



RESPONSE TO DRAFT EIS FOR PROPOSED PLASTIC TO LIQUID FUEL PROCESSING PLANT HUME, ACT

To ACT Environment and Planning Directorate

Introduction

While Tuggeranong Community Council (TCC) recognises the value of converting waste into useful products and the introduction of new recycling technologies, in appropriate locations, the ACT government needs to ensure that such processing is safe and does not put anything into the atmosphere or cause any nuisance that could negatively affect nearby residents. Thus, when considering approval of the proposed plastics/liquid fuel processing plant, by the Foy Group in Hume, certain questions from the draft Environmental Impact Statement (EIS) have been drawn to our attention and should be addressed.

Comments

The TCC wishes to express the following concerns about the proposed processing plant in Hume, ACT, based on information provided in the draft EIS:

- **Title:** For the draft EIS to refer to a plastic to liquid fuel processing plant as a “Landfill Diversion Facility” is grossly misleading.
- **Draft EIS:** As mentioned by several entities making submissions on this matter, the draft EIS considered flawed, not in plain English and is therefore inadequate to be the basis for proper decision making.
- **Consultation:** Consultation with the public about this project has been minimal.
- **Financial Status of FOY:** It would appear that the Foy Group is in financial difficulties and its share trading has been suspended on the ASX. TCC understands that the company last traded in July 2015 with a closing price 12.5 cents. Such a situation does not give any confidence that this company can start, let alone complete the project, even if approved by the Government, nor why the ACT Government would even contemplate entering any, let alone a 99 year lease with the company.

*After a review of jurisdictions and locations, the Company has focused on a site in Hume, ACT to construct a 200 tonnes per day (TPD) non-recyclable, end-of-life plastic to fuel facility. The Company has **successfully entered into a contract for a 99-year lease**. Thus, the development of the company's first 200 TPD facility will take place at a site zoned for industrial development centrally located between Sydney and Melbourne. Based on the costings for the development of this facility, FOY now intends to raise **\$18.5 million** through the issue of 92,500,000 shares, subject to shareholder approval at the upcoming Extraordinary General Meeting. To reflect the progress made with the ACT development, IGE and FOY have agreed to a Variation to the Business Sale Agreement which also now properly reflects the current likely schedule of events*

and specifies a 40 cent exercise price for all options issued to IGE shareholders.

[<http://www.investogain.com.au/company/foy-group-limited>, 8 September 2016]

- **Berkeley Vale Plant:** The Foy Group has established a plant at Berkeley Vale in NSW, operating at 50 tonnes per day capacity and on a five-day a week operation. The plant is planned for 200 tonnes processing a day but the Foy Group has decided not to expand the facility. Why?
- **Move to ACT:** Foy Group representatives are reported to have said at a public meeting, on 30 August 2016, that the Group plans to build the new processing plant in the ACT because “*the planning regulations are easier to comply with*” or words to that effect. Why would the ACT Government allow this plant in the ACT, let alone so close to residential areas, if NSW and Queensland appear to have made it difficult for the Foy Group to establish or expand its operations in those states?
- **Location:** For highly volatile processing plant, the proposed site is far too close to residential areas. Why at Hume, so close to residential areas? Why are there not suitable sites elsewhere in the ACT?
- **Volume:** The scope of the project is very large at 200 tonnes of waste plastics processed daily, seven days a week. This equates to an average of about 226,000 litres of fuel produced daily. Planned storage capacity on site is 1,840,000 litres, being about 8 day’s production. To put this volume into some perspective, 1,840,000 litres is the equivalent of having on site 32 double-B tankers of 57,000 litres each. However, the EIS suggests that future production may be increased to 400 tonnes of feed stock processed daily, although storage capacity would not necessarily be increased.
- **Risk :** All of the hazards identified below are of concern, especially those underlined. It is noted that the draft EIS itself says the risk of fire/explosion is very high. The risks to residents nearby would appear to be excessive and the TCC would be seeking very strong assurances of minimisation before considering endorsement of the project.
 - > Spill of fuel or plastic feedstock [*It is noted that spill containment is only 21.5% of the on-site storage*]
 - > Odours from the production facility, including from waste feed stock, processing and storage, transport activity [*must be zero to be tolerable*]
 - > Hazardous Emissions emanating from the Facility [*must be zero to be tolerable*]
 - > Storm and waste water egressing from the site [*must be very low to be tolerable*]
 - > Plant based fire or explosion [*Noted as a Very High risk in the draft EIS*]
 - > Bushfire or neighbour fire [*Noted as a High risk in the draft EIS*]
 - > Noise from vehicle movement and feed stock processing [*Noted that heavy vehicle movements are seven days a week – 10 per day for waste plastics and 5 per day taking fuel out. However, it is noted also that while the proposal is for processing 200 tonnes of waste per day, the actual capacity is 500 tonnes per day.*]
 - > Dust & noise created during construction [*Undoubtedly a problem for residents over 12 or more months and will need to be minimised by watering etc.*]
- **Use of fuel produced:**
 - > It is reported that the fuel produced would be sold to the ACT Government, in the main, for use by ACTION buses. What is the assurance that this fuel source will be as clean as

currently available commercial sources of diesel, in respect of pollutant components exhausted into the atmosphere in residential areas by the buses?

