

**REPORT ON THE COMMUNITY
CONSULTATION FOR THE
PROPOSED EXPANSION OF
ETHANOL PRODUCTION CAPACITY
AT THE BOMADERRY PLANT**

A Report

for

Shoalhaven Starches

from



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1. Introduction

1.1. Background

Shoalhaven Starches is seeking to undertake a significant upgrade of their plant to increase their ethanol production capacity. The development has been deemed State Significant and in line with the approval process a preliminary environmental Assessment was submitted to the NSW Department of planning in 2007. The Director General of the Department issued requirements for the preparation of the Environmental Assessment for the project. Shoalhaven Starches has submitted a Draft Environmental Assessment Report (EAR) responding to the Director General's requirements. Having sent the draft EAR to Agencies for comment, the Department of Planning collated their feedback. The EAR responds to issues raised to date. The Department of Planning will place the EAR on public exhibition.

1.2. Community Consultation

The Department of Planning (DoP) requires that community consultation take place during the development of the draft EAR. The Department does not specify what consultation means other than there is a need to consult with community groups and affected land owners.

Twyford Consulting has been engaged to design and manage a community consultation process to support the development of the draft EA, and to satisfy the requirements of the DoP. This report is a summary of the community consultation process and the input from the community to date.

2. Consultation Methodology

2.1. Overview

2.1.1. The Goal

The community consultation process for this project was based on the best-practice approach developed by the International Association for Public Participation (IAP2). The overall goal of the consultation was to:

Obtain feedback from the Shoalhaven community on the proposed ethanol production expansion project.

This goal is based on the **Consult** level of the IAP2 Spectrum (see Attachment 1).

In order to achieve this goal the process was designed to provide the community with information about the proposed project, listen to and acknowledge the issues and concerns raised by residents.

2.1.2. The Process

The consultation process began in July 2007 with a meeting of the Community Liaison Group, and continues through and beyond the formal Public Exhibition process yet to come.

The techniques involved have included:

- Meetings of the Community Liaison Group
- The production and widespread distribution of a newsletter
- Production and distribution of project factsheets
- Downloadable information on the Manildra Website
- Promotion of a 1800 freecall number and email address for community input
- Briefings of community groups
- Display stall at community expo
- Advertising in local press
- Site tour

The process was designed in consultation with members of the CLG, who helped to determine the priority areas for newsletter distribution, as well as the specific techniques to use such as newspaper ads and briefings. Confirming the consultation plan with community members in this way provides a high level of confidence in the plan. The following sections provide details of the consultation processes using these methods.

2.2. Community Liaison Group

The Community Liaison Group has been in existence for a number of years as a condition of an earlier approval. The membership of the CLG consists of residents of those communities most affected by the Shoalhaven Starches factory and environmental farm, including: Terara, Backforest Road, Bomaderry, Meroo Meadow, and Nowra. The role of the group is to provide an information conduit back into the community, to provide input to Shoalhaven Starches on issues and concerns, and to provide feedback and comments on plans and projects.

Three meetings of the CLG have been held to discuss the expansion of the ethanol production capacity.

Meeting 1 July 19 2007

Agenda:

- Introducing the project
- Context (ethanol mandate)
- The approvals process
- Project timeline
- Planned consultation process
- Discussion and questions

Meeting 2 February 13 2008

Agenda:

- Latest project plans
- Approvals process and progress to date
- Details of odour reduction, wastewater treatment and ethanol expansion
- Implementing the recommendations of the GHD Odour Audit.
- Planned consultation process
- Discussion and questions

Meeting 3 21 July 2008

Agenda:

- Latest project details
- Approvals process and progress to date
- Current and planned consultation process
- Discussion and questions

2.3. Newsletter

A second key piece of the consultation plan was the production and distribution of a newsletter (community update – see Attachment 2). The newsletter was designed to provide information on the following elements of the project:

- Project context and background
- Project timelines
- Odour control project
- Ethanol expansion project

- Wastewater treatment project
- Traffic and transport issues
- The approvals process
- Planned community consultation activities
- Where to find additional information
- Project contacts

A total of 5,000 copies of the newsletter were printed, and distributed by a number of means, including:

Letterboxing

3,700 copies of the newsletter were delivered to letterboxes in those communities closest to the factory and the farm. Broadly the distribution area included all of Bomaderry, Merro Meadow including Morschels Lane, Backforest Road, Terara, the eastern half of North Nowra, and the northern parts of Nowra itself. Distribution took place from Friday July 25th to Sunday July 27th.

