

ASSESSMENT REPORT

Section 4.55(1A) Modification Oakdale Central Industrial Estate, Lots 1C, 2B & 3 (SSD 6078 MOD 10) Dangerous Goods Classes and Volumes in Warehouse 2B

1. INTRODUCTION

This report assesses a modification application lodged by MB Town Planning on behalf of DHL Supply Chain (Australia) Pty Ltd (the Applicant) to the Oakdale Central Industrial Estate (Lots 1C, 2B and 3), in the Fairfield local government area (LGA). The application has been lodged pursuant to section 4.55(1A) of the *Environmental Planning and Assessment Act 1979* (EP&A Act).

2. BACKGROUND

The Oakdale Central Industrial Estate is located on Old Wallgrove Road, Horsley Park in the Fairfield LGA (see **Figure 1**).

The subject site is within the Western Sydney Employment Area, and located 15 kilometres (km) west of Parramatta's Central Business District (CBD). The site is located approximately 3 km west of the M7 Motorway, and 3.5 km south of the M5 Motorway.

The site is bound by a large water pipeline and easement to the north, whilst there is a quarry and several industrial uses located to the east. Ropes Creek is located to the west, and land to the south of the site is characterised by a mixture of industrial uses and vacant paddocks. The nearest residential dwellings are located approximately 500 metres (m) to the east of the site in Horsley Park, and 1.5 km to the north-west in Erskine Park (see **Figure 2**).

