated response to the transport issues raised by Port Kembla Grain Handling Terminal should be included in the above broader transport strategy for the Port. OEH recommends that the proponent discuss with the Port Kembla Ports Authority opportunities to be included as a key stakeholder in the development of the Rail Master Plan. This is in order to maximise rail haulage opportunities and guide any improvements. The outcomes of these discussions should also be used to inform any future decisions in regards to this modification.

2. Road Traffic Noise

The EA states that when considered in isolation, this proposal does not result in any significant increase in overall traffic movements (and hence noise levels) along the haulage route. The EA suggests, however, that when all developments in and around the Port are considered, the cumulative traffic impacts of their combined operation on the surrounding road network may be significant.

The Noise Impact Assessment in the EA infers that properties along the haulage route are already exposed to 'acute' levels of noise. Traffic noise levels were measured in two locations only for this project. On a cumulative basis, therefore, there may be merit in conducting more extensive monitoring. This monitoring should be used to determine the extent of 'acute' noise exposure for properties along the haulage route, or simply assessing whether the relevant traffic noise criteria are already exceeded by the total traffic noise. This information would assist the consideration of whether any further road network improvements or mitigation measures are necessary to address noise issues.

There is a clear need for road traffic noise to be considered strategically to ensure all major generators of heavy vehicle movements onto the Port Kembla and Wollongong road network are carefully considered. OEH considers that this strategic approach could be best undertaken under the oversight of an agency such as DoPI through an appropriate transport planning strategy. This could be resourced on an equitable basis through contributions from the transport generators.

3. Truck Movements

OEH is aware that environmental impacts associated with trucks and road haulage is commonly raised in public submissions associated with major projects in the Illawarra. A major source of public complaints is noise from engine brakes.

To address these environmental issues, OEH recommends that the proponent undertake a feasibility assessment of Best Management Practices to minimise the air and noise emissions from heavy vehicle movements. This assessment could include, but not be limited to:

- i. The development and implementation of a truck noise auditing program to confirm trucks achieve acceptable noise standards for engine brake noise; and
- ii. All on-road diesel trucks associated with the project should:
 - conform with relevant and current emission standards as prescribed in Australian Design Rules for heavy-duty engines and vehicles (EURO IV); or
 - where the vehicle is older than the 2006 model year (that is, EURO I, EURO II or EURO III standards), the vehicle should be fitted with a diesel exhaust treatment device.

OEH is able to meet with DoPI at a mutually convenient time if necessary to discuss any of the above comments and advice.

Should you require any further information or clarification on the above matters, please call Paul Wearne on (02) 4224 4100 at the Department's Wollongong Office.

Yours sincerely

G Howard 8/8/11

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