

NB: Note that minutes are paraphrased to an extent and may not exactly match actual statements.

Project	Hydro Kurri Kurri site redevelopment project	From	Janita Klein				
Subject	Community Reference Group	Tel	02 4979 9933				
Venue/Date/Time	Thursday 19 November 2014	Job No	21/23175				
	Hydro offices, Kurri Kurri 6.00pm – 7.45pm						
Copies to	All committee members						
Attendees	Mr Richard Brown – Managing Director, Hydro Kurri Kurri						
	Clr Arch Humphery – Maitland City Council						
	Mr Ian Turnbull – Manager Natural Environment Planning, Cessnock City Council						
	Mr Rod Doherty – President Kurri Kurri Business Chamber						
	Mrs Kerry Hallett – Hunter BEC						
	Mr Colin Maybury – President Kurri Kurri Landcare Group						
	Mr Brad Wood – Community representative						
	Mr Toby Thomas – Community representative						
	Mr James Hardy – Community representative (delegate for Debra Ford)						
	Mr Alan Gray – Community representative						
	Mr Andrew Walker – Hydro Kurri Kurri						
	Ms Leanne Pringle – Hydro Kurri Kurri (delegate for Kerry McNaughton)						
	Mr Ian Shillington – Manager Urban Growth, Maitland City Council						
	Mr Alan Gray – Community representative						
	Mr Shannon Sullivan – ESS Australia						
	Mr Shaun Taylor – Environ						
	Mr Michael Ulph – CRG Chair, GHD						
	Ms Janita Klein – CRG minutes, GHD						
Apologies	Ms Debra Ford – Community representative (delegate)						
	Clr Morgan Campbell – Cessnock City Council						
	Mr Kerry McNaughton – Environmental Officer, Hydro Kurri Kurri (delegate)						
	Mr Bill Metcalfe – Community representative						
Observers	Mrs Marcia Maybury - Secretary of Kurri Kurri Landcare G	Group					



Michael Ulph (Chair)

Welcome and Acknowledgement of Country Introductions for technical specialists and observers

Meeting commenced at 6.00 pm

2. Meeting agenda

- · Welcome and meeting opening
- Apologies
- · Adoption of minutes from the last meeting
- Activity update
- Biodiversity
- Draft SEARS
- A name (and new brand) for the redevelopment project
- CRG questions and answers
- · General business
- Next meeting / Meeting close

3. Welcome and meeting opening

Michael Ulph welcomed the committee and records apologies for

- Ms Debra Ford Community representative
- Clr Morgan Campbell Cessnock City Council
- Mr Kerry McNaughton Environmental Officer, Hydro Kurri Kurri
- Mr Bill Metcalfe Community representative

Michael also welcomed James Hardy who attended as delegate for Debra Ford and Leanne Pringle who attended as delegate for Kerry McNaughton.

Michael also welcomed Mrs Marcia Maybury, Secretary Kurri Kurri Landcare who attended with Colin Maybury tonight. Marcia may act as Colin's delegate in future.

Last meetings minutes

Michael Ulph: Looking at matters from the last minutes and acceptance; there were a couple of things that we overlooked. Firstly there was an action item in the last minutes which was Richard talking about Rockwool as a product that Hydro is involved in, in Norway. We passed over that last meeting without giving it attention; it was an action from the meeting before, we did bring it up in the last meeting. Richard can you talk about Rockwool please?

Richard Brown: Sure. I haven't got the specific wording, but I think the reference to Rockwool was for spent potlining processing that had been in Hydro's system. And a few years ago, Col can you please give me the date on that?



Colin Maybury: 2012.

Michael Ulph: I've got one here that is dated 23 January, 2013.

Richard Brown: Yeah, it doesn't matter really. The comments in there are about how an agreement was reached between Hydro and Rockwool to supply spent potlining to be used in the manufacture of mineral wood insulation in Germany. Comments in there about how it is beneficial to both companies, and that's a fair comment. It doesn't mean that it doesn't cost Hydro, spent potlining is certainly not sold to Rockwool as a profitable material. It simply means that compared to the alternatives of landfilling spent potlining, it is a cheaper alternative so therefore the bottom line impact is actually lower for Hydro.

It's interesting that we are talking about it, because coincidently my boss was out in the country just last week doing a health check on the plant and look at what's going on around the place. He was going back to a meeting with Rockwool this week because unfortunately Rockwool has not been following the agreement with regards to processing the spent potlining and there's a relationship between the use of spent potlining as a fuel and fuel substitute, and energy prices. So for companies like Rockwool, when energy prices are low those fuel substitutes and products like spent potlining actually become less economically viable to use in the process. So the discussion was going to be more about how they could reduce the terms of the agreement; it might end up, though not concluded yet, that the amount of spent potlining processed through Rockwool is less. Keeping in mind this is only the first cut, so it's only about half of the total in any case; that volume might actually be decreased as a result of economic conditions that exist at the moment.

Michael Ulph: Alright, thank you. Any questions about that Rockwool? Col?

Colin Maybury: Yes Richard, it says here that the agreement with Rockwool would result in annual savings of about \$5 million Kroner. So they will save \$5 million per year.

Richard Brown: Under those conditions that they've agreed to, yes. The cost savings for Hydro are in that order of magnitude. Now I suppose that it is relative as we looked at those type of options as far as the remediation of the plant here at Kurri, and the significant cost of these type of things is actually the logistics cost. So if you look up the logistics of transporting spent potlining from Norway to Germany it's a little bit different than it would be to transport spent potlining from Australia to Europe. And that's where the majority of costs would be. So that cost position isn't relative to us because of those logistics costs.

