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Planning &
Infrastructure

ASSESSMENT REPORT

Section 75W Modification Orica Car Park Remediation Project (MP 06_0197 MOD 3)

1. BACKGROUND

Orica Australia Pty Ltd (Orica) is an Australian based global company that produces mining, chemical and consumer products. Orica has been manufacturing chemicals in Banksmeadow since 1941.

The area in Banksmeadow, comprising the Orica facility as well as the adjacent industrial plants operated by Qenos and Huntsman have been collectively referred to as the Botany Industrial Park (BIP) since 1996. The BIP occupies over 100 hectares and is bounded by Denisons Street to the East, Beauchamp Road to the south, and Botany Rail Goods line to the west (see Figure 1).

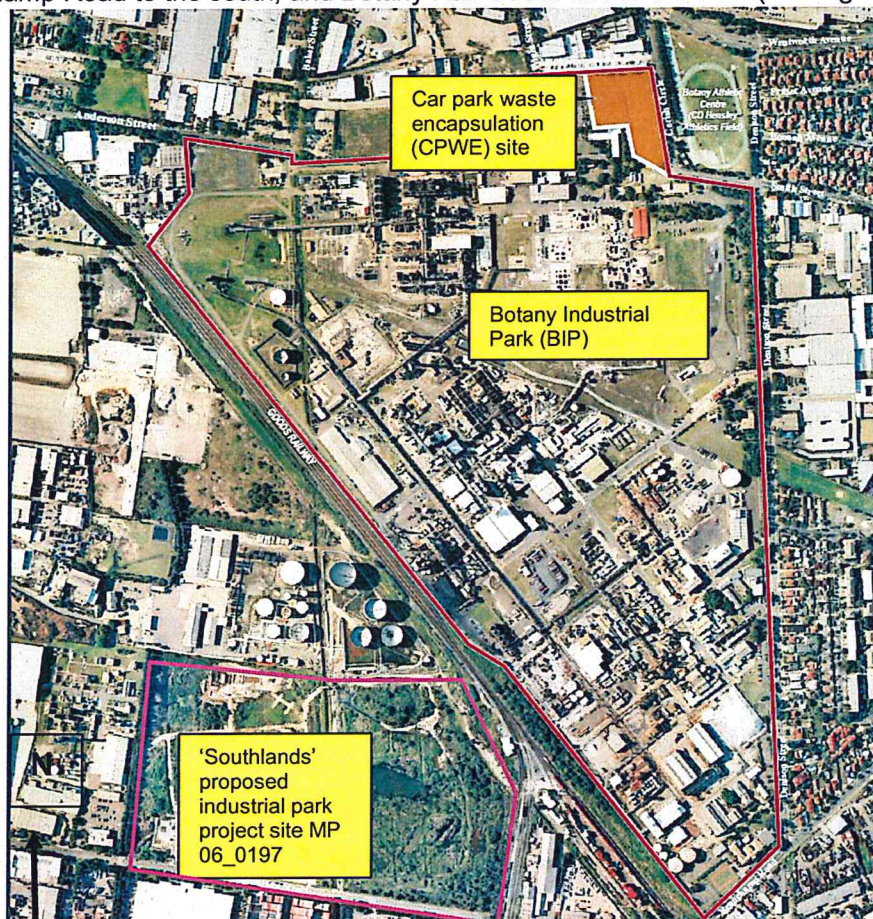


Figure 1 – Orica Botany Site Details

Between 1960 and 1991, Orica operated a solvents plant on the BIP site. This plant produced chlorinated solvents for use as dry cleaning fluids and refrigerants. Waste products from the plant were stored in drums located on a bed of boiler ash. Over time, the drums corroded and contaminated the ash bed and underlying soil with chlorinated hydrocarbons.

Car Park Waste Encapsulation Project

In 1980, the contaminated ash and soil was excavated and buried within a synthetic liner in the north-eastern corner of the BIP site. The area was then covered with bitumen and used as a car park. The Car Park Waste Encapsulation (CPWE) site, as it is now referred to, comprises 1.4 hectares of land and is located within the north eastern corner of the BIP adjacent to Corish Circle.

The CPWE site currently contains about 70,000 tonnes of material that is contaminated with a range of chlorinated hydrocarbon wastes - including hexachlorobutadiene (HCBD), tetrachloroethene (PCE), hexachlorobenzene (HCB) and octachlorostyrene (OCS) - semi-volatile organic compounds, polychlorinated biphenyls (PCBs), heavy metals, carbon dioxide, methane, and volatile chlorinated hydrocarbons.