Council Display

Copies of the newsletter were displayed and made freely available to the public in the Administration Building of Shoalhaven City Council, and in the City Library.

Project Summary

500 copies of an information booklet were produced. This booklet contained the newsletter, three project factsheets, an executive summary of the project, graphics and images of the project plan and the plant and equipment involved.

CLG Members Information

Each member of the CLG was provided with a copy of the project summary and 20 copies of the newsletter. CLG members were encouraged to distribute the newsletter among their contacts and networks.

Broader Community Distribution

Numerous members of the broader community expressed interest in distributing copies of the newsletter and project summary documents to their networks. In this way, newsletters were made available at the Shoalhaven Heads Bowling Club and Golf Club, and the Probus Club of Shoalhaven.

Direct Contact

Using either the 1800 number or email address, the community consultation team was contacted by numerous members of the community seeking more information. In every case, newsletters were posted or emailed to them. In this way, information was distributed to various individuals and groups including the Berry Philosophy Club.

Manildra Website

The newsletter was available as a downloadable file on the Manildra website.

2.4. Fact Sheets

To provide more detail than the newsletter could, three project factsheets were created, including a wastewater factsheet, an odour control factsheet and an ethanol expansion factsheet. Like the newsletter, each fact sheet was professionally written and designed to maximise their value as sources of clear project information. The factsheets were printed on an as-needs basis and made available at all consultation events. They were also available as downloadable files on the Manildra website. The factsheets were incorporated into the Project Summary document which was widely distributed.

2.5. Briefings**2.5.1. Overview**

One of the key consultation activities consisted of briefings by the project team to a range of groups and organisations, as follows:

Date & Time	Organisations(s)	Attendance
December July 6 th 2007 5:30 pm	Shoalhaven Country Group of the Institute of Engineers	49
February 7 th 2008 12:30 pm	Nowra Men's Fellowship Club	16
Saturday July 26 th 2:45 pm	Interested community members in attendance at the Shoalhaven on Show Expo Manildra Seminar.	13
Tuesday July 29 th 5:50 pm	Shoalhaven Business Chamber Executive and members of the Shoalhaven Area Consultative Committee	10
Thursday July 31 st 5:30 pm	Riverwatch, Shoalhaven River Alliance, Australian Conservation Foundation, Bomaderry Creek Landcare, Shoalhaven Landcare Association, Southern Rivers Catchment Management Authority	12
Monday August 4 th 3:30 pm	Shoalhaven City Council	10

At the time of writing an additional briefing is confirmed with the Probus Club of Shoalhaven (November 3rd). In-principle agreement has been given to a briefing of the members of the Shoalhaven Business Chamber. Other briefings will be offered to interested parties.

2.5.2. Briefing Process

At each briefing Brian Hanley, the General Manager of Shoalhaven Starches, gave a comprehensive presentation to the group and then took questions. Newsletters, fact sheets and Project Summaries were distributed. Participants were encouraged to take a number of copies of all information and to distribute it among their networks.

The information presented at the briefings generated significant discussion, with many questions asked and answers provided. Comprehensive notes of the questions and answers were taken at each meeting, and transcribed within 24 hours of each event.

2.5.3. Briefing dynamics

Briefings were chosen as a preferred method of consultation because they support good communication, exemplified by conversation, discussion, questioning and answers. Briefings also help to build positive relationships. At each of the briefings participants exhibited high levels of interest in the project. The mood of participants was in every case positive and open to learning. Notably, the overall sense was that community members were keen to learn about the project, rather than to express their own opinions and experiences. Where this did take place, it was usually in the context of odours and their impact on nearby residents.

2.6. Shoalhaven on Show Expo

The Shoalhaven on Show Expo was an initiative of the Shoalhaven Business Chamber. This business expo was widely promoted throughout the region and well supported by the business and broader community. Shoalhaven Starches took out a major sponsorship of the event, which qualified them for a large stall/exhibition area and an opportunity for a seminar/briefing. At the stall, large format posters were prominently displayed. Newsletters, factsheets and project summaries were distributed. Members of the community were encouraged to ask questions and discuss any concerns or issues. A comment wall was established to encourage people to write comments about the project and leave them on the sticky wall.

Over 2,000 people are estimated to have attended the Expo. As the Shoalhaven Starches stall was in the main entrance way it is likely that ~90% of those 2,000 saw the information displayed. Throughout the day, from 10:00 am to 5:00 pm the stall was staffed by Manildra

personnel, as well as the community consultation consultant. Several hundred attendees engaged the Manildra staff to ask questions and discuss the project. As with the briefings, the mood of community members was almost universally one of curiosity and interest.

