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TRANSCRIPT OF PROCEEDINGS

TRANSCRIPT IN CONFIDENCE

O/N H-1292390

INDEPENDENT PLANNING COMMISSION

MEETING WITH THE APPLICANT

RE: SHOALHAVEN STARCHES MOD 17

PROJECT #: 12344-05

PANEL: ANDREW HUTTON (CHAIR)

**OFFICE OF THE IPC: LINDSEY BLECHER
BEN RADFORD**

**APPLICANT: BRIAN HANLEY
AARON TICEHURST
JOHN STUDDERT**

LOCATION: ONLINE

DATE: 1.00 PM, TUESDAY, 13 OCTOBER 2020

THIS PROCEEDING WAS CONDUCTED BY VIDEO CONFERENCE

MR A. HUTTON: All right. We'll commence and good afternoon, welcome and
5 thank you for your time this afternoon to catch up with the Commission. We
appreciate the opportunity to meet with you and talk through this proposal. Before
we begin, however, I would like to acknowledge the traditional owners of the land on
which we meet and I would also like to pay my respects to their elders past, present
and emerging. Welcome to the meeting today to discuss the application for
10 Shoalhaven Starches. It's a modification under 17 regarding changes to site
infrastructure and equipment, amendment of existing conditions and the use of
woodchips as a fuel source. My name is Andrew Hutton. I'm the commissioner
appointed to this application. Joining me from the office of the Commission are Ben
Radford and Lindsey Blecher.

15
In the interests of openness and transparency and to ensure the full capture of the
information, today's meeting will be recorded and a complete transcript will be
produced and made available on the Commission's website. This meeting is one part
of the Commission's decision-making process and is taking place at a preliminary
20 stage of this process and will form one of several sources of information upon which
the Commission will base its decision. It is important for me to be able to ask
questions, as commissioner, of the attendees and to clarify any of the issues where I
consider that is appropriate. If you are asked a question and you're not in a position
to answer, please do feel free to take the question on notice and provide any
25 additional information in writing, which we will also place up onto the
Commission's website.

To ensure the accuracy of the transcript, I do request that all members today
introduce themselves before they speak, and every time that they wish to speak just
30 so that we can capture names with comments and for – also for all members to
ensure that they do not speak over each other in order to enable an accurate
transcript. What I'd also like to just acknowledge is that I was the commissioner
involved in the Modification 18 application that was recently approved, and whilst
this is an entirely separate application I have had the benefit of gaining a good
35 understanding of the site and the project through that determination process. So I
think that will assist us in our discussions today. What I'd like to do at your end, if
possible, would you be able to just do a quick run down the table introducing
yourselves and your role, and that will assist us in understanding who you are, but
also just ensure that the transcript folks have got that sorted their end

40
MR B.HANLEY: My name's Brian Hanley. I'm the energy and sustainability
manager, and I've been involved in the system of the separation

MR HUTTON: Is that clear enough, Auscript? I'm just having a little bit of
45 trouble, Brian, hearing you clearly.

MR HANLEY: Okay. I'll move closer to the microphone.

MR HUTTON: Thank you.

5 MR L. BLECHER: Lindsey Blecher here. We've just got a message from Auscript saying it's quite hard to hear. So, yes, I'll keep updated on - - -

MR HUTTON: Yes. Thank you, Brian.

10 MR HANLEY: Brian Hanley. I'm the energy and sustainability manager for the Manildra Group, and I've had some involvement in the shifting or the preparation of this application.

15 MR J. STUDDERT: John Studdert. Environmental involving all things environmental.

MR HUTTON: Thank you, John.

20 MR A. TICEHURST: My name's Aaron Ticehurst. I'm the mechanical engineering manager here at Nowra. My teams and myself were the implementers of the project

MR HUTTON: Now, sorry, how is that for transcript clarity?

25 MR BLECHER: We haven't got any – Lindsey Blecher here, we haven't got anything in writing from Auscript yet, but I suspect, based on the audio I'm getting, that it's going to be quite hard to transcribe it. Is there anything you can do to improve the audio? Yes. Auscript has just confirmed that it's quite hard to hear. So anything you can do to make it a bit clearer would be good, and there's no urgency.
30 Just see what you can do to sort it.

MR TICEHURST: I'm just going to change over to a different microphone

35 MR HUTTON: Yes. Take your time. It's fine. It's important to get the – we get this part right. So take your time.

MR TICEHURST: Can you still hear us?

40 MR BLECHER: Yes, we can. Yes

MR TICEHURST: Is that better? Can you - - -

MR HANLEY: Is that better, Lindsey?

45 MR BLECHER: That sounded okay, yes. Yes.

MR HUTTON: You're the clearest, Brian, if you're anywhere near the microphone.

