

BACKGROUND INFORMATION DOCUMENT

EXPANSION OF LIQUID OXYGEN (LOX) AND DIESEL STORAGE AT THE AIR PRODUCTS FACILITY LOCATED WITHIN THE COEGA SPECIAL ECONOMIC ZONE, PORT ELIZABETH, EASTERN CAPE PROVINCE

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Prepared on behalf of:



Air Products South Africa (Pty) Ltd.

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1. INTRODUCTION AND BACKGROUND

Air Products South Africa (Pty) Ltd (APSA) is a world-leading company with over 50 years of operation. The company's core Industrial Gases business provides atmospheric and process gases and related equipment to manufacturing markets, including refining and petrochemical, metals, electronics, and food and beverage.

APSA first broke ground at the Coega Special Economic Zone (SEZ), Zone 3, in 2013 and was the first of its kind in the region. The purpose of the company's investment in the SEZ was to bring local stability to the sector, counter-acting the practice of gas being trucked into the region.

The APSA site in the Coega SEZ features the latest available air separation technology designed for maximum product output capacity and energy efficiency. Liquid Oxygen (LOX) and Liquid Nitrogen (LIN) are currently handled and stored at the site for use in the air separation process. APSA is proposing to increase the current LOX storage capacity at this site. The expansion of Liquid Oxygen (LOX) storage facilities will entail either the addition of 1 x 127,3m³ double walled storage tank (to make up a total 200m³ storage capacity); or the total replacement of the existing 72,2m³ Liquid Oxygen tank with 1 x 200m³ tank. In addition, APSA intends to add 23 000 litres (23m³) of above ground diesel storage facility at the site (refer to Figure 2) for use for the Air Products trucks that are based in Port Elizabeth.

As the proposed expansion of Liquid Oxygen and Diesel storage will take place within the existing site and within Zone 3 of the Coega SEZ, the changes will take place within a brownfields site.

In terms of the Environmental Impact Assessment (EIA) Regulations of 2014 (as amended on 07 April 2017) the development and associated operation of facilities for the storage of dangerous goods in excess of 80m³ but less than 500m³ requires an Environmental Authorisation. The combined storage capacity of LOX and diesel will exceed 80m³ but will be less than 500m³. An application for environmental authorisation will be submitted to the Department of Economic Development, Environmental Affairs and Tourism (DEDEAT) for the project.

The Storage and Handling of Petroleum Products is listed under Subcategory 2.4 in terms of section 21 of the Air Quality Act, 2004 (Act No.39 of 2004). Subcategory 2.4 is applicable to all permanent immobile liquid storage facilities at a single site with a combined storage capacity of greater than 1 000 m³. It is understood that the storage of the facility will only be 23m³ (23 000 litres) of diesel and 200 m³ of LOX, totalling 223m³ and therefore, the on-site storage will not exceed 1 000m³. The facility therefore falls below the Subcategory 2.4 threshold and does not require an Atmospheric Emissions Licence (AEL) at the current planned capacity.

An Application for Authorisation (DEDEAT Ref: ECm1/C/LN1/M/40-2019) was previously lodged with the DEDEAT on 22 November 2019 for the expansion of LOX and diesel storage at the Air Products site. Air Products (Pty) Ltd withdrew application ref no: ECm1/C/LN1/M/40-2019 on the 06 November 2019 due to the reconsideration of the layout of storage infrastructure at the site and therefore intends to undertake new a Basic Assessment and public participation process to address the new layout options.



Figure 1: Air Products Coega located in Zone 3 within the Coega Special Economic Zone (SEZ)

2. AIM OF THIS BACKGROUND INFORMATION DOCUMENT

This document aims to provide you, as an interested and/or affected party (I&AP), with:

- » An overview of the proposed expansion and storage activities and associated infrastructure.
- » An overview of the Basic Assessment (BA) process.
- » Details of how you can become involved in the BA process, receive information, or raise issues, which may concern and/or interest you.

3. OVERVIEW OF PROPOSED PROJECT

In order to sustain the supply and demand of liquid gas in the Coega SEZ, Port Elizabeth and Cape Town regions and maintain local stability in the sector, the storage capacity within the site is intended to be increased. As liquid gas is supplied and trucked from the site it has become a necessity to provide diesel to APSA trucks that are travelling long distances to and from the site, and on-site storage is required.



