

STATEMENT OF REASONS

Part 5, Division 9 of the *Environment Protection Act 2019* (EP Act): Amendment of environmental approval

Environmental approval holder	Crowley Australia Pty Ltd ACN 654 468 836
Environmental approval holder reference number	CROW-0001
Environmental approval number	EP2021/008-002
Action	Project Caymus Bulk Fuel Storage Facility - To construct and operate a bulk fuel storage facility and ancillary infrastructure for the transfer and storage of aviation turbine fuel at Sections 5720, 5673, 6350, and 5790 Hundred of Bagot, East Arm, Darwin.
Material considered	<ul style="list-style-type: none"> • Assessment Report 93 by NT EPA 24/11/2021 • Environmental Approval EP2021/008-001 granted on 29/11/2021 • Statement of reasons for the approval by the Minister 29/11/2021 • Section 106(1)(a) amendment application submitted by Crowley Australia Pty Ltd on 18/01/2023 and 10/03/2023 • Consultation with the Northern Territory Environment Protection Authority (NT EPA) from 30 March to 11 May 2023 (s 107)
Decision	In accordance with section 106(1)(a), (2), (3), (4) and section 107(1), (3) of the EP Act and for the reasons given below, I have amended the conditions of the environmental approval and grant the amended environmental approval as EP2021/008-002.
Decision maker	<p>Chief Executive Officer of the Department of Environment, Parks and Water Security (DEPWS) as delegate for the Minister of Environment (<i>under section 278(1) of the Environment Protection Act 2019 and with reference to section 42 of the Interpretation Act 1978</i>).</p> <p>There are no professional or personal reasons that prevent the Chief Executive Officer from exercising the delegated power.</p>

REASONS

This statement of reasons for amending Environmental Approval EP2021/008-001 has been prepared in accordance with sections 106(3) and 107(1) of the EP Act.

BACKGROUND

Context

Crowley Australia Pty Ltd (Crowley) ACN 654 468 836 is the approval holder of Environmental Approval number EP2021/008-001, under the EP Act, to construct and operate a bulk fuel storage facility and ancillary infrastructure for the transfer and storage of jet fuel at 740 Berrimah Road, East Arm, Darwin.

The Minister for Environment granted the approval on 29 November 2021, after the NT EPA had assessed the action by referral information under the EP Act.

Nature of the action

The Action was referred by the environmental approval holder (proponent) pursuant to section 48 of the EP Act. The proponent proposed to construct and operate a new bulk fuel storage facility at East Arm. The Action will receive, store and supply aviation turbine Jet fuel to provide additional storage and capacity to support the Australian and United States (US) defence force operations and industry in the region, and to meet the forecast increase in demand.

Scale of the action

The Action will be on reclaimed, freehold land owned by the Land Development Corporation, is zoned for industry development and the proposed site is suited to, and has been reserved for, bulk liquids storage due to its proximity to port loading facilities and existing pipeline infrastructure. As such, the Action is contained to a relatively discrete footprint and area.

Receipt of fuel will occur by ship at the existing Wharf 4 berth and after the initial terminal fill, four ships are expected to service the facility per annum. The proposed facility has a design working life of 50 years.

Environmental context

The site will be accessed by Salloo Street off O'Sullivan Circuit in the industrial suburb of East Arm. It is at least 4.5 km away from any residential or congested areas.

The proposal location is adjacent to the Darwin Harbour marine environment, which is considered a sensitive environmental receptor. The Action area is fringed by mangrove ecosystems, which grow along the foreshore north towards Charles Darwin National Park. However, no protected or threatened species are located in the Action area.

AMENDMENT APPLICATION

On 18 January 2023, Crowley applied for amendments to conditions 5(a), 6(a), 6(d), 6(f), 10(g), 11(i) and 11(j) of Environmental Approval EP2021/008-001 under section 106(1)(a) of the EP Act (amendment by Minister at request of approval holder). On 10 March 2023, Crowley made an additional request to amend Table 1 in Appendix 1 of the environmental approval.

Procedural requirements

I am satisfied that all substantive procedural requirements relating to making an application have been met. This includes that:

- (a) the applicant has made the application under the relevant section of the EP Act;
- (b) the approval holder is a legal entity; and
- (c) the representative of the approval holder who made the application had the authority to make the application on behalf of the approval holder.

Consultation requirements

Pursuant to section 107 of the EP Act, I have consulted with the NT EPA and a relevant statutory-decision maker, the Department of Infrastructure, Planning and Logistics (DIPL) on the application and considered comments provided by them.

Comments provided by NT EPA for the approved amendments are summarised in my assessment (Development Assessment Services (DAS) of DIPL had advised DEPWS that the matters to be amended were administrative in nature and did not need to be considered by DAS).