On 12 November 2009, the Director-General (as delegate of the then Minister for Planning) approved a project application from Orica under Part 3A of the *Environmental Planning and Assessment Act 1979* (EP&A Act) for the remediation of the CPWE site.

Under this approval, Orica is allowed to:

- excavate and screen the contaminated material in an Excavation Soil Building;
- transfer the excavated material to a Feed Soil Building for further screening, drying and testing;
- treat the material in a Directly-heated Thermal Desorption (DTD) plant at very high temperatures;
- test the remediated material to ensure that it is suitable for reuse; and
- stockpile the soil within the Botany Industrial Park before using it to refill the excavated car park site or removing the soil to a licensed landfilling facility.

The approval has been modified once, to allow treatment of an additional 1,000 tonnes of low level scheduled waste from HCB stores on the BIP in the DTD plant.

Orica has commenced full operation of the DTD plant and so far approximately 35,505 tonnes of soil has been treated.

Storage

It is expected that approximately 60,000m³ of treated soil will be surplus to that required to refill the CPWE to natural ground level.

In addition to the car park contaminated waste, Orica is storing around 16,000 tonnes of HCB contaminated material at various locations around the BIP. This material is being stored until it can be progressively exported off site for treatment or destruction. The delays in the export of HCB contaminated waste have resulted in a shortage of available Orica owned land for the storage of CPWE treated soil.

Southlands

To the south-east of the BIP, though not within the BIP itself, lies another Orica owned parcel of land known as Southlands. The Southlands site is currently vacant except for equipment and infrastructure required by Orica to maintain their Botany Groundwater Cleanup (BGC) Project. However, Orica are currently seeking to redevelop the Southlands site for warehousing and distribution purposes. The application (06_0191) is being currently assessed by the Department.

2. PROPOSED MODIFICATION

On 27 May 2011, Orica submitted a modification application (the request was revised on 15 September 2011) under 75W of the EP&A Act (see **Tag C** for a copy of the Environmental Assessment supporting the proposal). Orica is now seeking to amend the Project Approval to allow related development including the transfer of up to 60,000m³ of treated and validated surplus material, from the Car Park Waste Encapsulation site to a site known as Southlands, also owned by Orica, on McPherson Street, Banksmeadow (see Figure 1).

The material would be transported in 20m³ loads using 'truck and dog' trailers. The proposed route would be via Denison St, Beauchamp Rd and Botany Rd, then Hill Street and Mcpherson Street to

Southlands. Orica estimates up to 12 truck movements per hour for 31 days for 30,000m³ of soil, or 62 days for 60,000m³ soil.

This modification only seeks the temporary storage of 60,000m³ of treated soil at Southlands. Orica would require separate approval to use the material on Southlands as fill.

It should be noted that if approved, nothing in this application would permit Orica to undertake any component of the Southlands Project (referred to in Section 1 above).

3. STATUTORY CONTEXT

Approval Authority

The Minister was the approval authority for the original project approval, and is consequently the approval authority for this application.

The Minister has delegated his functions to determine Section 75W modifications to the Department where:

- the council has not made an objection;
- there are less than 10 public submissions objecting to the proposal; and
- a political disclosure statement has not been made in relation to the application.

There have been no submissions received from the public and council has not made an objection to the proposal. There has also been no political disclosure statement made for this application or for any previous related applications, and no disclosures made by any persons who have lodged an objection to this application.

Accordingly the application is able to be determined by the Executive Director, Major Projects Assessment under delegation.

Section 75W

In accordance with clause 3 of Schedule 6A of the EP&A Act, section 75W of the Act as in force immediately before its repeal on 1 October 2011 and as modified by Schedule 6A, continues to apply to transitional Part 3A projects.

Under Section 75W of the EP&A Act, the Minister is obliged to be satisfied that what is proposed is indeed a modification of the original proposal, rather than being a new project in its own right.

The Department has reviewed the scale and nature of the proposed modification, and is satisfied that it can be characterised as a genuine modification of the original project as:

- it involves only minor changes to the approved project to allow the transfer, to a nearby site, of 60,000m³ of treated material that otherwise would have gone to landfill;
- the potential impacts of the proposed modification would be minor; and
- the project as modified could be carried out with some minor amendments to the existing conditions of approval.