Figure 2: Proposed options of the LOX and Diesel storage alternatives on the Air Products Coega Site

The details of the project are as follows:

Project Name	Expansion of Liquid Oxygen & Diesel Storage at the Air Products Facility located within the Coega Special Economic Zone (SEZ), Port Elizabeth, Eastern Cape Province.
Project Applicant	Air Products South Africa (Pty) Ltd
Area of Project Site	1.3 ha
Development Footprint Capacity	Diesel Storage: 13.96 m ² Liquid Oxygen Storage: 45.98 m ²
Affected property	Air Products Coega: » Erf 228
Total capacity of proposed additional Liquid Oxygen storage	1 x 127,3 m ³
Total capacity of existing Liquid Oxygen storage	72,7 m ³
Total capacity of proposed Diesel storage	1 x 23 m ³
Total capacity of existing Diesel at the site	0 m ³ (No existing diesel storage on site)

4. ENVIRONMENTAL IMPACT ASSESSMENT PROCESS

In terms of Section 24 and 24D of the National Environmental Management Act (No. 107 of 1998) (NEMA), as read with the Environmental Impact Assessment (EIA) Regulations, 2014, as amended, of GNR324; GNR325; GNR326 and GNR327, a Basic Assessment (BA) process is required to be undertaken in support of an application for EA from the Eastern Cape Department of Economic Development, Environmental Affairs and Tourism (EC DEDEAT) for the proposed expansion of Liquid Oxygen and Diesel storage. The application is required to be supported by comprehensive, independent environmental studies undertaken in accordance with the 2014 EIA Regulations (GNR 326).

A BA is an effective planning and decision-making tool. It allows for potential environmental consequences resulting from a proposed activity to be identified and appropriately managed during the construction, operation, and decommissioning phases of a development. It also provides an opportunity for the project applicant to be forewarned of potential environmental issues, and allows for the resolution of issue(s) identified and reported on as part of the BA process, as well as provides opportunity for dialogue with key stakeholders and Interested and Affected Parties (I&APs).

Savannah Environmental has been appointed as the independent environmental consultants responsible for managing the application for EA and undertaking the supporting BA process required to identify and assess potential environmental impacts associated with the project, as well as propose appropriate mitigation and management measures to be contained within the Environmental Management Programme (EMPr). I&APs will be actively involved in the BA process through the public participation process.

5. WHAT ARE THE POTENTIAL ENVIRONMENTAL IMPACTS ASSOCIATED WITH THE PROPOSED PROJECT?

The Coega Special Economic Zone (SEZ) is developed and managed by the Coega Development Corporation (CDC) and aimed at driving local and foreign direct investments in port orientated industries. Industries that are designated within different zones have undergone the relevant environmental assessments based on the activities being undertaken and impacts on the surrounding environment. Considering the sheer number of industries and operations at the SEZ, there have been several basic assessments, environmental impact assessments, specialist studies and management plans that have been conducted and implemented for the SEZ.

The APSA project site is located within the Coega Special Economic Zone (SEZ), Zone 3, amongst other existing industries such as Afrox, Coega Dairy, Famous Brands, Dynamic Commodities, Himoin SA and Ambasaam. Zone 3 is designated for light general industrial development and can therefore be considered a brownfields site. There have been previous and recent environmental assessments and studies that have taken place in the direct vicinity of the APSA site. These assessments and specialist studies will be used to assess the impact of the proposed expansion activity on the receiving environment. As these specialist assessments and management plans are readily available, no new specialist studies will be commissioned to re-assess the surrounding SEZ other than a Major Hazard Installation (MHI) Risk Assessment.

Practical and achievable mitigation measures will be recommended in order to minimise the significance of the potential impacts identified. These recommendations will be included within an Environmental Management Programme (EMPr) compiled for the project.

6. PUBLIC PARTICIPATION PROCESS

The sharing of information forms the basis of the public participation process and offers I&APs the opportunity to become actively involved in the BA process. Comments and inputs from I&APs are encouraged during the 30-day public review period in order to ensure that potential impacts are considered throughout the BA process. The public participation process aims to ensure that:

- » Information containing all relevant facts in respect of the applications are made available to I&APs for review.
- » I&AP participation is facilitated in such a manner that they are provided with reasonable opportunity to comment on the proposed project.
- » Adequate review periods are provided for I&APs to comment on the findings of the BA Report.