Time for determining the application

Under section 106(2) of the EP Act, I am required to make a decision on the amendment application within 60 business days of receipt of the application, being 29 May 2023. The timeframe for making a decision ceases to run during the period of consultation required by section 107. Consultation with the NT EPA occurred from 30 March 2023 to 11 May 2023. Accordingly, the date I am required to make a decision is extended to 29 May 2023.

ASSESSMENT OF THE APPLICATION

Section 106(3)(a) of the EP Act provides that in making a decision on a request from the approval holder to amend an environmental approval, the Minister must

- (a) have regard to the following:
 - (i) the matters set out in Part 2 of the EP Act;
 - (ii) objects of the EP Act;
 - (iii) the assessment report of the action; and
- (b) be satisfied that the amendment will not prevent:
 - (i) significant impact
 - (ii) any appropriate environmental offsets.

The matters set out in Part 2 of the EP Act on the principles of environment protection and management; the objects of the EP Act; and the assessment report of the action were considered in the original granting of the approval and will not be affected by the amendments to the approval.

The proposed amendments are administrative in nature and do not alter the material that was considered during the decision to grant the environmental approval as set out in the [Statement of Reasons](#), assessment of the referral as set out in [Assessment Report 93](#) and the decision made by the Minister, on the advice of the NT EPA, to grant an environmental approval for the action.

Amended conditions

The amendment of the conditions of the environmental approval listed below reflect my decision.

- Condition 6(d)
- Condition 11(i)
- Condition 11(j)
- Appendix 1 Approved extent Table 1: Location of Physical and operational elements

I did not approve the proposed amendments to conditions 5(a), 6(a), 6(f) and 10(g); and my reasons have been conveyed to the approval holder.

Comments provided for the amended conditions during consultation:

Condition 6(d)

The approval holder requested an amendment to this condition since it did not specify a timeframe for retention of records. The approval holder proposed a retention period of 7 years following the end of life of the project to align with standard practices and other similar approvals/licences issued by NT EPA.

NT EPA supported the amended condition as drafted by DEPWS, and I have amended condition 6(d) to include a timeframe of 7 years following the life of the project.

Condition 11(i)

The approval holder requested a review of sub clauses (ii) and (iii) of this condition and drafted changes based on the application of the referenced documents and standard industry practice.

DEPWS supported the amendment to the condition to include reporting of meteorological monitoring information relating to establishing, siting, operating and maintaining equipment in accordance standard industry practice and relevant Australian Standards. The Australian Standards cited in the proposed amendment by the approval holder were updated to reflect current standards.

NT EPA supported the amended condition as drafted by DEPWS, and I have amended condition 11(i) to require the reporting of meteorological information to be consistent with standard industry requirements.

Condition 11(j)

The approval holder requested a review of the clause and sub clauses of this condition and proposed changes based on the application of the referenced documents and standard industry practice.

DEPWS supported the amendment to the condition to align with standard industry practice to re-assess emissions if measured emission rates were higher than values used in the air quality impact assessment. The proposed amendment stated that "Dispersion modelling may or may not be undertaken depending on the risk of increased air quality impact". This requirement was seen be unenforceable as written, since the risk of increased air quality impact is determined after conducting air dispersion modelling of emissions to obtain concentrations for comparison with impact assessment criteria. The proposed amendment by

the proposal holder was redrafted to ensure that dispersion modelling is conducted if there are large differences between measured and the estimated values used for modelling.

NT EPA supported the amended condition as drafted by DEPWS, but requested that a specific criterion of greater than 15% should be applied when determining the extent of the difference between measured and estimated values.

I have amended condition 11(j) to align with standard industry practice, in addition to making the condition enforceable by requiring air dispersion modelling when measured emissions are more than 15% greater than estimated values.

Appendix 1 Approved extent Table 1: Location of Physical and operational elements

The approval holder requested the inclusion of all parcels of land traversed by the new pipeline.

DEPWS the amendment to include all parcels of land and noted that a new pipeline easement will be on lot 5719 (Vopak) and lot 5720 (Project Caymus).

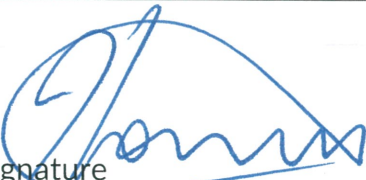
NT EPA supported the amended condition as drafted by DEPWS and I have amended Appendix 1 to include all lots traversed by the pipeline and all new pipeline easements.

Conclusion

Overall, having regard to the above and the materials I considered, I am satisfied that the amendments to the conditions of the approval:

- (i) will not prevent the significant impacts of the action from being appropriately avoided or mitigated or from being appropriately managed; and
- (ii) no significant residual adverse impacts on the environment were identified that would require an environmental offset.

Accordingly, I will issue an amended Environmental Approval.



Signature

Jo Townsend

Chief Executive

Department of Environment, Parks and Water Security

Delegate for the Minister

DATE 25/5/2023