4. CONSULTATION

Under Section 75W of the EP&A Act, the Department is required to make the application publicly available on the Department's website. Upon receipt, the application was placed on the Department's Website and following a review, the Department did not believe formal notification of the application was necessary. Nevertheless, the Department consulted with both the Office of Environment and Heritage (OEH) and Botany Bay City Council. Consultation with other government agencies and neighbouring sites was considered to be unnecessary as the environmental impacts of the proposal would essentially remain unchanged.

The **OEH** has no concerns with the proposal subject to Orica obtaining the necessary planning approvals.

Botany Bay City Council does not object to the proposal.

Submissions on the proposal are attached at **Appendix B**.

5. ASSESSMENT

During its assessment of the merits of the proposed modification, the Department has reviewed the:

- Environmental Assessment of the original proposal;
- existing conditions of approval;
- Environmental Assessment of the proposed modification;
- submissions on the proposed modification; and
- relevant policies and guidelines.

The conclusions of this assessment are summarised in Table 2 below.

Table 2 – Assessment of Key Issues

Issue	Consideration	Recommendation
Storage of treated soil at Southlands	<ul style="list-style-type: none"> • The project approval allows for the storage of treated soil at the BIP or the disposal of soil at a licenced landfilling facility. • Orica propose to utilise their 'Southlands' site to temporarily store 60,000m³ of treated soil as it has no storage space available within the BIP. • The Southlands site is flood affected, notwithstanding, the Department is satisfied that soil can be stored safely at Southlands subject to the location being approved by the OEH accredited site auditor. 	<ul style="list-style-type: none"> • Update the project approval to allow for the temporary storage (up to 24 months) of up to 60,000m³ of treated soil at Southlands, subject to the site auditor approving the storage location.
Transport	<ul style="list-style-type: none"> • Estimated trip generation is 12 truck movements an hour over a one to two month period. • Approximately 80% of the journey would be undertaken on classified Main Roads with the remainder on local roads adjacent to Southlands, Hills, McPherson and Excell Streets. • The local roads are within an industrial zone. • The original approval allows for the disposal of treated material at a licensed facility. • The transport of material to Southlands requires a significant decrease in distance required (and road use). • The proposed route is already used by a large number of heavy vehicles, the additional truck movements resulting from the modification is considered minor. • Notwithstanding, to reduce the potential for any impacts on traffic flows and capacity of the surrounding road network, the Department recommends that the transport of surplus material is undertaken outside of peak hours. 	<ul style="list-style-type: none"> • Update the Traffic Management Plan to incorporate the transfer of treated and validated material to Southlands. • Limit the transport of treated material to outside of peak hours* between Monday and Friday and on Saturdays between 9am and 4 pm, with no transport allowed on Sundays
Soil and Water	<ul style="list-style-type: none"> • The original approval requires stockpiles of validated material to be covered or managed to ensure dust generation and soil runoff are minimised. • The project as modified would not alter the potential risks to soil and water. 	Comply with the controls in the existing conditions of approval.
Remediation of contaminated material	<ul style="list-style-type: none"> • The project as modified would comply with the existing remediation goals. 	No change to existing conditions.
Air Quality	<ul style="list-style-type: none"> • The project as modified would comply with the existing air quality limits. 	No change to existing conditions.
Noise	<ul style="list-style-type: none"> • The project as modified would comply with the existing noise limits. 	No change to existing conditions.

Issue	Consideration	Recommendation
Safety	<ul style="list-style-type: none"> The project as modified would not alter the safety risks of the project. 	No change to existing conditions.

*Peak hour defined as 7 – 9am and 4 – 6pm Monday to Friday

6. CONCLUSION

The Department has assessed the merits of the proposal in accordance with the requirements of the EP&A Act.

This assessment has found that:

- the surplus treated and validated material could be transferred to 'Southlands' with negligible environmental impact; and
- the temporary storage of this material at Orica's Southlands site is in the public interest as it potentially diverts 60,000m³ of material from landfill, allowing it to be used as fill should the Southlands Project be approved.

Consequently the Department believes the proposal should be approved subject to some minor amendments to the existing conditions of approval.

7. RECOMMENDATION

It is **RECOMMENDED** that, as delegate for the Minister, the Executive Director, Major Projects Assessment:

- consider** the findings and recommendations of this report;
- determine** that the proposed modification is within the scope of section 75W of the EP&A Act;
- approve** the application subject to conditions; and
- sign** the attached notice of modification (**Appendix C**).

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3/11/11

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