

# Opal Australian Paper Maryvale Mill update

## Wood supply issue

In November 2022, court orders were handed down against VicForests, which is a state government business that supplied Opal's Maryvale Mill with the wood used to produce white copy paper.

While these court orders remain in place, VicForests is unable to harvest and supply wood to the Mill. The Victorian Government has now announced that VicForests will cease forestry operations permanently from 1 January 2024.

Despite Opal's best efforts, we were unable to source viable alternative wood supplies to replace the shortfall from VicForests.

As a result, in February 2023, due to this unplanned situation, Opal made the difficult decision to stop white paper production at the Mill.

Although the Mill is no longer producing white copy paper, it is continuing to manufacture brown paper and board to meet the growing demand for cardboard packaging.

## EPA process for planned changes to Opal's operating licence

Opal made a submission to the EPA on 27 March 2023 providing an overview of planned changes at the Mill, so that the EPA could advise on the most appropriate approval pathway for changes to the Mill's operating licence.

EPA advised that for the changes proposed, a development licence was the most suitable mechanism.

A development licence is for the design, construction and modification stages of a project.

## Development Licence (DL) application

Opal has submitted a DL application to the EPA on 22 June 2023, seeking approval for:

- The permanent reconfiguration of the Maryvale site from three pulp plants to two pulp plants, and to transition to the preferred Continuous Kraft Mill and Neutral Sulphate Semi Chemical operating configuration.
- The changes required to the operating licence and discharge limits, associated with the above changes and closure of the white pulp and paper manufacturing facilities.

The DL application will be publicly advertised on the EPA website or Engage Victoria and one other publication. The community can give feedback for at least 15 business days.

Opal will be given the opportunity to respond to community questions. The EPA may host a community meeting to help resolve any issues.

Part of EPA's assessment process includes checking against the environmental requirements under section 69(3) of the Act. It will also consider any public comments and Opal's responses.

The EPA must decide on a complete DL application within four months of receiving it. This timeframe can be longer if the EPA needs additional information to make a decision or the decision is subject to review.



## Benefits

The planned changes at the Mill will provide benefits including:

- Move to 100 per cent plantation timber with pine softwood supplied from sustainable resources predominantly from the Gippsland region.
- Delivering on-going pulp capacity requirements for brown packaging paper production.
- Utilisation of modern pulp processing technology in the Continuous Kraft Mill.
- Improvement in product quality and process stability and efficiency with consistent continuous pulping.
- Overall reduction of site environmental and human health risks – including water use, energy and odour sources.

The DL is essential for the successful transition of the Mill to 100 per cent brown packaging grades. As part of the EPA's approval process, public consultation and community feedback will be sought.

## Operating licence changes

Assessment of changes to the Mill's operating licence has been detailed, and considers both best practice and the general environmental duty.

The proposed operating licence changes requested for air are:

- Recovery Boiler R6 air emissions of oxides of sulfur (as SO<sub>x</sub>) maximum increased from 2,500 g/min to 5,000 g/min. The 90th Percentile air emission limits for oxides of sulfur (as SO<sub>x</sub>) will increase from 500g/min to 1500g/min.
- Site bubble limit – Carbon monoxide maximum decreased from 4500g/min to 3500g/min.

- Site bubble limit – Oxides of Nitrogen maximum decreased from 3000g/min to 2500g/min.
- Removal of Discharge points 34 (Chlorine Dioxide Generator), 35 (Recovery Boiler 5) and 57 (Bleach Scrubber Stage) as these are no longer required based on changes to the Mill's operations.

The proposed operating licence changes requested for water are:

- Discharge to Latrobe River colour increased from a daily maximum of 200mg/L to 230mg/L, annual median increased from 140mg/L to 170mg/L.
- Annual discharge to the Latrobe River flow decreased from 20,130ML/year to a total of 14,600 ML/year.
- Daily maximum discharge to Latrobe River sulphate decreased from 500mg/L to 400mg/L.
- Removal of daily discharge to the Latrobe River of adsorbable organohalogen (AOX) and dioxins and furans as there is now no requirement for a bleaching process at the Mill.

All other discharge emissions licence limits remain unchanged.

EPA Victoria is currently reviewing the submission.

- Questions about Opal Australian Paper's Operating Licence can be emailed to: [communications@opalanz.com](mailto:communications@opalanz.com)
- For further updates please visit our website <https://opalanz.com/news-media/>