Colin Maybury: Surely there are manufacturers of Rockwool here in Australia and also in Norway.

Richard Brown: I don't know of any, if that's the case.

Colin Maybury: I've used it.

Richard Brown: It's available, there's no doubt you can buy Rockwool here. But I don't know if there are any actual manufacturing facilities within this country. And if there is, I'm not aware of any that are using spent potlining.



Colin Maybury: Spent potlining is used in cement manufacturing. And it's a considerable saving, and comparatively very very cheap to treat it. Because contrary to what Richard said, he said that you have to go to Plasma Arc, you don't as the high temperature is only around 650 degrees in this plant over here.

Richard Brown: That doesn't actually reduce the leachability of the

fluoride.

Colin Maybury: Sorry?

Richard Brown: That doesn't reduce the leachability of the fluoride.

Colin Maybury: No, but they use the fluoride as a helpful additive in the

cement as well as a carbon for the fuel.

Richard Brown: And they use spent potlining untreated in cement manufacture. That's what the solution is for a lot of the spent potlining generated around the place. Smelters in Brazil use it untreated, smelters in the Middle East would do that; where there are local cement industries, that's typically a solution.

Colin Maybury: And why can't Regain go out and sell it here in Australia?

Richard Brown: I don't know, you'd have to ask Regain that.

Colin Maybury: I will.

Alan Gray: What part does spent potlining play in the cement manufacture?

Colin Maybury: It's a fuel. It's high carbon.

Alan Gray: Yeah, but what [part does it play] in the cement? Is it in the

aggregate?

Richard Brown: No. it's in the clinker manufacture.

Colin Maybury: No, that comes from the limestone itself when they are

cooking it.

Michael Ulph: So they use that to burn as a fuel.

Colin Maybury: Yes, they burn it, so it goes into a fuel, similar to the rotary kiln over there. It's exactly the same and the material progresses up it, at the same time as a blast of ...

Alan Gray: But it will reduce the amount of limestone that you've got to put in.

Richard Brown: No I think what it actually does if you read the material is that some of the minerals in the spent potlining actually lower the clinkering temperature. So it just reduces the energy consumption overall in that process. But the other thing that is affected by that is the raw material; there is high sodium content in spent potlining and if they have a high sodium feed material they can't actually use that. So there are limitations in terms of where it can and can't be used.

Michael Ulph: Alright, thank you for that. So I guess the question was mainly around whether Hydro was going to make a profit out of sending spent potlining to Rockwool.

Colin Maybury: Not profit Michael but reduce their costs Michael.



Michael Ulph: Yes I know, but the words you were using were that they will make a profit, though what they are saying here is that they will save money by not having to send it to landfill or look after it in other ways.

Alright, so the next item was around a document from Helen McGee that was tabled not last month but the month before. And it wasn't put into the minutes at the time, and my rationale for that was that we didn't discuss it during the meeting and so it didn't go into the minutes.

Colin has been insistent that we discuss it and it goes into the minutes, and so I was preparing to go through that process. We received this as a letter from Mrs McGee which Hydro responded to by letter back to Mrs McGee. But it's basically a handwritten note that starts with the headline, Question1. And I just wasn't sure whether to include this handwritten note as a document in the minutes without just checking with Mrs McGee whether that was her intention. I asked Col for her contact details when we were writing the letter, and he gave me her street address and phone number. I then rang Mrs McGee to ask about that. I told her what my intention was to put this in as an appendix to the minutes in handwritten form, and she told me that in fact her intention was that Colin read the questions out and that's why they are labelled Question 1, Question 2, etc. and that if it had been a letter she would have had it typed up on a computer and had it printed out as a letter. With that said what I'd like to do is have this read out, and Colin you can do that if you like, and I will read out the responses.

Rod Doherty: Haven't we heard this read out before?

Michael Ulph: No, Helen turned up to the second meeting and she made some statements but then at the next meeting Colin brought this with him. So some of it sort of duplicates what she was talking about. I'll let Colin read the first question and then I'll read the response so we don't get out of order and so on. Thanks Colin.

Colin Maybury: She has given me another one.

Michael Ulph: Has she? Okay.

Colin Maybury: And she wasn't happy about you ringing. You've got to understand she has been shell shocked by what's gone on at Weston, and when [names a person] turned up, which is what she told me, and I said to you, [he] turned up and actually stood over her, as I understand it and he said if you say there's spent potlining in there you are going to have to prove it, more or less intimating a legal case. And she said we have photographs, and he capitulated straight away.

Michael Ulph: Okay, can I just ask: who is [named person]?

Colin Maybury: I think [named person] works for you.

Richard Brown: No, I don't know an [named person], I was going to ask the same question.

Toby Thomas: He works for [names another organisation].

Michael Ulph: Okay, so [named person] works for [named organisation] and he is talking about the property at Kline Street. We will just park that for the minute, if that's alright, because I'd like to talk to this, because this is what's on the agenda.



Colin Maybury: Certainly.

Michael Ulph: Thank you.

Colin Maybury read out Mrs McGee's Question 1. [See appendices]

Michael Ulph read out Hydro's response to Question 1. [See appendices]

Michael Ulph: Question 2 now.

Colin Maybury: Well I'll just answer a bit of that too. In 2003 GHD did a survey across it, there had been a previous survey in 1996 and that was undertaken by, I think it was Capral at the time though I forget which smelter it was. But they undertook it and said there was nothing there, nothing at all and had it guarded by security guards while they did their testing.

Richard Brown: That's not what that report says. That report commissioned

by Capral actually says almost the same things as the GHD report.

Colin Maybury: In 1993?