In order to ensure effective participation, the public participation process includes the following:

- » Identifying I&APs, including affected and adjacent landowners and occupiers of land, and relevant Organs of State.
- » Placing of a site notice at the access gate to the APSA site.
- » Placing an electronic notice on the CDC's e-notice board at the Coega Business Centre.
- » Placing advertisements in a local newspaper.

- » Compiling and maintaining a database of I&APs throughout the BA process.

Notifying I&APs of the commencement of the BA process by making the Background Information Document (BID) available on our website (www.savannahSA.com) and sending out electronically to all identified and registered I&AP's and stakeholders.

- » Notifying I&APs of the release of the BA Report for a 30-day public review period.
- » Provide an opportunity for I&APs to engage through consultation.

Notifying I&APs of EC DEDEAT's final decision on whether to grant or refuse EA, and the manner in which such a decision may be appealed

6.1. YOUR RESPONSIBILITIES AS AN I&AP

In terms of the 2014 EIA Regulations (GNR 326), your attention is drawn to your responsibilities as an I&AP:

- » In order to participate in the BA process, you must register yourself on the I&AP database.
- » You must ensure that any comments regarding the proposed project are submitted within the stipulated timeframes.
- » You are required to disclose any direct business, financial, personal, or other interest that you may have in the approval or refusal of the applications.

6.2. HOW TO BECOME INVOLVED

1. By responding by phone, fax, or e-mail, to the invitation for your involvement.
2. By returning the reply form to the relevant contact person.
3. By consulting the environmental consultants with queries or comments.
4. By reviewing and commenting on the BA Report within the stipulated 30-day public review periods. Registered I&APs will automatically be notified of the release of the BA Report for comment, and the closing dates by which comments must be received.

If you consider yourself an I&AP for the proposed project, we urge you to make use of the opportunities created by the public participation process to provide comment, raise issues and concerns which affect and/or interest you, or request further information. Your input forms a key element of the BA process.

By completing and submitting the accompanying reply form, you automatically register yourself as an I&AP for the proposed project, and are ensured that your comments, concerns, or queries raised regarding the project will be noted.

As an I&AP, your input is considered as an important part of the process, and we urge you to become involved.

6.3. HOW TO BECOME INVOLVED COMMENT AND QUERIES

Direct all comments, queries, or responses to:

Nicolene Venter

Savannah Environmental (Pty) Ltd

Post: P.O. Box 148, Sunninghill, Johannesburg, 2157

Tel: 011 656 3237

Fax: 086 684 0547

E-mail: publicprocess@savannahsa.com

To view project documentation, visit www.savannahSA.com

LIST OF ABBREVIATIONS AND ACRONYMS

AEL	Air Emissions Licence
APSA	Air Products South Africa (Pty) Ltd
BA	Basic Assessment
BID	Background Information Document
CDC	Coega Development Corporation
EC DEDEAT	Eastern Cape Department of Economic Development Environmental Affairs and Tourism
EIA	Environmental Impact Assessment
EMPr	Environmental Management Programme report
I&AP's	Interested and Affected Parties
LIN	Liquid Nitrogen
LOX	Liquid Oxygen
NEMA	National Environmental Act (No. 107 of 1998)
SEZ	Special Economic Zone

BASIC ASSESSMENT and PUBLIC PARTICIPATION PROCESS

**EXPANSION OF LIQUID OXYGEN (LOX) AND DIESEL STORAGE AT THE AIR PRODUCTS FACILITY LOCATED
WITHIN THE COEGA SPECIAL ECONOMIC ZONE, PORT ELIZABETH, EASTERN CAPE PROVINCE**

**REGISTRATION AND COMMENT FORM
(January 2020)**

Return completed reply form to: **Savannah Environmental**

Fax: **086 684 0547**

Phone: **011 656 3237**

E-mail: **publicprocess@savannahsa.com**

Postal Address: **PO Box 148, Sunninghill, 2157**

Please provide your complete contact details:

Name & Surname:			
Designation			
Department / Organisation:			
Postal Address:			
Telephone:		Fax:	
Cell phone:			
E-mail:			

Would you like to register as an interested and affected party (I&AP)? YES
 (please tick the relevant box) NO

Note: You are required to register as an I&AP to receive further correspondence regarding the BA process for the project.

Please state your interest in the project (add additional pages if necessary):

Please list your comments regarding the project (add additional pages if necessary):

Please provide contact details of other persons who you regard as a potential interested or affected party:

Name & Surname:			
Organisation & Designation:			
Telephone:			
Cell phone No.:			
E-mail:			