

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.

The Victorian Government has since confirmed that VicForests will cease forestry operations permanently from 1 January 2024.

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 Victoria (EPA) on 27 March 2023 providing an overview of planned changes at the Mill, so that 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 (DL) was the most suitable mechanism.

A DL includes the design, construction and modification stages of a project.

Development Licence application

Opal 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.
- Changes required to the operating licence and discharge limits, associated with the above operating configuration and closure of the white pulp and paper manufacturing facilities.

The DL application is now being publicly advertised on the Engage Victoria website: <https://engage.vic.gov.au/paper-australia-pty-ltd-app027019> and in the Latrobe Valley Express. The community can provide feedback for at least 15 business days through the Engage Victoria website.

The EPA will host a 'drop in session' at the Morwell Innovation Centre on Wednesday 4 October from 4-7pm. Opal representatives will be available to answer questions.

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 has four months to make a decision on a DL application. This time-frame is paused during any requests for further information that EPA requires to make a decision.



Benefits

The planned changes at the Mill will provide benefits including:

- 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 reduced water and energy usage, reduced wastewater generated and a reduction in odour and noise sources.

The DL is a critical element for the the transition of the Mill to 100 per cent brown packaging grades.

Operating licence changes

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

The proposed operating licence changes requested for air emissions are:

- Recovery Boiler R6 air emissions of oxides of sulfur (as SO_x) maximum increased from 2,500g/min to 5,000g/min. The 90th percentile air emission limits for oxides of sulfur (as SO_x) will increase from 500g/min to 1500g/min.
- Removal of Recovery Boiler R5 air emissions of oxides of sulfur (as SO_x) limits. These are currently a maximum of 2,920g/min an 90th percentile of 1000g/min but will no longer be required.
- 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 discharges are:

- Discharge to Latrobe River colour increased from a daily maximum of 200 pcu to 230 pcu, annual median increased from 140 pcu to 170 pcu.
- 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 advertising Opal's application on the Engage Victoria website: <https://engage.vic.gov.au/paper-australia-pty-ltd-app027019> and the community has at least 15 business days to submit questions or feedback through the Engage Victoria website.

Questions about Opal Australian Paper's Operating Licence can be emailed to: communications@opalan.com

For further updates please visit our website: <https://opalan.com/news-media/>

