

**BOARD OF THE
ENVIRONMENT PROTECTION AUTHORITY**

TO: THE CHAIR AND MEMBERS

Minutes of Meeting No 186
19 June 2007 - 3.00 pm
Boardroom, 7/77 Grenfell Street, Adelaide

1.1 MEETING OPENED

The meeting was opened at 3.00 pm by the Chair.

1.2 PRESENT

Dr Paul Vogel (Chair)
Mr Stephen Hains (Deputy Chair)
Ms Megan Dyson (Member)
Mr Andrew Fletcher (Member)
Mr Allan Holmes (Member)
Mr Michael Nagel (Member)
Mr Greg Panigas (Member)
Ms Yvonne Sneddon (Member)
Ms Katherine Wells (Member)

Mr Anton Lugna (Chief Adviser, Board Governance)
Ms Corinne Kelly (Secretary to the Board)

1.3 APOLOGIES

None.

1.4 DECLARATIONS OF INTEREST

None.

2. CONFIRMATION OF MINUTES OF THE PREVIOUS MEETING

Following discussion the Board resolved that:

the Minutes of the meeting held on 15 May 2007, subject to the following amendment, be taken as read and confirmed:

page 9, agenda item 8(i), replace paragraph (iii) with the following:

(iii) request that the Subcommittee report to the Board within three months, on a model for control of the environmental impacts of waste in the context of increasing recycling;

(iv) request that the Subcommittee develop Terms of Reference for the Board's endorsement, and in so doing, that the Subcommittee consider the need for public submissions, both to inform the Subcommittee's deliberations and as a component of implementing any of its recommendations.

Carried

Minutes to be signed by Dr Vogel.

Copies of the Minutes of Meeting No 185 to be sent to the Minister for Environment and Conservation.

Action: Ms C Kelly

3. ACTIONS ARISING FROM PREVIOUS MINUTES AND FORWARD AGENDA

Dr Vogel provided a verbal update on actions arising from the previous minutes.

Mr P Dolan, Director Science and Sustainability Division entered the meeting at 3.10 pm.

Mr Keith Jones, Manager Sustainable Business Practices, Economic Analysis and Policy and Mr Saindhav Tamhane, Manager Process Engineering, Manufacturing and Business Services Division, DTED, entered the meeting at 3.10 pm.

4(iv) Proposed Business Sustainability Program

Mr Jones and Mr Tamhane presented on the following:

- government drivers and business drivers for a Business Sustainability Program;
- a definition on 'what is Business Sustainability?' - *a proactive approach to the long term viability and integrity of a business by optimising resource needs, reducing environmental, energy and social impacts and managing resources without compromising product or service quality, competitiveness or profitability;*
- target businesses: manufacturing, SMEs and EPA licence holders;
- why we need a program, its approach and a proposed governance model and program model;
- program attributes and phases (current and future implementation);
- benefits to the EPA:
 - expand 'Beyond Compliance' activities with business:
 - * greater eco-efficiency outcomes;
 - * reduced risks of non-compliance (EP Act); and
 - * reducing greenhouse gas emissions;
 - more efficient use of EPA resources;
 - increased access to business (outside of licensing); and
 - improves industry perceptions of the EPA (enhances EPA's economic credentials with business and more facilitative/collaborative approaches).

Following the presentation the Board requested more detail on the proposed program, particularly KPIs to measure progress, and some clarity about the engagement process.

Following the presentation and discussion the Board resolved to:

- (i) *note the Business Sustainability Program proposal and presentation by the Department of Trade and Economic Development;*
- (ii) *endorse the concept of a coordinated Business Sustainability Program that integrates and engages with the business sector at an early stage;*
- (iii) *support the development and implementation of the Business Sustainability Program to the extent of the resources committed via the normal EPA budgetary processes and the participation of the EPA in the Business Sustainability Alliance;*
- (iv) *participate in industry data exchanges across agencies;*
- (v) *in accordance with the SA Greenhouse Strategy, conduct a formal review of the Program in 2010 to determine whether mandatory energy efficiency measures are necessary.*

Carried

Action: Mr P Dolan

Dr Vogel thanked Mr Jones and Mr Tamhane for their presentation and said that the Board looked forward to receiving further reports as the program is developed. Mr Jones and Mr Tamhane left the meeting at 4.00 pm.