MR TICEHURST: Yes, the microphone - - -

MR HANLEY: Yes, I'm - - -

5 MR TICEHURST:

MR HUTTON: Okay. Great. Yes. Okay.

10 MR HANLEY: I'm about half a metre from the microphone.

MR HUTTON: Okay. Thank you.

MR TICEHURST: Is that better?

15 MR HUTTON: All right. Apologies for that, but it's just – if we get that
technology right it'll save us any issues going forward. All right. Well, thank you
again. Thanks for those introductions. What I'd like to do is initially give you as the
applicant the opportunity to just make any presentations to the Commission, whether
20 you've prepared something or verbally or whether, indeed, you're happy just to
move straight to questions from me, but certainly if you had or wanted the
opportunity to talk to Mod 17 straight up I'd welcome that opportunity now.

25 MR HANLEY: I think all we can say is that Mod 17 is – because it's in detailed
design, you know, and the change in footprints that's what's, sort of, generated Mod
17.

MR HUTTON: Yes.

30 MR HANLEY: And, I guess, from our point of view with the current government
providing the ability to write off plant and equipment we plan to, sort of, move on
with this project.

35 MR HUTTON: Yes. Okay. All right. Just a little bit, then – I might just ask some
questions. Obviously, I understand the elements that are being proposed under Mod
17 as discussed in the SEE and the department's assessment report. I just want to
talk a little bit, or get you to respond to, I guess, the relocation of approved plant and
how that's working – so, presumably, it's been approved for a previous – on a
previous mod. You're now looking to relocate it under 17 and, I guess, why that
40 initial approved plant was not built or wasn't constructed in the beginning, and then
just, sort of, put that together in terms of the package that Mod 17 is talking to.

MR TICEHURST: So, Andrew, can you just be clear about which particular part –
which part, because there's a few modifications.

45 MR HUTTON: Well, there's elements in a number of the figures that talk about
buildings appropriate to Mod 17, then there's elements that are approved building,
silos, product dryer buildings yet to be constructed, which were marked in blue.

MR TICEHURST: Yes.

MR HUTTON: And then there was plant relocation from previous approvals, which is purple.

5

MR TICEHURST: Yes.

MR HUTTON: And I'm just trying to piece together in my mind, you know, what's existing, what was previously approved and why it's been relocated to certain parts of this – to make up certain parts of this particular modification.

10

MR TICEHURST: Yes. Okay. So there's a couple of those isolated parts of the building that we're talking about, but the major one that you're referring to is the product dryer.

15

MR HUTTON: Yes.

MR TICEHURST: And so for the product dryer, we originally had a footprint proposed for that product dryer, which – I think that I'm looking at the same diagram that you're looking at on your piece of paper there, and it was based on existing plant that we have on the site, in terms of the capacity and footprint, and so we went forward with the application, and then, as Brian mentioned, the detailed design happened, and we looked at the existing plant and say, "Well, we've got some fundamental problems with the way that the ignition plant has been put together operational maintenance ongoing problems, so how can we do it better moving forward".

20

So that's one of the main reasons why the building has become so much larger, it's because we've changed the shape of the product dryer in such a way that the footprint has grown. So that's one facet of why it's – I suppose, why the red box is larger than what the blue box is on the

25

MR HUTTON: Yes.

MR TICEHURST: Because we've changed the shape of the plant, and then the other component we've changed there is the scale of the feeding equipment. We've also taken the opportunity to provide a lot more redundancy with the feeding of this product dryer and the equipment that feeds the product dryer. So, originally, there was no feeder in the existing plant and equipment and then we took a step back and we said, "Well, if we have problems with that plant and equipment, we'll be taking out" so we'll be giving ourselves a little bit more, I suppose, back-up, you can call it.

35

40

MR HUTTON: Yes.

45

MR TICEHURST: So it wasn't considered at the time that we arrived, but that is my explanation as to why the building's here.

MR HUTTON: Yes. Yes. So if I understand correctly, it's about optimising the existing plant with the proposed plant and making sure that it, effectively, works in an optimal fashion.

5 MR TICEHURST: Yes. Correct. Yes. That's right.

MR HUTTON: Yes. Yes.

10 MR BLECHER: And, Andrew, sorry to interrupt. Lindsey Blecher here. Just on the audio, it is sounding better but it sounds clearest when you speak directly at the microphone, rather than facing the screen. So it was only when you looked at the screen that it started cutting out. So sorry for that, but if you can speak into the microphone it'd be useful for the transcript.

15 MR TICEHURST: Okay.

MR BLECHER: Thanks.