Richard Brown: No, not 1993. Colin Maybury: sorry, 1996?

Richard Brown: Yes, that's correct.

Colin Maybury: And did they find the spent potlining and all that?

Richard Brown: They found spent potlining materials on the site, yes.

Colin Maybury: Well could I get a copy of that please?

Richard Brown: I haven't got one.

Colin Maybury: Because the smelter has known about that since 1996 what

you're saying and they knew again 2003 when GHD did it.

Richard Brown: No, that's not true either. The 2003 report we'd never seen. The first time that report was given to us was by GJ Shields and it was only just prior to that letter being written.

Colin Maybury: Which letter is that?

Richard Brown: This letter now, September this year.

Colin Maybury: Sorry I've got the rehabilitation action process.

Michael Ulph: Plan. [Remediation Action Plan].

Richard Brown: The RAP? Yes we've seen the RAP from DLA in 2012.

Colin Maybury: It quotes all the material that's there.

Richard Brown: It doesn't quote all the material, but it has extracts from that

site.

Colin Maybury: For heaven's sake Richard, let me go.

Richard Brown: Yes.

Colin Maybury: They stated in there in the RAP what was in there and what they knew was in there. Now I'd already spoken to Kerry McNaughton many years before that about the fact that your neighbours were saying there were smells, fumes, gases that came off it and they didn't like it. And Kerry promised me at the time, and he put it in writing, that if it was there the



smelter would go and take it back. And you heard him here when I queried him I said "take it away", he queried that fact and said we "will take it back".

Richard Brown: And we will and have.

Michael Ulph: This has actually been raised a couple of times by you [Colin] at this forum and it has been answered a couple of times and it's in the minutes. What I'd like to do now.

Colin Maybury: Michael, we're talking in terms of 1996 till 2003. It makes you more culpable by going into 1996 reports that told you the spent potlining is there.

Richard Brown: No, it didn't tell us. Hydro wasn't here.

Colin Maybury: But you knew the 2003, surely.

Richard Brown: No.

Colin Maybury: Well I told Kerry McNaughton for heaven's sake, that it was

there.

Richard Brown: I'm sorry Col, but the first time I'd seen that report was

September this year.

Colin Maybury: Very fortunate. Question 2.

Michael Ulph: Thank you.

Colin Maybury read out Mrs McGee's Question 2. [See appendices]

Michael Ulph: Okay, thank you. That's the end of Question 2, there's only

one more to go.

Colin Maybury: There are two more to go.

Michael Ulph read out Hydro's response to Question 2.

Colin Maybury: And just out of a matter of interest I spoke to an EPA guy the other day and he told me that Cessnock Council are the only responsible ones, the EPA are not involved in that sort of toxic waste. Which is really unbelievable.

Colin read out Mrs McGee's Question 3.

Colin Maybury: And I can verify that because we have Marcia here to prove that a little boy over at Yawarra suffered badly with the fumes from the smelter as did the lady down in Hart Road. If you are close to the smelter, damage can occur.

Michael Ulph: Alright, if we could please keep this to general business because it's a new item. Thank you.

Michael Ulph read out Hydro's response to Question 3.

Colin Maybury: And here's another one.

Michael Ulph: Okay, we have another question from Helen though I will hold this over to general business because I want to get through the agenda correctly. Also I believe part of Richard's presentation tonight touches on Kline Street. I'm pretty sure this latest letter will be in relation to Kline Street.

Any comments or questions around this particular matter?

Arch Humphery: The only thing I might have to say is that this is about the



past history of the site. Coming from an individual I think you've got to be very careful that everything said has no identification of people, quantities, times, dates, who did it.

Colin Maybury: I beg your pardon, now cut that out. This comes from Mrs

McGee who lives 20 metres.

Arch Humphery: How many tonnes of waste?

Colin Maybury: 1400.

Arch Humphery: And how did she know there were 1400?

Colin Maybury: Because the RAP said so. The RAP detailed the whole lot. It said there are PAHs, PHBs, fluoride, cyanide, spent potlining, smelter waste. It detailed the whole lot.

Arch Humphery: That's after the event. Who dumped it and for what reason?

Colin Maybury: They dumped it because the smelter had a policy of dumping it. There's hundreds of tonnes at Wangara, and while it's being cleared away now but this is 30 years after the event. We knew these things were there and we tried to get the smelter on to it.

Arch Humphery: What's the positive thing now, when the action that is being taken for remediation of this site and any responsibility that is assumed. What's the point?

Colin Maybury: They were told it would take three weeks. It's taken two years and three months, and it looks like it's continuing because of the hassles over the cost. The developer has gone broke as far as I can see, I'm not sure. He hasn't told me, but he told me he was in trouble financially and that he was going to the smelter and Richard just verified that fact that he's gone to the smelter to get recompense for it, because the smelter did it; you can't just accept that spent potlining goes out through that locked gate without people knowing that you're taking it.

Arch Humphery: Sure but in the letter doesn't she say that he knew nothing about contamination of the site. But that's not the fact is it?

Colin Maybury: I don't know. The developer said that.

Colin Maybury: I don't know. Do you think I would believe the smelter who put it there? Do you think I would believe the Council who came down and threatened the lady with a court case if she couldn't prove it was spent potlining? And she said we have photos and he immediately capitulated because the photos show anodes, spent potlining and some of the carbon blocks that come out of the floor of the plant. No don't, don't enter into it Arch you're out of your depth.

Michael Ulph: Anyone at this table, any of these members are entitled to enter into discussions around this table. We won't be censoring people at the table.

