



Decision Document

Environmental Protection Act 1986, Part V

Proponent: Wespine Industries Pty Ltd

Licence: L8357/2009/2

Registered office: 12/477 Orrong Road
WELSHPOOL WA 6106

ACN: 052 954 337

Premises address: Wespine Dardanup Pine Log Sawmill
241 Moore Road
DARDANUP WEST WA 6236
Being Lot 76 on Diagram 94278

Issue date: Thursday, 29 May 2014

Commencement date: Sunday, 8 June 2014

Expiry date: Friday, 7 June 2019

Decision

Based on the assessment detailed in this document the Department of Environment Regulation (DER), has decided to issue an amended licence. DER considers that in reaching this decision, it has taken into account all relevant considerations and that the Licence and its conditions will ensure that an appropriate level of environmental protection is provided.

Decision Document prepared by: Daniel Hartnup.....
Licensing Officer

Decision Document authorised by: Neville Welsh.....
Manager Licensing



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1 Purpose of this Document

This decision document explains how DER has assessed and determined the application for a works approval or licence, and provides a record of DER's decision-making process and how relevant factors have been taken into account. Stakeholders should note that this document is limited to DER's assessment and decision making under Part V of the *Environmental Protection Act 1986*. Other approvals may be required for the proposal, and it is the proponent's responsibility to ensure they have all relevant approvals for their Premises.

Works approval and licence conditions

DER has three types of conditions that may be imposed on works approvals and licences. They are as follows;

Standard conditions (SC)

DER has standard conditions that are imposed on all works approvals and licences regardless of the activities undertaken on the Premises and the information provided in the application. These are included as the following conditions on works approvals and licences:

Works approval conditions: 1.1.1-1.1.4, 1.2.1, 1.2.2, 5.1.1 and 5.1.2.

Licence conditions: 1.1.1-1.1.4, 1.2.1-1.2.4, 5.1.1-5.1.4 and 5.2.1.

For such conditions, justification within the Decision Document is not provided.

Optional standard conditions (OSC)

In the interests of regulatory consistency DER has a set of optional standard conditions that can be imposed on works approvals and licences. DER will include optional standard conditions as necessary, and are likely to constitute the majority of conditions in any licence. The inclusion of any optional standard conditions is justified in Section 4 of this document.

Non standard conditions (NSC)

Where the proposed activities require conditions outside the standard conditions suite DER will impose one or more non-standard conditions. These include both premises and sector specific conditions, and are likely to occur within few licences. Where used, justification for the application of these conditions will be included in Section 4.



2 Administrative summary

Administrative details		
Application type	Works Approval ☐ New Licence ☐ Licence amendment ☒ Works Approval amendment ☐	
Activities that cause the premises to become prescribed premises	Category number(s)	Assessed design capacity
	29 – Timber preserving	200 000 m ³ /yr
Application verified	Date: N/A	
Application fee paid	Date: N/A	
Works Approval has been complied with	Yes ☐ No ☐ N/A ☒	
Compliance Certificate received	Yes ☐ No ☐ N/A ☒	
Commercial-in-confidence claim	Yes ☐ No ☒	
Commercial-in-confidence claim outcome		
Is the proposal a Major Resource Project?	Yes ☐ No ☒	
Was the proposal referred to the Environmental Protection Authority (EPA) under Part IV of the <i>Environmental Protection Act 1986</i> ?	Yes ☐ No ☒	Referral decision No: Managed under Part V ☐ Assessed under Part IV ☐
Is the proposal subject to Ministerial Conditions?	Yes ☒ No ☐	Ministerial Statement No: 312 EPA Report No: Bulletin 669
Does the proposal involve a discharge of waste into a designated area (as defined in section 57 of the <i>Environmental Protection Act 1986</i>)?	Yes ☐ No ☒ Department of Water consulted Yes ☒ No ☐	
Is the Premises within an Environmental Protection Policy (EPP) Area Yes ☐ No ☒ If Yes include details of which EPP(s) here.		
Is the Premises subject to any EPP requirements? Yes ☐ No ☒ If Yes, include details here, eg Site is subject to SO ₂ requirements of Kwinana EPP.		