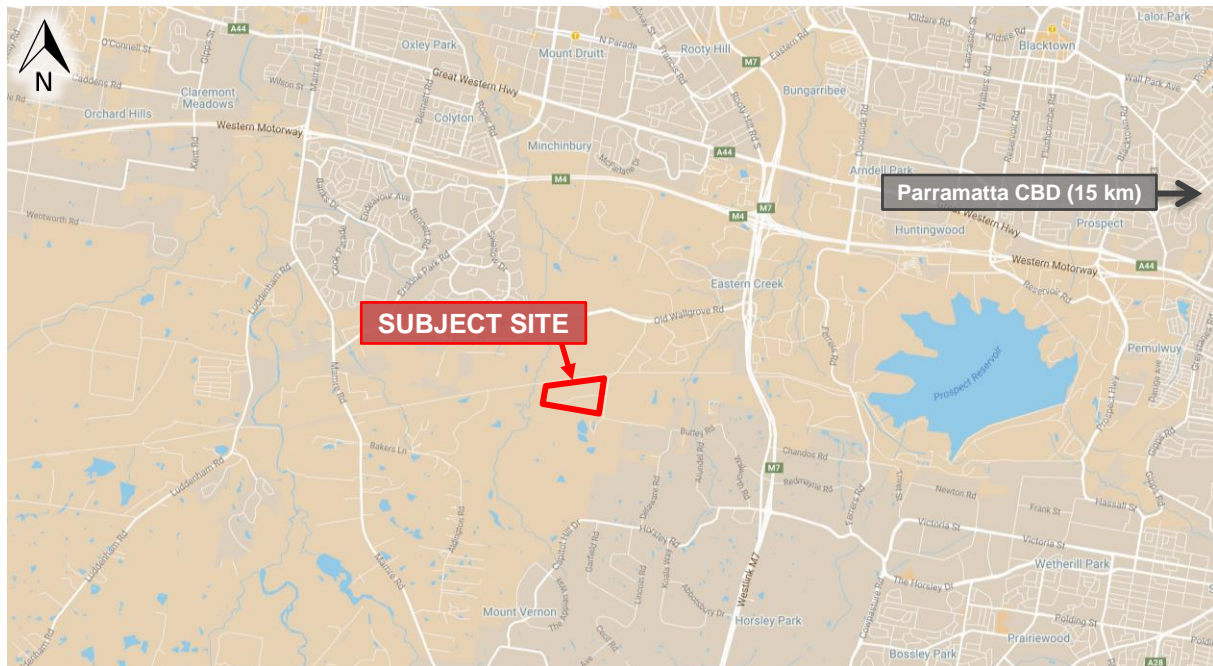


Figure 1: Site Location

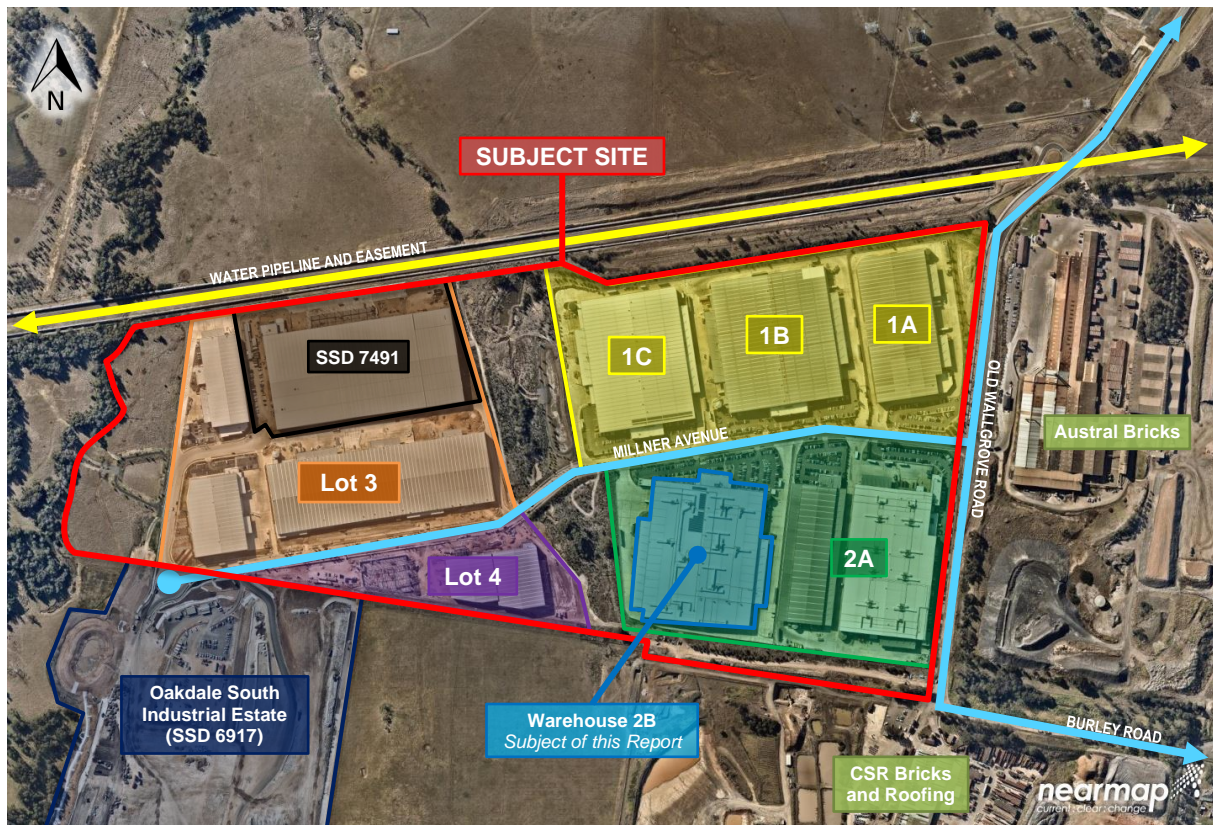


Figure 2: Aerial view of the site (depicted in red) and immediate surroundings

3. APPROVAL HISTORY

On 2 January 2009, the then Minister for Planning approved the Oakdale Central Concept Plan (MP 08_0065), which permitted a range of employment generating uses including warehouses, distribution centres and freight logistics facilities. The Concept Plan has been modified on seven separate occasions.