- > Is there a limitation on the scope of this project? For example, would it not be feasible for the Foy Group to use fuel produced at this plant to produce, in an adjoining plant, electricity for the grid?
- **Foy Group Objectives:** In respect of stated objectives of the proposal, the TCC comments as follows:
 - > Convert of 65,000 tonnes / annum of non-recyclable plastics into diesel and petrol meeting the Australian fuel standard; [*Good that it saves imports*]
 - > Remove of 65,000 tonnes of plastic from landfill; [*Good that it saves landfill*]
 - > Allow greater recycling in the ACT and NSW; [*this is no valid reason to process NSW or Queensland waste in the ACT, given the risks*]
 - > Employ up to 25 local full time and part time contractors; [*May be good for the ACT but will it be to the detriment of Tuggeranong residents*]
 - > Provide returns to FOY shareholders while establishing FOY as a market leader in green technology; [*Good for FOY, but what benefit to Tuggeranong residents except for perhaps increased local employment opportunities?*]
 - > Execute all of the above with a “Do No Harm” policy. [*Not yet demonstrated*]
- **Property Values:** Some of the submissions made to date claim that property values in adjoining Tuggeranong suburbs would be depressed by the proximity of this dangerous plant. The EIS itself recognises this as a risk.
- **ACT Government role:** We would like to know exactly what the ACT Government has done and agreed to do so far in respect of this project:
 - > Has it already given the ‘nod’ to the Foy Group? It appears that it has leased the site in Hume to the Foy Group which claims it has a 99 year lease on the site, becoming effective in 2016 upon release from the LDA. If so, under what arrangements has the site been leased and what monies have exchanged hands?
 - > What investigation has been undertaken by the ACT Government into the FOY Groups financial status and the ramifications thereof?
 - > Has the Government investigated the Occupational, Health and Safety (OH&S) record of the FOY Group at the Berkeley Vale plant or elsewhere?
 - > What investigation if any has been undertaken by the ACT Government to note any complaints raised by the Berkeley Vale residents about the recycling plant there?
 - > What contingency plans are in place or contemplated by the ACT Government for the plant site at Hume, should the FOY Group be unable to continue construction or operation in the ACT?

There appears to be a serious lack of due diligence by the ACT Government in respect of this proposal.

Discussion

The TCC has studied 13 of the submissions made to date concerning this proposal, as explained in the draft EIS and agrees with the objections to the project made in those submissions.



The draft EIS is considered flawed and incomplete by most if not all of those making submissions. The TCC agrees with that conclusion but sees no reason why a redrafted and fully compliant EIS would change the basic objections to the project, as listed under 'Comments' and discussed herein. The draft EIS contains enough evidence that the plant would and could not be acceptable to Tuggeranong residents.

The TCC opposes the project on the following grounds:

- The project offers negligible tangible benefits to Tuggeranong and the ACT but maximum risk.
- TCC sees no compelling reason why the facility should be located in Hume or even the ACT. Suitable sites well away from residential areas would be available elsewhere in the ACT or, better still, in NSW from whence the bulk of waste input product will come.
- The Foy Group's stated reason for establishing in the ACT because it was easier than in NSW or Queensland, is no valid reason why it should be accepted here in the ACT, let alone in Hume so close to residents.
- The Foy Group has been unethical in referring to heavy industrial processing plant as a "Landfill Diversion Facility".
- The draft EIS fails to explain why the Berkeley Vale Plant is not being expanded in lieu of establishing elsewhere in NSW, let alone in the ACT at Hume.
- The risk of a storage capacity on site of 1,840,000 litres (8 day's production and the equivalent of having 32 double-B tankers) so close to residential areas is not acceptable.

Summary

There are too many important questions yet to be answered.

While the proposal may have recycling merit, the draft EIS does not demonstrate why the plant should be located in Hume (or even the ACT).

In spite of assurances that may be made, the TCC considers that the project offers only considerable and unacceptable risk with negligible benefits to Tuggeranong residents.

The TCC therefore does not endorse the draft EIS or agree to the project proceeding at Hume.

G. Patulny
President, Tuggeranong Community Council

Canberra, 28 October 2016