20 MR HUTTON: All right. Thank you. Sorry. Thanks for your patience with the technology. Thank you for that response. I just wanted to pick up on a proposed draft condition that the department has put forward, and I understand you'd had the opportunity to take a look through that. It's condition 9J, which talks about – I'll just get it out here. It talks about the post-commissioning verification report, and it speaks to the monitoring that you need to do after commissioning. In this case, it's
25 been nominated by the gate condition in 9I, eight months after for boilers 2 and 4.

Under the scenario that you do that verification works and the monitoring shows that you are still exceeding concentration limits that have been identified by the EPL it talks to reasonable and feasible measures that you would be able to employ to
30 achieve compliance. I'm just keen to understand what those reasonable and feasible measures might be, and are they a combination of engineering or is it fuel fee or is it – you know, what would be that – what would be some examples of reasonable and feasible measures that you would employ to achieve compliance?

35 MR HANLEY: That's why we give you a bit of background. We used to have approval to use woodchip.

MR HUTTON: Yes.

40 MR HANLEY: But not very we're helping the sawmills around the area that had woodchip that they couldn't dispose of. We can only use that woodchip on boilers 2 and 4, because they've got cyclones in front of the bag area, and the bag – if you don't have cyclones you run the risk of having small particles burn in the bag, burning holes in the bag.

45

MR HUTTON: Yes.

MR HANLEY: This analysis has been based on a blend of wood to coal.

MR HUTTON: Yes.

5 MR HANLEY: And if we could change that blend of – you know, we had problems with in other words, burn less wood.

MR HUTTON: Yes. Okay. So it's the wood component that has the potential to produce the non-compliance? Have I understood that correct?

10 MR STUDDERT: Yes. Andrew, I just – it's John Studdert here. I just wanted to clarify which pollutant was stated that we can non-compliance with. We don't anticipate any, sort of, non-compliance with our emission limits.

15 MR HUTTON: Yes.

MR STUDDERT: It doesn't - - -

MR HUTTON: I understand that, and I acknowledge that the – I acknowledge that the air quality impact assessment did demonstrate compliance; however, the department is proposing to insert condition 9J which says that if the post-commissioning verification report shows that results exceed the emission concentrations contained inside of the EPL, or the predictions of the air quality impact assessment prepared for the modification, that you will be the – required to implement all reasonable and feasible measures to achieve compliance with that limit to the satisfaction of the planning secretary.

So I was just wanting to understand, you know, if you – you know, you built the facility, you turned it on, you did the post-commissioning and all of a sudden you have an exceedance, is that a material concern, a major engineering upgrade or is it a fuel stock, fuel feed thing. That assists just trying to get my head around, I guess, that condition and what the response might be in that regard.

MR HANLEY: Well, that'll be an operational tune. Both those boilers have been fitted with baghouses.

MR HUTTON: Yes.

MR HANLEY: A – number 2 boiler didn't have a baghouse, and we used to burn 100 per cent woodchip on that. It's now been fitted with a baghouse, so we can burn coal and we're going to blend wood with the coal.

MR HUTTON: Yes.

45 MR HANLEY: The number 4 boiler didn't have a baghouse, either, because it was gas fired. It's got a baghouse, and it runs on coal, and again we're seeking approval to blend some woodchip with that, but what we will do is, you know, take

measurements and do what is ever necessary to achieve the limits. Make sure we don't - - -

MR HUTTON: Yes.

5

MR HANLEY: - - - exceed them.

MR HUTTON: Yes. Okay. The next question just is around the hazard assessment, and it's a similar, sort of, question I guess in the sense that the department's assessment of the hazard report, or the preliminary hazard report identified that it was okay and that it was fine, subject to the various safeguards being in place and being maintained. I was keen to understand from you, what are those safeguards that would be in place and what is the process of maintenance, and, I guess, it leads to the probability that those safeguards won't be in place and therefore it would be unacceptable. So I'm just keen to understand if you're look for a reference to that, it's 6.36 in the department's assessment report, fourth line they talk about:

20

Assuming all safeguards are in place and maintained.

If that's of any help to you at your end.

MR TICEHURST: Yes. Okay.

25 MR HUTTON: On page 19, John. Yes.

MR TICEHURST: Yes. So there's quite a few different facets that would've been talked about in that PHA.

30 MR HUTTON: Yes.

MR TICEHURST: If we can talk about, I guess, particular ones to do with the product dryer, which is the first component of the application that I talk about.

35 MR HUTTON: Yes.

MR TICEHURST: There's a few, sort of, key risks associated with that plant. There's the explosion risk. We are drying a combustible dust in that product dryer, and so we have – the plant is designed by companies with a good reputation in dealing with that, and they supply the plant and equipment certified to the standard, such as ATEX, for explosion risk and so a practical example there is we would be, in that particular – with that particular risk, there's an inspection criteria for the explosion panels that are on that dryer.