2.7. Press

Advertising

To provide information to the broader community, and point them in the direction of additional information about the project, Shoalhaven starches took out two paid advertisements in the South Coast Register, the local paper (see Attachment 3). The ads appeared prominently in the paper on two days: Friday July 25th and Wednesday July 30th.

Bomaderry Supplement

To support the Shoalhaven on Show Expo, the Business Chamber promoted it in the South Coast Register in a supplement on Wednesday 23rd July. Manildra provided copy and image to once again promote the project and indicate other avenues for information (see Attachment 4).

2.8. Site Tour

On Thursday December 6th 2007 Shoalhaven Starches hosted the Shoalhaven Country Group of the Institute of Engineers at the factory site. A briefing was held and members were taken on a site tour through the factory.

2.9. Website

To support the provision of information to the community the Manildra website was expanded to include information on the project. Information was provided by downloadable files (see www.manildra.com).

2.10. Project Contacts

1800 Number

Twyfords established and hosted a 1800 free call number. This number was promoted in all material including newsletter and ads.

Email contact

Twyfords established an email contact address for the community to provide comments and to request additional information.

3. Outcomes

3.1. Summary of Consultation

Total number of people attending briefings:	110
Total number of newsletters distributed to date:	~ 4,400
Number of homes letterboxed with newsletter:	3,700
Number of project summaries distributed to date:	~ 200
Number of interactions/conversations between community members and staff at Shoalhaven on Show:	~ 300
Number of calls on the 1800 number to date:	4
Number of email contacts to date:	4
Number of ads in the local press :	3
Number of CLG meetings to date:	3

3.2. Issues Arising

3.2.1. Overview

Odour

Throughout the consultation process the issue of odour and odour control has been the most significant, both in terms of number of mentions, and the passion with which they spoke about it. Members of the local community said that they have lived with odours from the factory and the environmental farm for many years. For many of these people, the key issue for the proposed project is controlling the odours. A number of different people and organisations throughout the consultation process indicated strong support for the project on the basis that it would resolve the long-running issue of odour. Several asked how they could best indicate their support to for the project to the Department of Planning.

Water

The next most significant issue is that of water use, treatment, irrigation, and the impacts of the proposed project on these. Unlike the issue of odour, water-related issues generated more interest and curiosity than passion. People are interested in the proposed treatment of water, while they are more passionate about resolving odour issues. In many ways water issues relate back to the odour issue, as it is the existing water treatment regime that is responsible for some of the odour control problems. Issues related more specifically to water use and treatment included those concerning the recycling of water, water extraction from the river, the volume of water purchased from Council, whether the volume of water to be irrigated is to be increased or decreased. Strong support was expressed for the proposal to recycle water.

Some concern was expressed about the potential impacts of continuing irrigation on the water table.

Ethanol Production

A third important issue concerns the process by which ethanol is produced at the plant. There is a level of awareness in the community that ethanol in many parts of the world is produced from grains such as corn and wheat, with a subsequent impact on food availability and pricing. There is concern that the process at the Shoalhaven Starches factory is similar. Members of the community are concerned that the proposal will use more grain, exacerbating the impacts of food for fuel production. The idea that ethanol production impacts food availability and prices appeared to generate higher levels of concern throughout the consultation than any issue apart from odour control.

Noise

Another issue that emerged was that of noise, primarily of the operation of the plant. Questions were asked about the manner in which noise would be controlled, particularly from the proposed packing plant which is closer to residential areas than the existing facility.

Traffic and Transport

Traffic and transport issues arose during the consultation. Questions were asked about the impact of truck and rail movements on local road and rail infrastructure.

Employment and Economy

Another issue about which there was some discussion is that of economic impact and job creation. The general feeling was overwhelmingly that the impact of the proposed development on the regional economy would be positive.

3.3. Community Input

Details of questions and comments from all consultation activities are recorded in the following table. Every attempt was made throughout the consultation process to capture conversations.