On 18 March 2015, development consent was granted by the then Executive Director, Infrastructure and Industry Assessments, for the construction and operation of three warehouse buildings on Lots 1C, 2B and 3 of the Oakdale Central Industrial Estate (SSD 6078). The development consent permits the following works:

- construction and operation of three warehouse buildings on Lots 1C, 2B and 3
- upgrading of Old Wallgrove Road between Lenore Drive and Milner Avenue to a four-lane road, to be completed in two stages
- use of the site's existing bio-retention basins for on-site detention purposes
- construction of a turning head for the development, located outside the Concept Plan area.

SSD 6078 has been modified on nine previous occasions, and is also the subject of a concurrent modification application (SSD 6078 MOD 11). A summary of each modification is provided in **Table 1**.

On 3 August 2015, the then Acting Director, Regional Assessments, approved the third modification to the Oakdale Central Industrial Estate (SSD 6078 MOD 3). This modification permitted the relocation of the dangerous goods store (DGS) in Warehouse 2B, and an increase in the size and capacity of the DGS by 1,165 m² (from 1,495 m² to 2,660 m²). This was the last time the DGS in Warehouse 2B was modified.

Table 1: Summary of modifications to the development consent

MOD Number	Summary of Modifications	Approval Date
SSD 6078 MOD 1	Amendments to the layout of the warehouse on Lot 1C.	15 June 2015
SSD 6078 MOD 2	Amendments to the layout of the warehouse on Lot 2B and the inclusion of a DGS.	30 June 2015
SSD 6078 MOD 3	Internal and external amendments to the warehouse on Lot 2B and an increase in the size of the DGS.	3 August 2015
SSD 6078 MOD 4	Deletion of Condition 34 of the approval which requires screening and landscaping of the water tanks and plant rooms on Lot 2B.	1 December 2015
SSD 6078 MOD 5	The modification included: <ul style="list-style-type: none"> • replacement of one warehouse on Lot 3 with five smaller warehouses (3A-1, 3A-2, 3C-1, 3C-2 and 3D) • exclusion of part of Lot 3 from the approval site • a condition requiring Lot 3 remain a single allotment • extension of the internal estate road from Millner Avenue. 	8 June 2016
SSD 6078 MOD 6	The modification included: <ul style="list-style-type: none"> • consolidation of Warehouse 3A-1 and 3A-2 into one building (retaining two tenancies) • division of Warehouse 3C-1 and 3C-2 into three tenancies • reduction of 1,462m² gross floor area (GFA) • relocation and reconfiguration of car parking areas and reduction of 1 car parking space • reconfiguration and division of hardstand areas • relocation of sprinkler tanks and pump rooms. 	1 September 2016
SSD 6078 MOD 7	The modification included: <ul style="list-style-type: none"> • minor amendments to the GFA of Warehouses 3A-1, 3A-2 and 3C • a reduction in Warehouse 3A-1's office area and minor changes to its design • amendments to the number and type of docks at Warehouse 3A-1 and 3A-2 • reduction in the number of car parking spaces for Warehouse 3A-1 and 3A-2 • introduction of additional car parking spaces to Warehouse 3C • Relocation of dock offices in Warehouse 3A-1 and 3C-1. 	14 November 2016
SSD 6078 MOD 8	Amendments to estate signage, warehouse design and landscaping arrangements.	1 July 2017
SSD 6078 MOD 9	Amendments to the subdivision plan to consolidate and reduce the number of lots.	11 December 2017
SSD 6078 MOD 11	Construction of a 12 metre pylon sign at the entrance to the estate.	Currently under assessment

4. PROPOSED MODIFICATION

The Applicant has lodged a modification application under section 4.55(1A) of the EP&A Act to the Oakdale Central Industrial Estate (SSD 6078), seeking to amend the classes and volumes of dangerous goods (DG) permitted to be stored in Warehouse 2B, located at 5 Millner Avenue.

The proposed modification does not include any physical works or additional infrastructure. The increase in the volume of DGs stored in Warehouse 2B would be achieved through more efficient use of the two existing DG storage areas, as well as the storage of small quantities of DGs within the general warehouse area.