45 We can – and that would be one of the items that's in the PHA, because there's a – you know, we have to ensure that that particular risk is mitigated by X. In our case,

that X is our explosion panels, and then those explosion panels are regularly maintained and inspected with that's one of the many - - -

MR HUTTON: Yes.

5

MR TICEHURST: - - - that we talk about. There's the risk associated with the chemicals that we're using that are then noted in the PHA, as well, and so we have HAZOP when we designed that plant and the HAZOP output, I guess, is a whole bunch of risk assessments and how we're going to deal with each of the associated risks. Is that – does that answer your question?

10

MR HUTTON: Yes. No. That does. I was just keen to understand how – you know, what some of those safeguards are, as you say, explosion controls and, also, I assume that the inspection and maintenance has some sort of work order system, so that if there was a breakdown in the process you could, you know, engage with boilermakers or whatever to repair and fix these things to keep them running efficiently and effectively.

15

MR TICEHURST: Yes. Yes. Definitely, we have an effective maintenance team on the site there who perform those inspections and also would be able to repair if something was identified as not - - -

20

MR HUTTON: Yes.

MR TICEHURST: was identified as not working.

25

MR HUTTON: Yes. I understand, too, that the current conditions require a, you know, verification that the mitigations under the PHA have been finalised and so forth, so there's an opportunity there to demonstrate that everything's being met, which is good. Okay. The fourth question that I have relates to the car park proposal, and I'm – I've just – it's just a clarification, because on one of the figures, and I might just identify the figure, which is figure MN6927-008, which is on page 11 of the modification instrument, or proposed draft conditions, so therefore to be included as an appendix.

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35

There's text on the drawing that refers to “area 3 car park new total of 175 spaces”. My understanding from reading the department's documentation and some of the supporting documentation is that there was 117 additional car parks, along with the ones that are going to be relocated from the current Manildra site. I can't get that to add up to 175. So I just wanted to seek clarification around that number, given the proposal is that this plan would be attached to the consent and just clarify car parking numbers. That may be something you want to take on notice, I acknowledge.

40

MR HANLEY: We've got 1,000 hectares of land on the northern side of Bolong Road.

45

MR HUTTON: Yes.

MR HANLEY: So when we built that car park, we built it a bit bigger than what we really need - - -

MR HUTTON: Yes.

5

MR HANLEY: - - - to make sure that there's plenty of spaces during the construction period, and also during the operating period, but that's bigger than what we really need to cover the impact of the – the car parking spaces that we're going to have to relocate.

10

MR HUTTON: Yes. Did the assessment undertaken as part of the SEE consider that that site is currently a greenfields, acknowledging it's a farm paddock, I assume, but was there any assessment consideration given to the disturbance of that site?

15

MR HANLEY: There would've been. Yes. There has. That's there. Yes, we'd have to get back to you to just give you a final answer on that.

MR HUTTON: Okay. That's fine. I'd just like to understand, I guess, that – how that fits in with the overall proposal.

20

MR HANLEY: Yes.

MR HUTTON: And if you could just clarify at the same time the 175 spaces versus the 117 plus the relocated, just to match up those numbers for us. That'd be useful.

25

MR HANLEY: Yes.

MR HUTTON: Okay. I think they were the key questions. Lindsey, was there anything else that we previously discussed that I perhaps have missed that you think is worth asking the applicant?

30

MR BLECHER: Thanks, Andrew. Lindsey Blecher here. No, I think we've covered most things we previously discussed. I think just on the proposed car park, I personally would be interested to know about your perspective on the change of use from what is currently the environmental farm area of the site to a car park, which might be more akin to the factory use in the rest of the site, and some level of assessment, if it's not already provided, of how that's permissible and what impacts there might be from construction of that car park. That'd be useful.

35

MR HANLEY: Yes.

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MR HUTTON: Well, do you as an applicant have any other questions for the commission at all? Obviously, you understand the processes, etcetera, but happy to have you put down any further material or are any other comments you'd like before I close the meeting.

45

MR HANLEY: No. I've got no more, Andrew.

MR STUDDERT: No, nothing from me, either.

MR HUTTON: Okay. Well, thank you. I think on that basis I'll thank you again
5 for your time. I do appreciate you taking time to talk with us. It helps us get through
the material and to understand what the application's about, and appreciate you
making that time available today. On that basis, then, what I'll do is I'll close the
meeting and wish you a good day. Thank you very much.

10 MR HANLEY: Thanks, Andrew.

MR TICEHURST: Thank you.

MR STUDDERT: Thank you.

15 MR HUTTON: Thank you.

MATTER ENDED at 1.25 pm