

## EPA Approvals Review – Draft Report Template for written comments

### Your details

Please provide your name and your job title and organisation (if relevant), and indicate if your comments are confidential.

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<b>Confidential:</b>	Yes / No

Please send your comments to [approvals.review@epa.vic.gov.au](mailto:approvals.review@epa.vic.gov.au) by Friday 7 December 2012.

### Your comments

**Please note – The text below is abridged. Please refer to the Draft Report for the full text of what is proposed (e.g. A.1 – A.4, not just A.).**

#### A new risk-based assessment system (Chapter 4 of Draft Report)

A. EPA will use a risk-based selection tool to determine the level of assessment required for each development proposal.

We support the use of a risk based approach to deciding the most appropriate approval route, including FAST tracking approvals where risk to the environment is reduced.

Figure 4.1 Box 1 of the process, The criteria for third party interests needs to be clear, otherwise there is a risk that all approvals will become standard approvals/major project, if third party activities/impacts are not clearly assessable.

#### Streamlined and efficient (Chapter 5 of Draft Report)

B. EPA will consistently, confidently and efficiently apply exemptions where allowed under the EP Act. The exemption pathway will have a four week turn-around, from submission of a proposal to a response in writing from EPA notifying the applicant of the decision.

Exemption pathway appears adequate provided that the Risk Based assessment pathway selection tool requirements are known, to aid in the preparation of the approvals, in order to ensure sufficient information is supplied when the proposal is lodged.

C. EPA will introduce a new fast track works approval pathway for low-risk proposals.

The use of a FAST track works approval process is supported in limiting approvals to 6 weeks upon receipt of formal application, this should be sufficient in most cases to enable assessment, providing satisfactory and clear information requirements are known by applicants at a pre-application stage.

D. EPA will reduce pre-application timeframes for standard works approvals and RD&D approvals.

The assignment of an EPA assessment officer to each application should benefit the process and the EPA's officers if they see the application through to end (licence amendment/issue).

The Figure 5.3 still exceeds 4 months- a pre-approval meeting should occur before the approval is prepared and submitted. If the requirements are clear to the proponent and EPA is aware of the application, then time for approval should be met within realistic time frames.

E. In response to an excessive number of section 30A emergency approval applications related to increased variability in rainfall patterns, EPA proposes to amend certain licences – relating to sewage treatment (A03) and extractive industry and mining (C01) scheduled premises – to allow discharges under restricted conditions, and to require these discharges to be reported in the licensee's annual performance statement (APS). Emergency approvals will still be required outside of the restricted conditions, including for major upset conditions and unforeseen events.

Supportive mechanisms are required given the effects that drought can cause on waterways and discharge water quality. The knowledge gained by EPA since 2010 with the ending of the big drought, should enable EPA to provide supportive conditions in licences to give flexibility under extreme conditions. A simplified pre discharge notification under upset conditions should occur, this will ensure that licence holders do not breach licence conditions unknowingly and enable EPA to be able gather information and review situations for upset conditions routinely. There could be situations where licence holders may need a section 30A approval, but discharge under upset conditions. Clear understanding of "upset conditions" use needs to be understood by both the licence holders and the EPA.

F. EPA will seek to improve the coordination of approvals by working with other agencies.

Linking in with other agencies through a standard checklist or review process would benefit applications and relationships with proponents and all stakeholders. It should result in reduced risk to projects approvals and environmental/human harm through better understanding upfront in the application/approvals process.

Although timing of such proposal meetings at the pre application stage, with the inclusion of other agencies may impede the process. If the timing of joint agency proposal meetings becomes difficult an alternative referral/notification process should occur.

## Effective at protecting the environment (Chapter 6)

G. EPA will become more effective at protecting and enhancing the environment.

The cross development of EPA assessors will improve identifying environmental impacts and result in improved outcomes for the environment as part of the approvals process. The widening of the knowledge base will also assist community and industry as EPA assessors will be able to openly identify and demonstrate the assessment of risks and potential positive and negative environmental outcomes associated with applications.

H. EPA will introduce a systematic process to periodically review standard conditions and EPA licences.

A systematic approach to reviewing standard conditions & licences and the timing of those reviews both in frequency and duration should be reflective of the ability of the licenced premises to change. Timing for major capital expenditure to make changes and the benefits to both the environment and the licensee needs to be balanced. There have been occasions is the past where changes to licence limits or regulation requirements have occurred without fully understanding the impacts and of the ability of industry to meet the new requirement/standard. A small change in temperature of discharge water could require substantial infrastructure cost (e.g. mechanical cooling).

Even in a large business the ability to raise and apply capital can be limited.

Duration of EPA licence reviews should be limited to the statutory requirement of 60 days.

EPA performance against this should be reported in the EPA's annual report.

Minimising environmental impact or offsetting impacts should be considered as part of the licence review, particularly where changing a licence parameter quantity cannot be effectively undertaken or managed. Again as part of the unforeseen events conditions the effect of reducing a parameter or discharge may be adequate for 5% of the operating time, there may be increased frequency of non-conformance if licence parameters are set inappropriately.

I. EPA will work with business, community and government stakeholders to develop an alternative program to allow for recognition of excellence in environmental performance across all EPA licensed sites.

The 2% of accredited licensees would be expected to be the larger emitters and those with a larger environmental footprint. A better comparison may be that the 14 licensees reflect X% of air emissions or Y% of particulate emissions or water emissions.. As the 2% would be some of the largest emitters.

The accredited licensee status is held in high regard by those working in business to manage compliance, as well as those community representatives working with accredited licensees to achieve improved environmental outcomes. In the process to review accredited licensee status, the EPA needs to sure that it does not undermine the significant effort and good work of so many in the community and industry that have used it as a tool to support and drive environmental improvement and demonstrable commitment.

A new/additional system needs to be carefully planned, constructed and demonstrated, this could be based on business type or on a cross matrix approach where industry type verses environmental outcome enable achievement at different levels of recognition (like a ranking system for significant environmental aspects). Such a matrix system may enable high achievers in some industries to demonstrate better corporate governance compared to their

counterparts/competitors and attract the recognition of their communities, stakeholders, suppliers and customers.

Rather than a single level of achievement- moderate, high, commended status could be used, based on compliance, commitment, performance, self-assessment processes and improvement plans.

A system of recognition on annual performance statement compliance alone would be too basic, as this could unfairly affect a compliance level of licensees, as the APS compliance could punish disproportionately for an administrative non-conformance compared to an environmental discharge breach/environmental impact

### **Transparent, consistent and accountable (chapter 7)**

J. EPA will increase the transparency and accountability of its approvals system.

The openness of the EPA to processes is greatly appreciated and assists in understanding the complexities required when decisions need to be made.

### **Inclusive and Accessible (chapter 8)**

K. EPA will seek opportunities for improved interaction between the community and industry.

Some continued support from the EPA in the long standing community environmental review committee's needs recognition. It is difficult for the community, stakeholders regulators and industry to commit so much time and resource to these systems, however time has shown that when change is occurring, it has been worthwhile everyone working together in understanding the concerns and processes. Currently many businesses/industry and regulatory bodies are going through change, and it would be encouraging for the community representatives to continue to see support from the regulators continue, even if this is reduced to as required basis in such community/industry/stakeholder interaction processes. The introduction of a pre-proposal meeting between EPA and the proponent of a works approval before the proposal is prepared and submitted will further improve interaction between EPA and industry, which has suffered a little during the EPA restructuring process over the past 18 months.

### **Further comments and suggestions**

The review document was well written and structured. Although lengthy it was clear in its objectives and logically set out.