Colin Maybury: I'm sorry I shouldn't have said don't enter into it. Listen and try and work it out. Get some idea of the past history. And also, the way you go about things Michael is not good. I've got Marcia here to tell you about that little boy over at Yawarra, and I've got the figures that show Yawarra is the dirtiest place as far as fluoride is concerned in Australia.



Michael Ulph: We will keep that to general business if that's alright because I'd like to just go through step by step according to the agenda. The first part of that is acceptance of the last minutes. We've just tidied up a couple of loose ends at your insistence.

Colin Maybury: Well I won't accept the last minutes until you put in what I tendered, that being the comments by Dr. Brett Turner. I gave that to you and it's in the minutes that I tendered it.

Michael Ulph: It wasn't discussed. And you emailed it through.

Colin Maybury: Just because it's not discussed.

Michael Ulph: Yes

Colin Maybury: And I emailed through the history of it showing the 77 per cent of the people of Maitland, who are in the firing line if ever this hole in the ground breaks down. Maitland gets it.

Michael Ulph: I'm sorry, tell me about 77 per cent of Maitland?

Kerry Hallett: That was a survey done by Maitland Mercury and there is no numbers on how many people responded to it apparent from saying 77 per cent.

Michael Ulph: Alright, you brought that up last month didn't you?

Colin Maybury: Hang on Kerry. 77.61 per cent: the smallest number I could find that would fit into that category mathematically was 52. 52 people voted not to have it.

Kerry Hallett: Out of 12 or 13,000 people. That's a very small number.

Colin Maybury: It is 52 people who cared, as against 19.4 per cent that agreed with it and 2.99 who didn't do it. Are you an apologist for the smelter?

Kerry Hallett: No I'm not, but I want facts and that's not fact.

Colin Maybury: They seem to think so, they published it.

Michael Ulph: Right now I'm just trying to control the meeting. Col two things: the document that you tabled last month or the month before from the [Dr] from the university, if we include that in the final version of the minutes this time along with the letter from Mrs McGee, are you satisfied?

Colin Maybury: In as they are written as handwritten letters to show a worried lady that lives beside that mess.

Michael Ulph: I can certainly do that. One reason I would change that is because when I rang her she said thank you for ringing. That she hadn't intended for this to be in the minutes and that she had intended for you to read it out. And that if it was going to be sent in as a letter she would have typed it up. Now I note that in this [new] letter she has asked for it so I will include that in the minutes in its handwritten form.

If we put this in and the letter from the Professor [Doctor], are you happy that they are a true and correct record of the minutes?

Colin Maybury: Yes. I want this in as well, and I'll tender it now.

Michael Ulph: That hasn't been through the CRG at all. That's been emailed through to a few people.



Colin Maybury: It was emailed to you and I want it in because it has lots of private persons.

Michael Ulph: Mate, it cannot go into last month's minutes, I'm sorry.

Colin Maybury: It can go in this month's. Colin provides Michael the tendered letter.

Michael Ulph: You can't just keep bringing reams of information and expecting them to go into the minutes.

Colin Maybury: We were told we had to bring information from the community.

Michael Ulph: Yes, but if you look at the Terms of Reference they are about the project, and the project is about the present and the future. Kline Street touches on that to a degree where Hydro is involved with Kline Street but what happened before Hydro even took over the ownership of the site is historical in nature and all it does is talk about history. As terrible as they may be, and I don't know what the truth is or what your perception is or anything else, but we're here to talk about this project.

Colin Maybury: You're arguing with me.

Michael Ulph: We are here to talk about this project, the remediation and redevelopment of this site as an enabler for the future of this area.

Colin Maybury: Hydro signed to take all responsibility for the damage that had occurred previously. You do that with any company; when you buy the company you actually take over all their responsibilities.

Alan Gray: On that basis wouldn't the bloke that took over that block of land take on the responsibility for it?

Colin Maybury: No, he didn't know it was there he claims.

Kerry Hallett: But we had a discussion before that said he did know.

Colin Maybury: As he's not here I don't know how you can say that. You think that he knew.

Michael Ulph: Alright, let's put this in the right order please. I just need someone to move that the minutes are a true and correct record.

Rod Doherty: I will move.

Arch Humphery: Seconded.

Michael Ulph: Thank you Rod and Arch.

Activity update

Michael: The next item on the agenda, down for 6.15pm is the activity update from Richard Brown, to talk about what's been going on of late.

Richard Brown: Thanks. I will make it snappy.

Okay, briefly we are going to have a

Topics

1 . Activity update
- Res parcel 1 Remediation
- Early Works Planning
2 . Draft SEARs Review
3 . Biodiversity
4 . Q & A



couple of speakers which are on the agenda, so I'll give an activity update and Shaun will talk about the draft SEARs, soon to be finalised. Shannon is going to talk about biodiversity and then we'll have a general discussion.

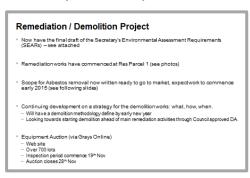
We talked about the Secretary's Environmental Assessment Requirements previously; we've had a draft of those for a few weeks and been able to have a look through those and I've been informed reliably that those Secretary's Environmental Assessment Requirements (SEARS) have been finalised.

Michael Ulph: Can I just jump in there. What happened, for those who weren't across it, firstly Hydro has to put together a Preliminary Environmental Assessment document and they lodge that with the Department of Planning. That was lodged and the Department of Planning's response is these requirements. Okay, so it's a preliminary explanation of the project, the SEARs then come back and Hydro has to meet these requirements.

Richard Brown: And we'll go through those in a bit more detail. We're not going through them in intimate detail because you'll see why.