Issue Category	Comment/Question
Odour	<p>Will this project make the odour go away?</p> <p>The smell has been much better in the past 18 months</p> <p>Can we confirm there will be less smell than now?</p> <p>The sickly biscuit smell is still around.</p> <p>The smell remains pretty bad, especially in the middle of the night</p> <p>I do think the odours have reduced.</p>

	<p>Can you alter the production cycle so that the smells don't arrive at night?</p> <p>Does a three-fifths reduction in volume of irrigation water equate to a three-fifths reduction in odour production?</p> <p>We are really only interested in this project because of the potential to get rid of the stench.</p> <p>We are pleased you are tackling the odour issue.</p> <p>Will your odour control upgrades keep up with the increased – doubled – ethanol production capacity?</p> <p>The plant has been smelly for years. What is it we are smelling?</p> <p>You can't minimise the odour issue. How confident are you that this project will finally resolve the odour problem?</p> <p>What happens if something breaks down and odours escape? Will you fix it or let it go?</p> <p>Who judges how much odour you release?</p> <p>The smell from the farm has been quite bad lately. Has anything new been happening?</p> <p>We have been getting a sudden smell in the night, regularly around midnight. Has there been a reason for this timing?</p> <p>From my perspective, you can do anything you like as long as the smell stops.</p> <p>How committed are Manildra's management to solving the odour issue?</p>
<p>Water treatment plant</p>	<p>Will any solid waste come out of the biological digester?</p> <p>Is number 4 pond covered now?</p> <p>What happens to the sludge from the biological digesters?</p> <p>Have you ever had a problem with the water table on the farm?</p> <p>Will there be only one pond on the farm site?</p> <p>Will you continue to irrigate after this project is complete?</p> <p>Will the new treatment plant running will you still need to use cooling water from the River?</p> <p>You currently have a covered pond that contains smelly solids. Will the new treatment plant be able to process them?</p> <p>What is the timeframe for the water treatment project?</p> <p>Why irrigate some water rather than recycle it all?</p> <p>When is construction of the wastewater plant likely to be complete?</p>
<p>Water use</p>	<p>What reduction in water use will you achieve?</p> <p>Re-using your water in the production process is something the community</p>

	<p>would like to hear about.</p> <p>Will you be buying raw water from Council?</p> <p>What is your current water usage?</p> <p>We heard about the proposed greenhouse for vegetables. Where will they get their water from?</p>
Ethanol Production	<p>What proportion of the national ethanol market will this factory supply?</p> <p>How much grain goes into your ethanol?</p> <p>Where does your grain come from?</p> <p>Where does the ethanol go? Who uses it?</p> <p>How much of the local ethanol market will you supply from here?</p> <p>Will you be doing biodiesel next?</p> <p>What used to happen to your lower-grade starch before you had an ethanol plant?</p> <p>Are you growing wheat to use in your ethanol production?</p> <p>Why do you need sorghum?</p> <p>It is difficult to see how the "upgrade and expansion of ethanol production at Bomaderry" can rely on "the waste products of the starches and gluten production processes". You may be aware that it was reported on 17th June 2008 that Manildra had used Chinese corn starch and Thai tapioca chips to produce ethanol and also that sugar from Harwood was being sourced for this purpose.</p> <p>People around here think that Manildra uses food grain to produce ethanol. You need to get the message out that it doesn't.</p>
Transport	<p>Will Shoalhaven Starches continue to use the rail network?</p> <p>Will Railway Street handle the traffic?</p> <p>Will you plan to use B-Triples</p> <p>Is the speed limit outside the plant 60 kph?</p> <p>How will you transport ethanol and wheat?</p> <p>Is it worth doing a comparison of transporting ethanol by rail and by road?</p> <p>The roads will be a big issue for people in the Bomaderry and Berry communities. They will be concerned about truck movements.</p> <p>Will there be more trucks and trains?</p> <p>We heard your rail contract will not be renewed. How will you get material into the plant?</p>
Consultation issues	<p>The community must be kept informed of this project</p> <p>We would like the CLG meetings to continue.</p>