4(v) Update on Climate Change Strategies

Following discussion the Board resolved to:

- (i) *note the information in the update briefing, including:*
 - (a) *the release of "Tackling Climate Change: South Australia's Greenhouse Strategy 2007-2020" and the Government's Action Plan containing a suite of actions to be undertaken to address climate change, including some to be undertaken by the EPA as part of its normal operations;*
 - (b) *the release of the report "Climate Change: Risks and Opportunities" by Thinker-in-Residence, Professor Stephen Schneider, and the Government's response;*
 - (c) *the release of the report by the Prime Ministerial Task Group recommending the introduction of a National Emissions Trading Scheme from 2010.*

Carried

5. OPERATIONAL ITEMS (continued)

5(ii) Science and Sustainability Division Report

Mr Dolan reported on the Division's performance indicators and strategic plan priorities:

Clean and Healthy Air:

- ethanol blended petrol: SA Farmers Fuel is now proposing to trial E85 in SA;
- the Smokewatch 2007 air monitoring program will run at Woodside from early June to September (to identify any improvements with air quality wood heaters) as a result of the 2006 educational and behaviour change program on wood heaters.

Water Quality that meets agreed environmental values:

- the EPA is represented on the Water Security Technical Working Group of the Drought Task Force and has raised concerns regarding the impact of the drought on water quality. A brief is being prepared for the next meeting of the Working Group, outlining actions to address identified concerns;
- in late May/early June a very successful audit was conducted of vessels on the River Murray, to check compliance with requirements of the Water Quality EPP, with particular emphasis on black water management;
- SA Shellfish Quality Assurance Program has closed the Port River harvesting area to prevent harvesting of bivalve molluscs due to higher than usual faecal coliforms being detected in shellfish;
- two NRM Boards (Kangaroo Island and Eyre Peninsula) have agreed to provide in kind support towards monitoring activities;
- the Environmental Values project is progressing well with the SA Murray Darling Basin and Adelaide Mt Lofty Ranges NRM Board having adopted the EVs approach and the Northern and York NRM Board likely to adopt the approach.

Communities protected from unacceptable noise:

- training courses in the application of the Noise EPP were conducted for police working out of Adelaide City, Port Adelaide and Coober Pedy;
- noise staff recruitment: filling of the position of Principal Adviser Noise has been put out to a recruitment agency and the Project Officer positions have been re-advertised.

Sustainable Land Use:

- Olympic Dam: a draft State guideline has been prepared by PIRSA and EPA. The guiding principles have been used to assess the tailings component of the draft Waste Chapter in the Olympic Dam EIS;
- the draft Separation Distance Guidelines have been reviewed and have been distributed to EPA staff for comment by 15 June.

Increase Environmentally Sustainable Behaviour:

- Greening the Supply Chain projects in progress; Village Green has recruited 18 businesses for eco-efficiency projects managed by the Kangaroo Island Development Board;

- eco-efficiency and EMS 'road shows' were held with Regional Development Boards in the Riverland;
- *Tackling Climate Change: South Australian Greenhouse Strategy 2007-2020* was formally released by the Premier. It contains a Government Action Plan in which the EPA is listed as a participant in industry training and support programs and contributing to vehicle emission and fuel efficiency standards;
- the Climate Change Bill is still in Parliament;
- the *Report of the Prime Ministerial Task Group for Emissions Trading* was released recommending that a 'cap and trade' system be implemented from 2010 to cover a broad range of stationary activities.

A key initiative for the Division is:

- the review of Development Application Referral Schedules (RoDARS):
 - LGA sent out two separate electronic circulars to all councils in the State informing them that 13 activities have been deleted from Schedule 21 of the Development Regulations and that Interim Environmental Assessment Guides for Planners were available on the EPA's website as a substitute for advice. Also, advised that the EPA is conducting a further review of the remaining activities in Schedule 21 and comments are being sought from local councils;
 - preparation of a draft report on the review of development application referral schedules work has commenced and is due for completion in July 2007.