The Applicant has indicated these changes are necessary to accommodate the changing DG storage requirements of its existing and future customers. In addition, the Applicant has also indicated the storage of small quantities of DGs within the general warehouse area would facilitate operational efficiencies in relation to picking and packing of pallets prior to distribution.

The modification is described in full in the Statement of Environmental Effects (SEE) included in **Appendix B** and is summarised in **Table 2**. An overview of the proposed dangerous goods storage areas within Warehouse 2B is also provided in **Figure 3** and summarised within **Table 3**.

Table 2: Comparison of existing and proposed DG storage quantities

Dangerous Goods Class	Packing Group	Approved Quantities (MOD 3)	Proposed Quantities (change +/-)
2.1 (aerosols)	n/a	90 tonnes (LPG)	No change
2.2 (non-flammable, non-toxic gases)	n/a	0	200 kilolitres (kL)
3 (flammable liquids)	II & III	900 kL	No change
4.1 (flammable solids)	II & III	0	75 tonnes
5.1 (oxidising substances)	II & III	45 tonnes	
5.2 (organic peroxides)	II & III	0	
6.1 (toxic substances)	II & III	0	
8 (corrosive substances)	II & III	20 tonnes	200 tonnes
9 (miscellaneous DG)	III	10 tonnes	100 tonnes

Table 3: Comparison of existing and proposed DG storage locations

Dangerous Goods Class	Packing Group	Approved Location (MOD 3)	Proposed Location
2.1 (aerosols)	n/a	DGS1	No change
2.2 (non-flammable, non-toxic gases)	n/a	n/a	DGS1
3 (flammable liquids)	II & III	DGS1	No change
4.1 (flammable solids)	II & III	n/a	DGS1
5.1 (oxidising substances)	II & III	DGS2	DGS2
5.2 (organic peroxides)	II & III	n/a	
6.1 (toxic substances)	II & III		
8 (corrosive substances)	II & III	DGS2	General warehouse
9 (miscellaneous DG)	III		