3 Executive summary of proposal and assessment

Wespine Industries Pty Ltd (Wespine) operates a plantation softwood sawmill 10 km south-east of Bunbury pursuant to part V Licence L8357/2009/1, the *Dardanup Pine Log Sawmill Agreement Act 1992 (WA) as amended* (SAA) and Ministerial Statement No. 312 (Statement 312). The mill was established in 1984 by Wharnccliffe Pty Ltd on the present site due to proximity to the Wesfi (now Laminex) particleboard manufacturing plant which used, and still uses, the mill's fibre residue and woodchip in its manufacturing process.

The SAA of 1992 is an agreement between Wespine and the State Government, who will supply sawlogs from state owned and private pine plantations until 2033, on the condition that Wespine make full use of the economies of scale provided (i.e. upgrade the mill when required). The first expansion plan, which anticipated timber throughput at the mill to increase in stages up to 400,000 m³ by 2003, was subject to formal assessment by the EPA (Bulletin 669, December 1992), and culminated in the issue of Statement 312 in April 1993.

The actual capacity increases have not met the levels contemplated in 1992 due to unforeseen circumstances in both timber demand and supply. The first major expansion took place in 1993, taking log input capacity from 70,000 to 150,000 m³ and then to 200,000 m³ in 2002. Since this time several upgrades and efficiency improvements have increased the mill's capacity to the current 450,000 m³/yr.

The mill is a modern milling complex, consisting of a log yard which receives, measures and de-barks the logs; a green mill where logs are cut into sawn boards of various dimensions; high temperature drying kilns where the timber is dried (seasoned); and a dry mill where the seasoned timber is converted into building products and some of the production is preserved with an insecticide (Bifenthrin, primarily to protect against the European house borer *Hylotrupes bajulus* and termites).

The mill was first licensed under part V in 2009 following construction of the timber preserving facility under Works Approval 4455, which triggered category 29 of the *Environmental Protection Regulations 1987*. The facility comprises an in-line spraying unit with two fully enclosed rangehood structures with extraction fans and a filter system to trap any overspray mist. The current capacity of the facility is 200,000 m³/yr (approximately half the annual log intake).

Due to encroachment of rural residential properties within 600 m of the mill, noise emissions are the primary issue at the site. An environmental noise management plan and commitments required through Statement 312 are used primarily to control noise. In addition Wespine owns the majority of land to the north, east and south of the mill, some of which it has tied up in plantation, and provides a minimum 500 m separation to residential areas. In November 2002, the mill was granted a regulation 17 approval under the *Environmental Protection (Dardanup Pine Log Sawmill Noise Emissions) Approval 2002*, as the promulgation of the *Environmental Protection (Noise) Regulations 1997* in January 1998 created obligations on Wespine that were inconsistent with Statement 312. This approval allows noise emission levels consistent with Statement 312, which in essence are 5 dB(A) higher than the assigned levels. The term of this approval was extended in 2012 for a further a 10 years.

Other environmental impacts associated with on-site activities are predominantly managed through the existing conditions and proponent commitments of Statement 312 established prior to the part V licence. To avoid confusion, DER has elected not to duplicate any of these existing requirements in the part V licence.



4 Decision table

All applications are assessed in line with the *Environmental Protection Act 1986*, the *Environmental Protection Regulations 1987* and DER's Operational Procedure on Assessing Emissions and Discharges from Prescribed Premises. Where other references have been used in making the decision they are detailed in the decision document.

DECISION TABLE				
Works Approval / Licence section	Condition number W = Works Approval L= Licence	OSC or NSC	Justification (including risk description & decision methodology where relevant)	Reference documents
General conditions	L1.2.3 L1.2.5	OSC	Operation <u>Emission Description</u> <i>Emission:</i> Stormwater contaminated with hydrocarbons from operational and storage hardstand areas. <i>Impact:</i> Contamination of surrounding land and surface water drainage systems with hydrocarbons. <i>Controls:</i> Uncontaminated stormwater is diverted away from areas that have the potential to become contaminated. All hydrocarbons are stored in accordance with code of practice for the storage and handling of dangerous goods. Quarterly surface water monitoring program of stormwater drains and groundwater monitoring bores around the Premises as a commitment of Statement 312. <u>Risk Assessment</u> <i>Consequence:</i> Moderate. <i>Likelihood:</i> Possible. <i>Risk Rating:</i> Moderate. <u>Regulatory Controls</u> SC 1.2.3 requires the Licensee to store all hydrocarbons in accordance with the code of practice for the storage and handling of dangerous goods. OSC 1.2.5 has been added to the licence to require the Licensee to operate and maintain a stormwater management system that diverts uncontaminated stormwater away from areas where it can become contaminated, and all contaminated stormwater is directed to mechanisms for treatment prior to discharge to the environment. As monitoring of ambient surface and groundwater is already being undertaken, there is no need to duplicate this requirement in the licence. Reporting of these results	Ministerial Statement 312