Other issues/risks for the Division are:

- Penola Pulp Mill legislation has been introduced into Parliament. CE appeared before a Parliamentary Select Committee and a public meeting was held in Penola to discuss the Bill;
- Novar Gardens update - two phases of soil investigations were undertaken by the EPA targeting the prescribed chemicals of concern. The Department of Health has indicated that it is satisfied that the chemicals are unlikely to pose an unacceptable risk to residents;
- national wood heater program: negotiations on a review of the Australian Standard have stalled due to industry intransigence on emission limits and efficiency requirements.

Development Assessment (DA) Performance

A statistical report on DA performance, and graphs on DA performance trends, average assessment days and performance against an 80% target were tabled for information.

5(ii)(i) Update on EPA's role in Recycled Water

Following discussion the Board resolved to:

- (i) note the update report;*
- (ii) note the range of activities the EPA delivers to support water recycling;*
- (iii) note the progress that has been made with the Code of Practice for the Discharge of Stormwater to Aquifers;*
- (iv) note the mitigating factors related to the completion of relevant national guidelines, that have led to some delays in (v)*
- (v) request that, once the national technical work has been completed, the completion of the Code be a high priority project for the EPA.*

Carried

Action: Mr P Dolan

Mr Dolan left the meeting at 4.10 pm.

4. STRATEGIC ITEMS (continued)

4(vi) Chair's Report

Dr Vogel reported on a number of issues that were discussed at a recent Environment Protection and Heritage Ministerial Council meeting.

Dr Vogel also discussed his appearance before a Parliamentary Select Committee and attendance at a public meeting in Penola with regard to the proposed Penola Pulp Mill development.

4(vi) Members' Reports

Mr Holmes reported that the EPA Board's Waste to Resources Subcommittee met on 18 June and determined to hold three more meetings before reporting back to the Board. The first will scope and define the problems, the second will develop solutions, options and choices and the third meeting will develop recommendations for the Board.

Mr Hains advised that the EPA Board's Local Government Subcommittee met on 15 June and will provide a report to the Board's next meeting.

4. STRATEGIC ITEMS (continued)

4(i) EPA Strategic Plan

Following discussion the Board resolved to:

- (i) *form a Working Group, comprising Mr Holmes, Ms Wells and Mr Fletcher, to finalise the Strategic Plan;*
- (ii) *provide a report to the next meeting;*
- (iii) *request those remaining Board members who have strong views, email dot points to one of the Working Group members as soon as possible.*

Carried

Action: Mr A Lugna

4(ii) Strategic Planning Day

The Board reviewed the outcomes of the Strategic Planning Day and had a vigorous and frank discussion on some of the Board governance issues that arose on that day.

Dr Vogel advised that the action list will be populated and progress reports will be provided at each meeting.

Mr J O'Daly, Director Corporation and Business Support Division entered the meeting at 4.48 pm.

5. OPERATIONAL ITEMS

5(i) Corporate and Business Support Division Report

Mr O'Daly reported on the Division's performance indicators and strategic plan priorities:

Provide IT services to achieve EPA and Whole of Government strategic objectives:

- GENI update: all planned IT projects for 2006-07 have been completed with the exception of the Licence Fee Structure (LFS) - a contractor has been engaged to commence LFS; list of priority IT projects for 2007-08.

Provide HRM services to achieve EPA and Whole of Government strategic objectives:

- skills inventory benchmarking - no-one in Government nor selected private companies have undertaken this exercise. A questionnaire will be refined to seek information via a survey in mid June;

- Leadership Development Course delivery completed - participants working on projects for presentation to Executive;
- undertaking data cleansing of CHRIS (HR system) in preparation for end of year reporting.

Maximise safety and wellbeing of staff:

- seventeen OHS&W policies have been completed and endorsed by Executive;
- consultation has concluded on the policy developed on dealing with aggressive people and people who threaten self harm. Feedback will be provided to the OHS&W Committee;
- the Department of Premier and Cabinet has released an updated policy, Implementation of Safety in the Public Sector 2007-2010.

Provide financial and administrative services to achieve EPA and Whole of Government strategic objectives:

- internal budget strategy planning process has been completed (see agenda item 4(iii));
- new vacancy management policy is being developed to assist in meeting budget targets for 2007-08;
- records management consultant has commenced.

