

ASSESSMENT REPORT

Section 75W Modification to the project approval for Orica's Hexachlorobenzene (HCB) waste repackaging facility

1. BACKGROUND

Orica Australia Pty Ltd (Orica) has been manufacturing chemicals at the Botany site since 1941. Between 1960 and 1991, hexachlorobenzene (HCB) waste was produced as a by-product of the manufacture of chlorinated solvents. Since its production, the HCB waste has been stored at the site with the intention of treating it in the future, once a suitable technology and site become available. In the meantime, it is necessary for Orica to repackage the HCB waste, as the waste storage drums deteriorate over time and regular repackaging campaigns are necessary to ensure safety. In addition, Orica needs to prepare the waste for eventual transport off-site.

On 12 August 2006, Orica was granted approval under Part 3A of the Act to construct and operate a HCB re-packaging plant to accommodate these needs. On 9 January 2007, a modification to the approval for the HCB re-packaging plant was granted to alter air quality monitoring requirements. See consolidated consent for MP MP 06_0028 at **Tag A**. The facility is located within the orica plant at Port Botany in the Botany local government area. See the HCB repackaging facility marked J, in yellow, and the HCB stores A-I marked in red at Figure 1).



Figure 1: Location Map

The HCB repackaging facility operates under Environment Protection Licence (EPL) No: 2148. There have been various modifications to the licence over time with the latest modification approved on 6 January 2009 (See **Tag B**). As a result of the modifications to the EPL, the project approval for the facility and the EPL are no longer consistent or streamlined. This is causing confusion & administrative difficulty (particularly when auditing and tracking multiple air quality monitoring points).

In addition, the latest modification to the EPL has revised emissions monitoring frequency rates. DECC are satisfied that since the commissioning of the facility and associated monitoring program Orica have been consistently compliant with their licence (and project approval) in terms of emissions rates. Therefore DECC agreed to reduce the frequency of some of the monitoring (Special Frequency 14 & 15).

To enable the project approval and EPL to be realigned in an administrative sense, Orica is seeking to modify its existing project approval for the facility under Section 75W of the *Environmental Planning & Assessment 1979* (EP&A Act).

2. PROPOSED MODIFICATION

As a result of the inconsistencies that have developed between the project approval and the EPL, multiple conditions need to be modified. The modifications required include renumbering the monitoring points to reflect those specified in the latest EPL.

In addition, the frequency of the monitoring program in the project approval needs to be adjusted to reflect the latest monitoring frequency rates in the EPL. In the latest revision of the EPL (issued on 6 January 2009) DECC reduced the frequency of some of the emissions monitoring (Special Frequency 14 & 15) because they were satisfied that Orica were consistently compliant with their licence and approval.

3. STATUTORY CONTEXT

The Minister was the approval authority for the original development application, and is therefore the approval authority for this application. However, the Executive Director may determine the application under the Minister's delegation of 7 June 2007.

4. CONSULTATION

Due to the minor, largely administrative nature of the modification proposal, the Department only referred the application to DECC for comment. The Department has referred the draft modification instrument to both DECC & the applicant for comment. Neither party have raised any objection.

5. CONSIDERATION

The project approval for the HCB repackaging facility was one of the earliest approvals to be granted under part 3A of the Act. The conditions in the approval more or less mirror the exact wording of the EPL for the relevant conditions. More recent project approvals (that have an associated EPL) generally have conditions that aim to remain consistent with the EPL, but do not copy the exact wording of the EPL. This practice is to allow some flexibility for the EPL to be updated from time to time without needing to modify the project approval each time.

Whilst there has been some argument from the proponent for 'modernising' the project approval for the HCB repackaging facility by introducing flexibility to the approval (allowing the EPL to be updated without modifying the approval), a modification of that nature is not considered appropriate at this point.

The HCB repackaging facility has been, and is likely to remain a sensitive proposal in all respects. The project approval and EPL were aligned closely in the original approval to ensure that both the

Department and DECC had a close and ongoing role in monitoring the environmental performance of the facility. Consequently, at this point the Department does not support allowing further modification of the approval beyond realigning it with the EPL.

Otherwise, the Department considers the potential impacts of the current proposal to be negligible as the modifications proposed are largely for administrative purposes and so, do not have any associated environmental impacts. In addition, the change in monitoring frequency rates have already been approved by DECC in the latest revision of the EPL. These monitoring frequency rates were reduced in the EPL in January 2009, only after DECC were satisfied that there had been consistent environmental performance from the facility. The project approval now needs to be modified to remain consistent with the EPL.

Given, the proposed modification is largely administrative and DECC are satisfied that the frequency of the monitoring can be adjusted; the Department is satisfied there is no impact from the proposal.

Consequently, it supports Orica's proposal.

6. RECOMMENDATION

It is RECOMMENDED that the Executive Director:

- approve the proposed modification under the Minister's delegation of 7 June 2007; and
- sign the attached notice of modification (**Tag C**).

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Signed 16 February 2009

Chris Wilson **Executive Director Major Project Assessments**