	<p>We would like a letterbox drop of information about the project</p> <p>The affected communities include Bomaderry, Terara, Nowra and Backforest Road.</p> <p>You need to use media advertising.</p> <p>Coming to the CLG first was a nice move.</p> <p>Can CLG members have some sort of briefing note to help us talk to others</p> <p>Do you get many complaints?</p> <p>Information should be distributed to those within a 2.5km radius of the plant and farm.</p> <p>Will you have an open day on site?</p> <p>When might this proposal go on public exhibition?</p> <p>Can we get a tour of the factory?</p>
Project Details	<p>What is going on at the farm? What is being built there now?</p> <p>There is very little waste of anything in this proposal</p> <p>What comes out of the biogas vent?</p> <p>Where will all the new plant and equipment go?</p>
Shoalhaven Starches	<p>What actually goes on at the factory?</p> <p>Will you expand the plant further to the east over time?</p> <p>Is the land to the east zoned industrial?</p> <p>Where is the flour mill proposal up to?</p> <p>Why do you have a local flour mill when you could bring Manildra flour in?</p> <p>What is the gluten used for?</p> <p>Have you started construction of the new flour mill yet?</p>
Economic impact	<p>More investment in the community is a good thing</p>
Employment	<p>How many permanent jobs will this proposal create?</p> <p>Will there be local employment opportunities?</p> <p>How many jobs will this create?</p>
The business case	<p>Will fuel excises have an impact?</p> <p>How far into the future will this capacity expansion take you?</p> <p>The price of wheat is high. Is this a problem for you?</p> <p>What are the long-term prospects for your market?</p>
Visual impact	<p>Please plant screening trees in front of the factory</p> <p>How high will the bridge be across Bolong Road?</p> <p>Are you able to have a design competition for an attractive design for the bridge?</p>

Construction issues	<p>Will you need fill on the packing plant site?</p> <p>Where will your weighbridges go?</p> <p>Once this is approved when will you construct?</p>
Operation issues	<p>Will you operate 24 hours a day?</p> <p>Will you be a major hazard under the legislation, with your increased capacity?</p> <p>You are capturing CO₂, will you capture methane?</p> <p>Will you flare off your surplus methane?</p>
Approval process	<p>Can the business Chamber do anything to support the proposal?</p> <p>Is Council the approval Authority</p> <p>What is the timetable for this project?</p> <p>I am happy to write a letter to whomever to offer the community's support for the rapid approval of this project so that we can get rid of the smell.</p> <p>If we write a letter to the Department of Planning describing the benefits of this project and showing support will that help you get approval?</p>
Electricity and energy supply	<p>How will you supply your energy?</p> <p>Will you source green power</p> <p>Will your co-gen plant use natural gas?</p> <p>What % of your power needs will you generate on site?</p> <p>What is the attitude of power companies towards co-gen type developments?</p> <p>Do you pay spot prices for your electricity?</p>
Noise	<p>What auditory limits will be set?</p>
River & flooding	<p>What is the temperature of the cooling water that re-enters the river?</p> <p>Have you considered the impact of the new ponds on flooding heights?</p> <p>Do you have in mind any riverbank stabilisation works?</p> <p>Are you licensed to put a certain amount of material into the river?</p> <p>Will you need to use an increased amount of cooling water for your increased production capacity?</p> <p>Will you capture the excess heat from the cooling water?</p> <p>In the event of sever flooding, what happens to the ponds on the farm?</p>
Environment	<p>Have you done air quality testing? Is the air safe to breathe?</p> <p>Do you have sufficient bunding to prevent spills entering the River?</p> <p>Is water quality information available to the public?</p> <p>Is there any impact on the soil at the farm form irrigation?</p>
General	<p>This is a win-win for the people</p>

	<p>Is there a connection between the fact that Manildra donates money to local politicians and the fact that Shoalhaven Starches has never been mentioned in connection to pollution?</p> <p>Will the glasshouse for vegetables be on your land?</p> <p>This is a good news story.</p> <p>Where will the announced greenhouse be going?</p>
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4. Conclusion

The consultation process was designed using best practice principles to provide detailed information to the broader Shoalhaven community on all aspects of the proposed ethanol expansion project. The provision of information was achieved using a wide range of channels to ensure the maximum availability, clarity and convenience.

While the provision of information is important, it is equally important to help people to understand the information. The community needs to know what the project is and what its implications for them are. To this end a number of community briefings were held. The briefings proved very successful in both conveying information and in allowing questioning and discussion. Through a process of genuine dialogue participants were able to clarify information.

Another important element of the briefings was that the management of Shoalhaven Starches was able to hear and understand the concerns and issues of community members. Briefings support excellent two-way communication. As seen from the issues summary in Section 3 above, a large amount of input was received from the community in this way.

In terms of the issues, the over-riding concern for the community is the control of odours. All other issues come a distant second. People were very interested in the proposed project. They wanted to know more about the production process and the treatment and re-use of water. But what they wanted to say most forcibly is that they would like the odour control issues to be resolved as soon as possible. The specifics of the ethanol project are secondary.

At the same time, there is a perception that increasing ethanol production impinges on food price and availability, and this is an issue that people expressed some concern about during the consultation.

In conclusion, the consultation process designed and delivered to date has provided high-quality information to a wide cross-section of the Shoalhaven community. A large amount of input has been received and is summarised in this report.