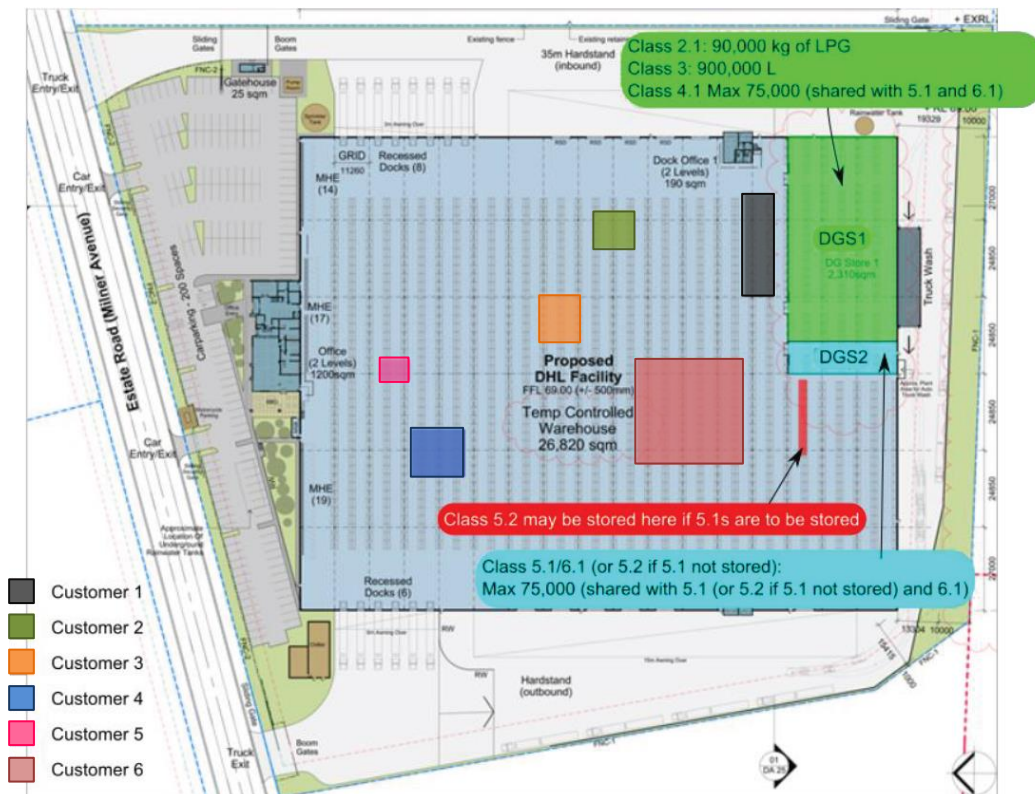


Figure 3: Proposed DG Storage Areas in Warehouse 2B

5. STATUTORY CONTEXT

5.1 Consent Authority

The Minister for Planning is the consent authority for the application. Under the Minister's delegation of 11 October 2017, the Director, Industry Assessments, may determine the application under delegation as:

- the relevant local council has not made an objection and
- a political disclosure statement has not been made and
- there are no public submissions in the nature of objections.

5.2 Section 4.55(1A)

The Department has reviewed the scope of the modification application and is satisfied that the proposed modification would result in minimal environmental impacts, and relates to substantially the same development as the original development consent on the basis that:

- the primary function and purpose of the approved project would not change as a result of the proposed modification
- the modification is of a scale that warrants the use of section 4.55(1A) of the EP&A Act
- any potential environmental impacts would be minimal and appropriately managed through the existing or modified conditions of approval.

Therefore, the Department is satisfied the proposed modification is within the scope of section 4.55(1A) of the EP&A Act and does not constitute a new development application. Accordingly, the Department considers that the application should be assessed and determined under section 4.55(1A) of the EP&A Act, rather than requiring a new development application to be lodged.

6. CONSULTATION

Clause 117(3B) of the *Environmental Planning and Assessment Regulation 2000* (EP&A Regulation) specifies that the notification requirements of the EP&A Regulation do not apply to State significant development. Accordingly, the application was not notified or advertised, however, it was made publicly available on the Department's website on 23 November 2017, and referred to Fire and Rescue NSW (FRNSW), the Environment Protection Authority (EPA), the Rural Fire Service (RFS) and Fairfield City Council (Council) for comment.

FRNSW did not object to the modification, but requested the Applicant be required to update the existing Fire Safety Study (FSS) for the development to reflect the additional quantities and types of dangerous goods proposed to be stored. In addition, the authority also recommended:

- the Applicant be required to consult with FRNSW during the preparation of the revised FSS
- the revised FSS be approved by FRNSW prior to the commissioning of operations associated with SSD 6078 MOD 10.

The **EPA** did not object to the modification, but indicated that the class and volumes of dangerous goods proposed to be stored at the warehouse would require the Applicant obtain an Environment Protection Licence (EPL) under the *Protection of the Environment Operations Act 1997*.

However, following further discussions between the Applicant and the EPA regarding the types of dangerous goods to be stored at the warehouse, the authority subsequently confirmed the modification would not trigger the requirement for an EPL.

The **RFS** did not object or raise any issues in relation to the modification.

Council did not provide a submission in relation to the modification.

The Department has considered the issues raised in these submissions in its assessment of the modification application.

7. ASSESSMENT

The Department has assessed the merits of the proposed modification. During this assessment, the Department has considered the:

- documentation provided to support the proposed modification (see **Appendix B**)
- assessment report for the original development application and subsequent modification application(s)
- submissions received from the State government authorities and Council (**Appendix C**)
- relevant environmental planning instruments, policies and guidelines
- requirements of the EP&A Act, including the objects of the EP&A Act.

The Department considers the key assessment issue to be hazards and risk.

7.1 Hazards and Risk

The proposed modification would involve an increase in the quantities and types of DGs stored within existing Warehouse 2B, which has the potential to result in off-site heat radiation and toxic impacts. The classes and quantities of DGs proposed to be stored are outlined in **Table 4** below.