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			has been added to the Reporting Section. <u>Residual Risk</u> <u>Consequence</u> : Minor. <u>Likelihood</u> : Unlikely. <u>Risk Rating</u> : Moderate.	
Premises operation	L1.3	N/A	Operation There are no other emissions or discharges of significance that require regulatory control from the timber treatment operations.	
Emissions general	L2	N/A	Operation <u>Emission Description</u> <u>Emission</u> : Bifenthrin spill from treatment area. <u>Impact</u> : Bifenthrin is highly toxic to fish, small aquatic organisms and insects. Low toxicity to birds and mammals. <u>Controls</u> : Spills of treatment solution are contained within a concrete bunded area beneath the treatment infrastructure and a re mopped up with sawdust, prior to transfer to Laminex as feed into the woodboard manufacturing process. Build up of solution sludge in the spray units are scraped off annually by a controlled waste contractor and removed off the premises. <u>Risk Assessment</u> <u>Consequence</u> : Minor. <u>Likelihood</u> : Rare. <u>Risk Rating</u> : Low. <u>Regulatory Controls</u> Nil. <u>Residual Risk</u> <u>Consequence</u> : Minor. <u>Likelihood</u> : Rare. <u>Risk Rating</u> : Low.	



DECISION TABLE

Works Approval / Licence section	Condition number W = Works Approval L = Licence	OSC or NSC	Justification (including risk description & decision methodology where relevant)	Reference documents
Point source emissions to air including monitoring	L2.2 and L3.2	N/A	Operation <u>Emission Description</u> <i>Emission:</i> Bifenthrin vapour emissions from timber treatment process. <i>Impact:</i> Transient human health impacts if inhaled, possible human carcinogen. <i>Controls:</i> Extraction fans fitted over the spray treatment system to condense any overspray and mist and reintegrate the liquid back into the system. Two chimneys extend from the fan system and vents are fitted on top. Monitoring of a similar spray line system has indicated Bifenthrin emissions at <0.001 mg/m³, which is not significant compared to an exposure standard of 5 mg/m³ for pyrethrins, the group of chemicals belonging to Bifenthrin. <u>Risk Assessment</u> <i>Consequence:</i> Insignificant. <i>Likelihood:</i> Unlikely. <i>Risk Rating:</i> Low. <u>Regulatory Controls</u> Nil. <u>Residual Risk</u> <i>Consequence:</i> Insignificant. <i>Likelihood:</i> Unlikely. <i>Risk Rating:</i> Low.	Environmental Protection (Unauthorised Discharges) Regulations 2004
Point source emissions to surface water including monitoring	L2.3 and L3.3	N/A	Operation No point source emissions to surface water are expected or authorised from the timber treatment operations. No specified conditions relating to point source emissions to surface water or the monitoring of these emissions are required to be added to the licence.	
Point source emissions to groundwater including monitoring	L2.4 and L3.4	N/A	Operation No point source emissions to groundwater are expected or authorised from the timber treatment operations. No specified conditions relating to point source emissions to groundwater or the monitoring of these emissions are required to be added to the licence.	