Remediation

Regarding remediation works, I'll talk about that in a minute because it's better to see what's going on at Res parcel 1 as with the development of scopes for removal, we talked about hazardous materials assessments that are being done on site. We're now in a position where we've scoped up some



pieces of work for that removal and that's due to commence early next year.

Demolition

Along those lines of development of the site, we've continued to look at a strategy for a demolition methodology. We've been engaging expertise in that in some demolition contractors who are going to provide us with their rundown on how demolition should and could occur on site. At the moment we are looking to see if we can get some of that underway. We've certainly talked about some early demolition works and hopefully the overall project may benefit from us starting to do some of the bigger demolition works earlier, and that way we can get a bit more continuity with the works going on onsite. And some of that also frees up land for the remediation activities to enable us to carry out remediation a bit more easily.

Again, I touched on it last month but in terms of equipment sales we've started the first of maybe a series of equipment auctions, a bit of a test at the moment and right now there is a live auction on GraysOnline. For those interested, it went live today at three o'clock. If you go to GraysOnline you can search for Hydro on there and you will be able to see all the equipment. There's over 700 lots and we've only just began to scratch the surface of what we have to go through, and that's mainly focussed on workshop equipment. We have lathes and welders and other engineering equipment. The site inspections are due to commence next week.

Leanne Pringle: The inspection day is Tuesday 25th.



Brad Wood: Do you go in as a tour every hour or so?

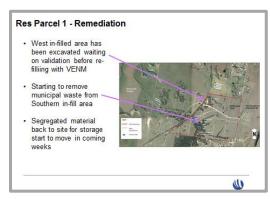
Leanne Pringle: Yes, every hour. We are running as such to control access to the site. Every hour there will be a group leave from the gatehouse and will have the time to look around before being brought back for the next group.

Brad Wood: Right. Do you need fluoro gear to walk on site?

Leanne Pringle: It does say on the Grays site, though it is steel capped boots, long pants and I'm not sure if it's a high vis shirt or short sleeves. It does tell you on the inspection tab on the site.

Rezoning

Richard Brown: Okay. Res Parcel 1. We talked in previous meetings about some mine subsidence in areas that have been in filled in the past up at an area we've called Res Parcel 1 which is part of the Wangara property. It's the piece of land sitting in the Maitland LGA, near Cessnock Road. There was the Glen Main mine running there



and there is some mine subsidence back in the 1930s as I understand it. Materials have been placed in there to try and rehabilitate some of the mine

subsidence. We need to make it very clear, there is absolutely no spent potlining whatsoever in those areas: it's concrete, it's refractories, and there is a lot of rubbish. Unfortunately because of the access to the site and proximity to Cessnock Road there is a lot of municipal waste.

You can see here there is a photo of the concrete stockpiled or placed in a void: it's a bit misleading though it is a void that goes deeper than just the surface. We have a company out there now who have started to undertake some works which have involved setting up access and they have started to truck some materials back off the site and are bringing that back to the smelter site where those materials are then dealt with as part of the overall smelter remediation. We've created a new access point so that traffic can be managed on site.





You can see a couple of photos of the works that are being undertaken. It's



being stockpiled on site and then segregated into its components where we can reclaim the concrete which will then be crushed and reused for other purposes on site. The remainder material that is municipal waste will be collected and taken the tip. The residual soils will be stockpiled separately, brought back on site and dealt with as part of the overall remediation.

To give you an idea of the sorts of materials in there, you can see clearly there is lots of different mixed materials and then there are pieces of rubbish accumulated in that area.

You can see in that photo how that's the natural soil and the material that has been filled. The next shot shows the material removed. That has to happen because the site has been proposed as a future residential area so we require a site audit statement. Actually it is nonstatutory, but we're getting an independent accredited EPA auditor who will come along and guide that final result. They will make sure the area is clean and contaminants have been removed. They do this visually or else they take samples from the natural soils to make sure there are no residual contaminants in that soil, and if there are the material continues to be removed until it is clean and signed off by the auditor.

This view, which is the area that's probably the northern extent of where the contamination was in the steepest area and that's looking north where the materials are being removed. The end formation essentially is that









once the sight has been assessed as clean then we will put what we call VENM, which is Virgin Excavated Natural Material, that is clean material that will be brought back on site to be filled into those voids, compacted and then



the natural landform will be left on site with some vegetation on top.







Early works planning

In regards to early works planned, we talked about asbestos removal previously. To give you an idea of some of the areas that we need to deal with I'll ask you to think about the age of the smelter built in the 1960s, a time when asbestos use was in its heyday. We see most of the issues around asbestos removal in line 1 which was the first potline built. The sorts of

things that it's also used for here included thermal insulation and electrical insulation. Because of this, we have bits of duct that are asbestos tubes that sit under pots providing electrical insulation. We have kilometres of cable trays.

Andrew Walker: Three kilometres.

Richard Brown: Yes, three kilometres of asbestos. We have conduits that run into the concrete





that are asbestos lined, underfloor ducted systems which have asbestos gaskets to be removed. Some of the steel pipework has asbestos gaskets



and joints. There are examples elsewhere that have asbestos lined stacks; that's not the case here which is good. We have scoped up some work that is aimed at removing all of that asbestos from those locations so that when the demolition works begin the machines can come straight through and clean the site uninterrupted. There are limited amounts of asbestos in other areas of the plant but predominately in line 1.

The other piece of work we will start early next year is to strip out the potlines. All of the pots are effectively still sitting there in situ and so the plan is to take off the top section, everything from the shell up will be stripped off and then the aluminium recoverable components will be sold off.