Maximise effective governance arrangements:

- consultants are due to complete the EPA GIS strategy by the end of June. A whole of Government GIS strategy (policy based) is about to commence but there will be no adverse impact on the EPA's strategy.

Mr O'Daly provided information relating to other key initiatives, including organisational improvement:

- accommodation: future accommodation preferences have been narrowed down to three sites; DTEI is awaiting quotes from the new building owner for 77 Grenfell Street.
- Budget Estimates Committee: budget briefings have been prepared in readiness for committee hearings;
- Waste Tonnages Review: a new monitoring report will be developed in early 2008 to help track reasons for tonnage variations;
- waste levy: in order to avoid potential misleading and conflicting information the EPA is taking a lead in coordinating all correspondence and briefings regarding the waste levy;
- financial year end: working closely with DEH to ensure all issues are resolved and timeframes adhered to, to ensure the statutory financial statements are completed on time.

Other issues for the Division are:

- Shared Services - specific information about the services that are to be transferred will be announced following the budget; the transition will have an impact on planned workloads and business plan actions for the Division;

- Business Planning: the Division has undertaken its planning for 2007-08 and some modifications will be required due to non funding of certain initiatives;
- 2006-07 budget outcome.

4(iii) 2007-08 Budget Process

Following discussion the Board resolved to:

- (i) *agree that the projects allocated funding from the Environment Protection Fund for 2007-08 are in accordance with the strategic priorities of the Board and functions of the Environment Protection Act 1993;*
- (ii) *request that future reports provide the previous year's figures to enable comparisons to be made;*
- (iii) *request that EPA's approach to regulation of non-licensed waste industries in Wingfield be deemed a top priority with regard to the use of discretionary funding (pending a report from the Board's Waste to Resources Subcommittee).*

Carried

Action: Mr J O'Daly

Mr O'Daly left the meeting at 5.00 pm.

Mr T Circelli, Director Regulation and Compliance Division entered the meeting at 5.00 pm.

5(iii) Regulation and Compliance Division Report

Mr Circelli reported on the Division's performance indicators and strategic plan priorities:

- licence fee structure - includes a 'load-based' licensing component;
- Waste to Resources Board Subcommittee: draft Terms of Reference and identification of regulatory issues and opportunities are being developed and have been sent to the Subcommittee members out of session.

Mr Circelli reported on organisational improvement initiatives:

- licensing system review - project will commence early in the new financial year;
- a draft EPA Service Charter is being finalised consistent with the EPA Culture Statement.

Other issues/risks for the Division are:

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- Adelaide City Council - ERD Court;
- Zinifex Ten by Ten Project;

- Bradken Resources - Expansion Project;
- Penrice Soda Products;
- Resourceco;
- Adelaide Resource Recovery;
- Mulhern Waste Oil Recycling;
- Landfill Guideline Implementation;
- Draft Composting Guideline.

Mr Circelli advised that the Board's Waste to Resources Subcommittee Terms of Reference will be sent to Members out of session.

The Board requested a copy of the Court Judgment relating to Resourceco.
 This section has been removed pursuant to Board policy and/or legal requirements in relation to confidentiality. Criteria used for determining confidentiality can be viewed at www.epa.sa.gov.au/boardminutes

The Board also requested a copy of a recent letter from Adelaide Resource Recovery to Dr Vogel.

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Action: Mr T Circelli

Mr Circelli left the meeting at 5.12 pm.

Ms S Churchman, A/Director Policy, Planning and Communications Division entered the meeting at 5.12 pm.

Dr Vogel welcomed Ms Churchman as the new Director.

5. OPERATIONAL ITEMS (continued)

5(i) Policy, Planning and Communications Division Report

Ms Churchman reported on the Division's performance indicators and strategic plan priorities:

- Site Contamination Bill was introduced into Parliament on 24 April, the second reading speech was give on 1 May and debate in Parliament will not resume before 19 June;
- Environment Protection (Waste to Resources) Policy - Drafting Instructions are with Parliamentary Counsel;
- Review of General and Fees and Levy Regulations;

- Environment Protection (Noise) Policy - papers for the Governor in Executive Council are near completion;
- Container Deposit legislation.