Table 4: DG storage within Warehouse 2B (approved MOD 3 vs. proposed MOD 10)

Dangerous Goods Class	Packing group	Maximum storage quantity		Storage Location	
		Approved (MOD 3)	Proposed (MOD 10)	Approved (MOD 3)	Proposed (MOD 10)
2.1 (aerosols)	n/a	90 tonnes (LPG)	No change	DGS1	No change
2.2 (non-flammable, non-toxic gases)	n/a	0	200 kL	n/a	DGS1
3 (flammable liquids)	II and III	900 kL	No change	DGS1	No change
4.1 (flammable solids)	II and III	0	75 tonnes	n/a	DGS1
5.1 (oxidising substances)	II and III	45 tonnes		DGS2	DGS2
5.2 (organic peroxides)	II and III	0		n/a	DGS2
6.1 (toxic substances)	II and III	0		n/a	DGS2
8 (corrosive substances)	II and III	20 tonnes	200 tonnes	DGS2	General warehouse
9 (miscellaneous DG)	III	10 tonnes	100 tonnes	DGS2	General warehouse

The Department notes the total floor area of Warehouse 2B (29,500 m²) and the size of the DG storage areas (DGS1 and DGS2, 2,660 m² in total) would not change as a result of the proposed modification. In order to accommodate the proposed increase in the quantity of DGs stored, the Applicant intends to

relocate the storage area for DG Classes 8 and 9 from DGS2 to the general warehouse area (see **Figure 3**).

In addition to the quantities of DGs described in **Table 4**, up to 33 tonnes of DGs (excluding Classes 8 and 9) would be stored in six areas throughout the general warehouse, to facilitate picking and packing operations for up to six separate customers (see **Figure 3**).

The modification also seeks to introduce Class 4.1, 5.2 and 6.1 DGs to Warehouse 2B. The proposed increase in the quantities and types of DGs stored exceeds the screening thresholds set out in the Department's *Applying SEPP 33* guideline. Therefore, a detailed risk assessment of the proposed modification was undertaken as part of the application.

Blackie Mendham Pty Ltd prepared a Preliminary Hazard Analysis (PHA) as part of the modification application to assess the potential risk to people, property and the environment as a result of the increase in DG storage. The PHA was carried out in accordance with the Department's *Hazardous Industry Planning Advisory Paper No. 6 – Hazard Analysis* (HIPAP No. 6). In addition, two Consultants Advice Notices (CANs) were submitted in response to questions raised by the Department's Hazards team during its review of the PHA.

The purpose of the PHA is to identify potential hazards, analyse consequences and the likelihood of occurrence, then estimate the resultant risk to surrounding land uses. The risks are then compared with the relevant land use safety criteria defined in the Department's *Hazardous Industry Planning Advisory Paper No. 4 – Risk Criteria for Land Use Safety Planning* (HIPAP No. 4), to determine whether the development would pose an unacceptable risk to surrounding land uses.

The PHA identified and considered the relevant hazards associated with an increase in the quantities of DGs stored in Warehouse 2B. In addition, a number of safeguards were identified to address these hazards.

The hazardous scenarios identified in the PHA which may result in off-site impacts include fires and toxics impacts. The risks associated with a full warehouse fire (worst case scenario) were also evaluated in detail as part of the PHA, given this scenario has the potential to result in off-site heat radiation and toxic impacts.

The general methodology used to analyse the consequences, frequency and risk of the identified hazardous scenarios occurring is conservative, with adequate information provided on the safeguards required to address the identified hazards. Whilst the impact of toxic smoke dispersion from a full warehouse fire was not precisely estimated, the Department considers the assumptions made in the PHA's assessment of such a scenario are adequately conservative for the purpose of risk assessment against the requirements of HIPAP No. 4.