The other part of the work we're doing is to go into the basement and do the same type of works so that we can remove the busbar systems. To do that we need to do some pre-enabling activities.

In the basement areas some of these sections here are the busbars and we are looking at ways now of trying to remove it to be left with steel shells to take in

situ.

In terms of a schedule for that, at this stage we are looking to go out to the market to look for contractors who can do this type of work in the next few months and hopefully kicking off early 2015 with the actual removal. This piece of work in itself is likely to take a year to work through. Again this gives an idea that this is not a small piece of work we're doing; it will take a large amount of time to



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do this early works. At the same time we are looking at what approvals we need for the demolition so we can start getting contractors engaged and start planning for those works.



Notes

Site divestment

Richard Brown: No divestment activities last month. That's probably something I'll continue to say for a little while because until we start actually moving forward with

And now I'll let Shaun talk.

is little work we can do on this.

Draft SEARS

Shaun Taylor: Thanks Richard.

Michael Ulph: For those that don't know Shaun, Shaun is a consultant with a company named Environ and has been involved in the environmental approvals process for Hydro.

some of the actual rezoning activities there

Colin Maybury: Can I ask a question before you start. Did you have permission

from Maitland Council to do the extraction and to put the stuff there in the first place?

Richard Brown: The material placement I don't know about, Col. In terms of the actual remediation works Shaun I'll ask you to talk to that.

Shaun Taylor: Sure. With the works at Wangara, because of the nature of the activities required they were deemed Category 2 remediation works under the State Environmental Planning Policy 55 remediation plan. Under that approach there are a number of triggers such that if it's Category 1 you do need Council approval or beyond. The Category 2 requires that you provide Council with 30 days' notice of the commencement of the activities, which we did do. Council were aware of it and we met the requirements.

Colin Maybury: My question was, was Council aware of it going in? It's a very very dangerous mine subsidence area. It happened in 1930, the mine flooded where you call Glen Main, it was Glen Ayr and it was directly coupled to East Greta number 1, the two of them went straight through there in different areas. The flood occurred and they had ten foot high sand bags around the mine to stop it going in, but the water broke this down and rushed through the mine causing explosions all the way along. So there are different fall-ins all the way along, and these are the fall-ins that you took advantage of and dumped your material in, and it was illegal. The EPA say here that illegal dumping is a crime, encourage your local community to report incidences to local Council or the Environment Line or the NSW Police and Crime Stoppers.

Michael Ulph: Here here. Hydro is cleaning up that illegal dumping.

Colin Maybury: Don't come in Michael. I tender those documents that show you the amount of material that's there, that has been dumped there in a very dangerous area. Even the sign out the front says it's susceptible to sudden fall-in.

Michael Ulph: Okay. So the illegal dumping occurred [when]?



W



Richard Brown: I don't know, probably 1980s, 1990s.

Michael Ulph: Okay. And now it's being remediated, would you agree or not

that is a good thing?

Colin Maybury: You cannot say just because it's being remediated that you're absolved of the crime. If you go and get tried all of your background is taken into consideration. The background of the smelter is being taken into consideration. Those pictures show, I would say, many many tonnes of material that was dumped onto very susceptible areas, mine subsidence sites without any care for safety.

Michael Ulph: Yes, fair point. Your point is well made Col. Okay thank you.

Shaun Taylor: Okay, I'll move on to the Secretary's Environmental Assessment Requirements which I'll refer to as SEARs from here on. To add to what Michael and Richard said earlier about the process we've been through: the Preliminary Environmental Assessment (PEA) has been prepared for the project, which describes the activities we are going to undertake, that being primarily the demolition of the smelter, remediation of the site and construction and management of the containment cell.

The preliminary environmental assessment was submitted to the Department of Planning along with a request for the SEARs. The Department of Planning then distributed that to the key government agencies to provide the department with their input to the SEARs, that being the issues that the various government agencies deemed necessary to address. As part of that, in early September we had what's called a planning focus meeting here on site. The representatives of those agencies came the site, heard information on the background to the site, what we're proposing to do and had a look around the site to view those key locations. In the subsequent weeks those agencies and departments got back to the Department of Planning, and as Richard said, the draft SEARs have been prepared for a while now and as of tomorrow they will be up on the Department of Planning's website, finalised.

Richard Brown: As will the Preliminary Environmental Assessment, actually this has been on the site for a while now. If anyone wants a copy of the Preliminary Environmental Assessment, help yourself to copies.

Shaun Taylor: Michael, perhaps we can issue out a link to the Department of Planning website so that everyone can see both the PEA and SEARs. What you will also see in the SEARs in the main document which the Department of Planning and Environment pulls together as the key requirements and there will also be a copy of the submissions from the various agencies.

Michael Ulph: I should just interject there; I'll refer everyone to the Hydro website pages for the Kurri site which has a link to the Department of Planning on the right hand side. We will also send out a link to this.

Shaun Taylor: That's great. We will now go through what the Department of Planning has pulled together as the key requirements.

Richard Brown: This is ten pages long, so we won't bore you with the detail.

Shaun Taylor: Yes, I won't go into detail. It requires the Environmental Impact Statement (EIS) address the following: describe the location, why it's a lawful activity, describe the project, risk assessment, address the potential environmental impacts and risks associated with those, a detailed assessment which is addressed in the requirements following, and mitigation



measures to be implemented to address any impacts.

The strategic and statutory context

This includes the justification for the project itself and in its proposed location. So, what is the suitability of the site for what's proposed and compliance with legislation as mentioned earlier.

The next point relates to the containment cell, which again goes into a lot of detail about the justification of the cell as a preferred technology, and whether it's able to meet the desired outcome for the site. This goes into the detail about how we are achieving that, providing the technical detail about how it's going to be constructed and managed to make sure we are protecting the environment and human health.

