

<i>Environmental Impact Assessment for Proposed Expansion of Aluminium Smelting Plant on Lot 36, Samalaju Industrial Park, Bintulu, Sarawak for Press Metal Bintulu Sdn. Bhd.</i>	Project No:	<i>P17004</i>
	Revision:	<i>0</i>
	Date:	<i>June 2019</i>

CHAPTER 4 PROJECT OPTIONS

4.1 INTRODUCTION

This section evaluates the Project options, whether the Project can be developed at the chosen location by utilising the selected technology. For the Project to proceed, several options were evaluated to come to a decision for a selection that provides reasonably balanced investment with economical and societal benefits while generating minimal environmental or social impacts.

Therefore, the options evaluated for the Project are:

- Site option,
- Technology option, and
- No project option.

4.2 SITE OPTION

The site selected is on Lot 36 of SIP, an established industrial park. SIP is a component of SCORE and the economic industrial development planning for Bintulu, Sarawak. The Project will require a new site for its development. As the current Press Metal premise has ample land area and currently only 50% of the land area is utilised, land area required is considered readily available and is the most suitable location based on the following site selection criteria:

4.2.1 Land Characteristics

The site adjacent to Plant 2 plant was selected as it is already built to platform level, thus its flat land terrain is able to accommodate the proposed layout configuration. By maximising these land area, no land acquisition is required.

The site is suitable in terms of its topography characteristic. There are also no major earthworks required for the Project. Although there are some existing structures on-site such as the construction office and residual construction material from Plant 2 development, these are easily removable since majority of the area is vacant land.

4.2.2 Compliance with National, State and Regional Policy and Planning Strategies

The Project site is located on industrial land for heavy and energy intensive activities, mainly consists of manufacturing of metal and product derived from metal. It is anticipated that the Project will enhance the SIP's capability to support the fast-growing development especially the aluminium industry, by offering high-grade technology for aluminium production.

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4.2.3 Compatibility with Existing Industries

The Project is deemed compatible with surrounding land use activities which comprise of similar industry establishment. Potential impacts (i.e. air emission, noise and etc.) from the Project are controllable by appropriate mitigation measures to comply with the stipulated limits or established standards.

4.2.4 Resources and Utilities Sharing

This location provides better economic to Press Metal due to availability of existing infrastructures and utilities provided by SIP, such as Samalaju Industrial Port, centralized water treatment plant, Samalaju substation, centralized sewerage treatment plant, Samalaju Central and etc. Project, being an energy intensive industry also can utilize the consistent renewable and clean power supply from Bakun and Murum hydroelectric dams. These infrastructure are already in place and sufficient to cater for the capacity increase.

Within the Press Metal premise itself, Project is able to share facilities and resources with existing plants. These include administration office, laboratory, cafeteria, dross recovery facility, pot repair facility and waste storage area.

4.2.5 Site Accessibility

Current SIP is served by a good road network that provides direct access from Bintulu town to the SIP, and for transportation of raw materials and goods. Nonetheless, the SIP is also served by Samalaju Industrial Port, a logistics hub that is built to serve the industries here with aim to provide a more efficient materials movements for use by the industries and their products. The Press Metal premise is currently connected to the Samalaju Industrial Port with a conveyor system for transfer of raw materials.

4.3 TECHNOLOGY OPTION

For the technology options, this does not arise in since Project will apply the same production method and technology practiced in existing plant, which are the optimum technology in place for the Project.

4.4 NO PROJECT OPTION

For No Project Option, options evaluation briefly discussed feasibility of not carrying out the Project. The objective of the Project is to cater for the global aluminium demand, especially in automotive and construction industry. In the current global scenario, there is a great demand for provision of high quality aluminium. With anticipated deficit of around 1 million ton per year in upcoming years for non-Chinese aluminium, increase in global supply is necessary to offset this market imbalance. If the Project is not carried out, consequently, a setback on the global aluminium supply is expected.