The PHA's risk assessment indicates the individual fatality risk of the development would fall below the risk criteria for industrial land uses (50 per million per year) at the nearest land uses. The consequence analysis included in the PHA also concludes the extent of a full warehouse fire would not reach residential and/or sensitive land uses surrounding the development.

The Department notes the risk criteria for property damage and accident propagation is also satisfied, given that heat radiation at the site boundary would not exceed 23 kilowatts per square metre. In addition, the cumulative risk of the area would remain within acceptable levels, given the risk contours from Warehouse 2B (SSD 6078) and Warehouse 3B (SSD 7491) do not overlap.

The Department considers that the appropriate techniques were used to analyse the potential consequence and frequency of each identified hazardous scenario. The Department is satisfied the PHA has been prepared in accordance with HIPAP No. 6 and that the development satisfies the requirements of HIPAP No. 4, provided all safeguards and recommendations described in the PHA are implemented.

Consequently, the Department has recommended several conditions requiring the Applicant update the development's hazard-related studies and plans prior to the commencement of operations associated with this modification. In addition, the Applicant would also be required to test all fire water pumps at full pressure at least once each month, in accordance with the recommendations of the PHA.

FRNSW did not object to the proposal, but requested the Applicant be required to consult with the authority during the preparation of the development's updated FSS, and that the study be approved by FRNSW prior to the commissioning of operations associated with this modification. The Department has recommended the Applicant update the Warehouse 2B FSS in accordance with the requirements of Condition 38(a) of Schedule 3 of the original development consent, and subject to the approval of both the Secretary and FRNSW. The Department notes Condition 38(a) of Schedule 3 would require the Applicant to consult with FRNSW during the preparation of the FSS, and considers this condition would continue to ensure any issues raised by FRNSW are appropriately addressed.

Conclusion

The Department's assessment concludes the proposed modification would not increase the risk to surrounding land uses, provided all risk reduction measures and recommendations of the PHA are implemented and maintained.

To ensure the development continues to operate in a safe manner, the Department has recommended conditions requiring the Applicant update the development's hazard-related studies and plans prior to the commencement of operations associated with this modification. To address FRNSW's concerns, the Department has recommended a condition requiring the Applicant obtain the approval of both the Secretary and FRNSW in relation to the updated Warehouse 2B FSS. The Department has also recommended a new condition requiring the Applicant test all fire water pumps at full pressure at least once each month, in accordance with the recommendations of the PHA.

8. CONCLUSION

The Department has assessed the proposed modification in accordance with the relevant requirements of the EP&A Act. The Department considers the proposed modification is appropriate on the basis that:

- it would not increase the hazardous risk to surrounding land uses
- the cumulative risk in the surrounding area would remain within acceptable levels
- it would result in minimal environmental impacts beyond the approved facility.

The Department is satisfied that the modification should be approved, subject to conditions.

9. RECOMMENDATION

It is recommended that the Director, Industry Assessments, as delegate for the Minister for Planning:

- consider the findings and recommendations of this report
- determine that the application SSD 6078 MOD 10 falls within the scope of section 4.55(1A) of the EP&A Act
- modify the consent SSD 6078
- sign the attached approval of the modification (see **Appendix A**).

Recommended by:



3/4/18

Patrick Copas
Planning Officer
Industry Assessments

Recommended by:

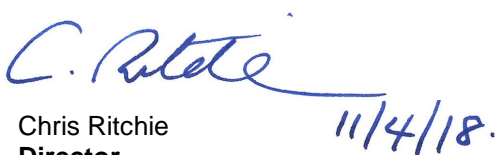


3/04/18

Kelly McNicol
Team Leader
Industry Assessments

10. DECISION

The recommendation is: Approved by:



11/4/18

Chris Ritchie
Director
Industry Assessments
as delegate of the Minister for Planning

APPENDIX A – NOTICE OF MODIFICATION

APPENDIX B – STATEMENT OF ENVIRONMENTAL EFFECTS

APPENDIX C – SUBMISSIONS

APPENDIX D – CONSOLIDATED CONSENT