There are a number of conditions there that relate to the management in the event of an emergency, and what is the structure being presented to make sure it is managed long term. The EIS has to make that commitment about how the funding is going to be there going forward.

Colin Maybury: Could I just interject. Is there a guaranteed bond being put up?

Richard Brown: More than likely. What it is saying there is that it is a required strategy for funding the maintenance of a large treatment facility. So yes, that's our understanding of it.

Colin Maybury: But that's funding the maintenance. You have to fund the maintenance.

Richard Brown: Funding would also include risk of failure.

Colin Maybury: Have you ever thought Richard, that it's quite possible to follow the precedence of BHP and give this land, the 2000ha to the government and it's then their responsibility to treat the spent potlining.

Richard Brown: I'm sure this is something that has crossed our mind, but Hydro is not interested in giving the responsibility of that remediation to anyone.

Colin Maybury: Why? You're only going to stick it in the ground.

Richard Brown: It's our issue to deal with so we'll take responsibility for the remediation of the site.

Colin Maybury: That's not a fair remediation. BHP set the precedent.

Richard Brown: Actually I think you'll find the BHP remediation is very similar. It's onsite containment.

Colin Maybury: Give the government one hundred million and let them take it over.

Richard Brown: I'm not sure the government would do that anymore.

Colin Maybury: Well as Rod suggested, we could always put the hospital on

Rod Doherty: The site is 2000 hectares Mr Maybury.

Colin Maybury: Yes, it's 2000 hectares, what's wrong with that?

Shaun Taylor: I guess probably what we should touch on is the overall



objective of this project. As Shannon has presented at previous CRG meetings, this facilitates the future development of the overall site particularly where we are now in facilitating future employment generation and also surrounding areas for development. We should focus on the objective of this work. Moving forward now on to contamination and remediation.

The first step is the comprehensive assessment of the management of the site, including options for treatment, export etc. We've touched on that again tonight, and the EIS will go into a lot of detail to explain that what we've proposed is, for a whole range of reasons, the preferred option. We've already talked about remediation action plans (RAP) this evening, and this document is going to be very complex.

The other thing that's been required under this RAP that's not a normal requirement is the health risk assessment. Typically you don't need to go into a detailed health risk assessment, again that's an additional criterion that we have to address. A number of the agencies such as Department of Health, WorkCover, and Council have identified that as an important issue for the EIS to address. That follows on to the next point which is Occupational Health and Safety.

Occupational Health and Safety

Again, WorkCover is one of those agencies to be consulted and one of their key concerns is the health of workers on this site during demolition activities and material handling.

Demolition Management

Obviously that forms a fairly visible component of the project. There are a number of key structures that have important impacts to be managed, and waste is obviously one of the key things we will have to manage. A large proportion of the demolition is reusable, so what we'll be spelling out is what component of waste from the project can be reused and what's going to be disposed of in the containment cell.

Air and odour, noise and vibration

The next two points are fairly critical for both demolition and remediation, and that air and odour, and noise and vibration, I guess these fit under the human health aspects of the project. There is a detailed noise and vibration assessment and detailed air and odour assessment that's going to be required, so we will be looking at the activities to occur on this site and what's going to be the noise levels generated on the site and similarly looking at what are the potential air, dust and odour issues associated with the project. Noting that, a number of standard environmental management procedures are going to be inherent in various parts of the project anyway.

Soil and water

Again, managing the water use and impacts on water quality as well. There will be a lot of water use of the site for dust suppression and so on. We will need to manage that water both in terms of supply and water quality, making sure downstream is not adversely impacted.

Hazard analysis

Preliminary hazard analysis is a standard analysis in accordance with State Environmental Planning Policy 33. Again, as there are hazardous materials involved this is standard process.



Traffic and access

Looking at what traffic will be generated at the various stages of the remediation and demolition on the site. This is separate to the future development. And looking at where the traffic is going to go, how many, what types and the potential impacts of this.

Heritage

We have an Aboriginal heritage cultural assessment. Obviously the vast majority of that site that will be affected by the works is limitedly disturbed; there are areas around the proposed containment cell that will need to be investigated. We will continue to work with the Aboriginal stakeholders now through to the rezoning.

And also looking at non-Aboriginal heritage as well.

Biodiversity

Ties in with the significant work we've done at the site, which Shannon will be talking about a bit later. Looking at what vegetation clearance is required, particularly for the containment cell and how that fits in with the overall strategy for biodiversity conservation on the site.

Fire and incident management

Fire and incident management ties in both during the remediation and demolition works. If there is an emergency during those works, how will this be managed?

Visual impacts

Again there are a number of visual elements to the smelter that we will look at, but also the containment cell and how that fits into the land form.

Ecologically sustainable development

This is ties back into the justification for the project. How does it address the core principles of ecologically sustainable development?

And also looking at greenhouse gas emissions during those activities of demolition, remediation and then ongoing management of the containment cell.

Other matters

Covering more the procedural side of things, there is consultation required with those various government agencies. We've already enacted that with government agencies, but also community consultation is a key part of this. Obviously this meeting here today forms a key part of that, but we're also looking at a broader engagement program so that the wider community can be involved rather than just once the EIS goes on exhibition. We want to hear what the broader community has to say about this project and this site, and what their suggestions are for ways to potentially manage that and any issues on this site we need to consider.