Issues relating to organisational improvement:

- EPA Risk Management update;
- KPI Project: developing new KPIs, reviewing KPI project plan and project plan for second stage of project to be developed and some issues have been highlighted with existing KPIs;
- Annual Report;
- Targetted Communications Plan;
- EPA Power Point presentation - a first draft has been developed;
- Local Government Communication Strategy Review - a paper on local government communication activities has been submitted for consideration at the next Local Government Subcommittee meeting;
- EPA Web Site Redevelopment Project - recommendations on content and navigation is on track for delivery by 30 June.

Other issues/initiatives/risks for the Division are:

- miscellaneous amendments to the *Environment Protection Act 1993* - Drafting Instructions are currently with Parliamentary Counsel;
- State of the Environment Report 2008 - Steering Committee met on 16 May and proposed some changes to the report structure and the CE has approved modifications to the Steering Committee's proposal to achieve desired outcomes without duplicating other reporting;
- draft plastic bags legislation - final Drafting Instructions forwarded to CE for Minister on 22 May.

A media report was tabled for information.

Ms Churchman agreed to provide further information on the revocations of the invalid General Regulations.

Action: Ms S Churchman

Ms S Jackson, Senior Policy Officer entered the meeting at 5.20 pm.

Mr Hains, Mr Fletcher and Mr Holmes left the meeting at 5.25 pm.

5(i)(i) Container Deposit Legislation Refund Amount

Following discussion the Board resolved to:

- (i) *note the issues raised in consultation regarding an increase in the refund amount for beverage containers covered by the*

Container Deposit Legislation (CDL) from 5 cents to 10 or 20 cents for category B containers;

- (ii) note the consultants report "CDL Refund Review" regarding:
 - (a) an increase in the refund amount for beverage containers;*
 - (b) the inclusion of wine in glass containers in CDL; and*
 - (c) a tiered deposit system;**
- (iii) support in principle the increase of the refund amount to 20 cents for category B containers and the proportionate increase of the refund for category A containers, which is currently 10 cents, to 30 cents and advise the Minister of this position;*
- (iv) advise the Minister of the benefits of a consistent refund amount with WA, and that before the Government makes its decision on the refund amount, the Minister make direct contact with the WA Government to initiate negotiations, but continue to progress the passage of the CDL Bill through Parliament without delay;*
- (v) not support the introduction of a tiered deposit system, consistent with the advice in the consultant's report "CDL Refund Review" and advise the Minister of this position;*
- (vi) note that the consultant's report "CDL Refund Review" concludes that there is insufficient evidence to justify the inclusion of wine in CDL purely on the basis of litter and landfill reduction. However, the report recognises that the inclusion of wine would contribute to achieving objectives of resource recovery;*
- (vii) support delaying consideration of including wine in CDL until a WA position is known, and advise the Minister of this position.*

Carried

Action: Ms S Jackson

Ms Jackson left the meeting at 5.32 pm.

Mr S Mudge, Project Manager State of the Environment Report, entered the meeting at 5.34 pm.

5(i)(ii) 2008 SoE Report - regular update

Following discussion the Board resolved to:

- (i) note the update report;*
- (ii) request a revised report structure that reflects Board members' comments, for the July Board meeting.*

Carried

Ms Churchman and Mr Mudge left the meeting at 6.10 pm.

6. **CORRESPONDENCE**

Outgoing - Northern Metropolitan Councils, 29 May 2007

7. **OTHER BUSINESS**

Mr Nagel advised that, for personal reasons, he would be tendering his resignation from the Board, effective this month.

Dr Vogel conveyed the Board's best wishes for the future, and thanked Mr Nagel for his excellent contribution to the Board's deliberations.

CLOSE

The Chair closed the meeting at 6.15 pm.

8. **DATE OF THE NEXT MEETING**

The next Board meeting will be held on Tuesday, 17 July 2007 at 10.00 am, in the EPA Boardroom, 7/77 Grenfell Street, Adelaide.

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Dr Paul Vogel
CHAIR
/ /2007

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Ms Corinne Kelly
SECRETARY TO THE BOARD