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Emissions to land including monitoring	L2.5 and L3.5	N/A	Operation No emissions to land are expected or authorised from the timber treatment operations. No specified conditions relating to emissions to land or the monitoring of these emissions are required to be added to the licence.	
Fugitive emissions	L2.6	N/A	Operation <u>Emission Description</u> <i>Emission:</i> Fugitive dust and light from on-site activities. <i>Impact:</i> Annoyance or nuisance to nearby receptors ~500m away. <i>Controls:</i> All process, storage and traffickable areas are sealed. Night time operations conducted indoors. <u>Risk Assessment</u> <i>Consequence:</i> Insignificant. <i>Likelihood:</i> Rare. <i>Risk Rating:</i> Low. <u>Regulatory Controls</u> Nil. Ensuring that fugitive dust and light emissions do not cause a nuisance are proponent commitments of Statement 312. <u>Residual Risk</u> <i>Consequence:</i> Insignificant. <i>Likelihood:</i> Rare. <i>Risk Rating:</i> Low.	Ministerial Statement 312 General provisions of the <i>Environmental Protection Act 1986</i>
Odour	L2.7	N/A	Operation <u>Emission Description</u> <i>Emission:</i> Odour from use of bifenthrin, which has a slight hydrocarbon odour. <i>Impact:</i> Annoyance or nuisance to nearby receptors ~500m away. <i>Controls:</i> Extraction fans on the spray unit. <u>Risk Assessment</u> <i>Consequence:</i> Minor	



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			<u>Likelihood</u>: Rare. <u>Risk Rating</u>: Low. <u>Regulatory Controls</u> Nil. DER is unaware of any odour complaints from operations. <u>Residual Risk</u> <u>Consequence</u>: Insignificant. <u>Likelihood</u>: Rare. <u>Risk Rating</u>: Low.	
Noise	L2.8	N/A	<u>Operation</u> <u>Emission Description</u> <u>Emission</u>: Noise emissions from the dry mill and storage operations (24/7), green mill and log yard (normal working hours only). <u>Impact</u>: Annoyance or nuisance to nearby receptors ~500m away. <u>Controls</u>: The Licensee has acquired the majority of land surrounding the Premises to provide a 500m buffer to residential areas. Operations at the green mill and log yard are restricted to normal working hours (used to be 24/7). All night time operations are conducted indoors. <u>Risk Assessment</u> <u>Consequence</u>: Minor. <u>Likelihood</u>: Possible. <u>Risk Rating</u>: Moderate. <u>Regulatory Controls</u> A Regulation 17 approval was granted to Wespine in 2002 and is reviewed periodically. In accordance with Statement 312, periodic noise monitoring and modelling is undertaken by an independent consultant. Recent monitoring indicates compliance with the Regulation 17 approval. DER considers it unnecessary to duplicate these requirements or to require additional site specific noise conditions on the licence at this time.	<i>Environmental Protection (Dardanup Pine Log Sawmill Noise Emissions) Approval 2002</i> (Regulation 17 approval) Ministerial Statement 312



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			<u>Residual Risk</u> <i>Consequence:</i> Minor. <i>Likelihood:</i> Possible. <i>Risk Rating:</i> Moderate.	
Monitoring general	L3	N/A	No general monitoring conditions required.	
Monitoring of inputs and outputs	L3.6	N/A	No monitoring of input and outputs required.	
Process monitoring	L3.7	N/A	No process monitoring required.	
Ambient quality monitoring	L3.8	N/A	No ambient quality monitoring conditions required. Existing ambient monitoring undertaken as a requirement of Statement 312.	
Meteorological monitoring	L3.9	N/A	No meteorological monitoring required.	
Improvements	L4	N/A	No improvement conditions required.	
Information	L5	N/A	Standard reporting conditions requiring submission of an annual environmental report and an annual audit compliance report. Included in the annual report is submission of the biannual 'Progress and Compliance Reports' submitted to the EPA as part of Statement 312. These reports include noise monitoring and modelling results and surface water monitoring.	



5 Advertisement and consultation table

Date	Event	Comments received/Notes	How comments were taken into consideration
24/07/2014	Proponent sent a copy of draft instrument.	Minor changes suggested relating to matters of fact.	Changes made where appropriate.



6 Risk Assessment

Note: This matrix is taken from the DER Corporate Policy Statement No. 07 - Operational Risk Management

Table 1: Emissions Risk Matrix

Likelihood	Consequence				
	Insignificant	Minor	Moderate	Major	Severe
Almost Certain	Moderate	High	High	Extreme	Extreme
Likely	Moderate	Moderate	High	High	Extreme
Possible	Low	Moderate	Moderate	High	Extreme
Unlikely	Low	Moderate	Moderate	Moderate	High
Rare	Low	Low	Moderate	Moderate	High