So, from tomorrow that will be on the website and as I've said the various inputs from the government agencies will also be the site including submissions from Council, Department of Health, the EPA, Office of Environment and Heritage, Roads and Maritime Services, WorkCover and the Department of Primary Industries being the key ones. We also want to



consult with the Rural Fire Service who obviously has an important role to play. We want to consult with a number of agencies to keep them informed of the process, and also the community.

Richard Brown: To add to that, these are the set of requirements the government will be using to base their approval or otherwise on. Our intention is that as we're developing the project, we will relay information to you so you can see the progress as well.

Michael Ulph: The timeframe for the development of the EIS?

Shaun Taylor: We are getting straight into it now, so that over the next few months there will be a lot of work going on. We are looking at the EIS being on exhibition June/July next year, but obviously as the project progresses we will keep the group in the loop.

Michael Ulph: Thank you. Any questions of Shaun about the SEARs at this point in time?

Shaun Taylor: One thing to point out is that one of the key things in the EIS is that we will be addressing those agency requirements, but community consultation will be undertaken prior to going on exhibition so that any issues can be identified in the EIS and addressed.

Michael Ulph: Yes, so the whole idea of consulting early and often is to get that feedback from the community now so as to help inform the development of the EIS so that as much as possible has already been considered during that development stage. If there are other things that Hydro hasn't thought of, or if there are going to be key touch points, these can be included in the EIS. With that said, it still then goes to the Department of Planning and then goes on to a statutory consultation period which is 30 days.

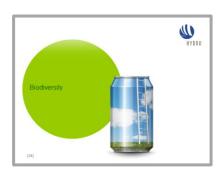
Shaun Taylor: At a minimum, 30 days.

Michael Ulph: And then formal submissions are called for which will then again help inform the Department's response to this EIS. Great, thanks Shaun.

Biodiversity

Michael Ulph: Shannon is going to talk about biodiversity and bio-certification.

Shannon Sullivan: Last time I presented on the overall rezoning of the site and strategy around that. One of the key opportunities for the site is biodiversity. We touched on this a little last time, but thought we'd come back to this now given the CRG are unlikely to meet over the



next couple months and during this time it is likely we will be lodging our rezoning application to Council. There will be two things we will cover.

Firstly, looking at the site from the word go we identified the north western corner of the site which has got existing native vegetation and habitat and as such seen as an asset to the site moving forward. There are certain areas of the site which will be naturally conserved in the long term. Currently zoned rural land for most of the site, except Wentworth Swamps system itself. Most of the site is rural land despite being largely covered in native vegetation.



I didn't want to put up a definition for biodiversity because this can create some argument. Really, biodiversity is basically the environment. Over the last few years the planning process and legislation associated changed a bit. Biodiversity impacts used to be assessed in isolation as a piecemeal process on site. However, when you start to get into larger sites with the project application process, major

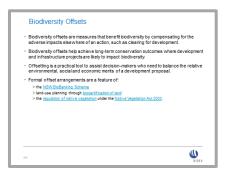


projects part 31 and major rezoning, the planning authority started to look at this at a larger more strategic level. There is the Lower Hunter Conservation

Strategy which is in place in association with the Lower Hunter Regional Development Strategy. These look at the broader region: looking at corridors, existing habitat and at what is seen as key habitat sites or otherwise.

They then starting developing these things called biodiversity offsets. The consideration is this: if you've got vegetation on your site and you're proposing to develop, either the vegetation is considered insignificant or can be removed, or it is considered significant and therefore needs to be offset in some form. The offsets can be within the site or they can be off the site.

I have a few points to run through in terms of the decision making process. Generally offset arrangements are by three mechanisms:



Who may app	ly for biodiversity certification (Clause 125J TSC Act)
(1) An application planning auth	n for biodiversity certification may be made to the Minister by any ority.
(2) An application	n may also be made jointly by 2 or more planning authorities.
	ertification to be conferred only if biodiversity values are naintained (Clause 1250 TSC Act)
	confer biodiversity certification only if biodiversity certification tains biodiversity values.
When does bi	odiversity certification improve or maintain biodiversity values
biodiversity value	uses of this Part, biodiversity certification improves or maintains s only if the Minister determines, on the basis of a biodiversity ssement, that the overall effect of biodiversity certification is to improve resity values.

- Biobanking Scheme, where
 other sites are identified and they use a credit calculation to look at
 what the impact is on your site and an offset ratio to determine what
 area should be maintained on an alternate site.
- Biocertification of the land, which looks at an LEP process where we look at rezoning land and areas to be cleared and then look at other land to be retained. This is tied up to the LEP rezoning process.
- Native revegetation process, which is not really related to development but more about general clearing of native vegetation land and often relates to agricultural practices.

Are there any questions around that? It is a little complicated.

The principle is that on a large scale development site such as this, if you're looking at developing land and you will impact on native vegetation you need to offset that in a similar location or by identifying land which has got similar values and conserving that in perpetuity.



The Office of Planning Authority has the ability to streamline the biodiversity assessment process, and that's one of the key things in terms of biodiversity. It can be subjective, and there are a number of these examples where the assessment process and the opinions identified by certain people are argued against and this causes issues and conflict. Because of this, one of the ideas about the biocertification process is that it's a quantitative process with guidelines developed by the Office of Environment and Heritage and it's fairly transparent.

It is quite simply a case of calculating the number of credits that need to be retired as a result of the impact and then calculating credits that need to be maintained in perpetuity to determine the balance.

Biodiversity values are measured as biodiversity credits. The credit calculation is based on the types of vegetation, the quality of the vegetation and any management activities that have been applied to the land to elevate the existing status of the vegetation to a higher standard. This is where it sometimes gets into areas where it can be a bit subjective and cause for discussion or debate. If there are shortfalls in conservation measures then the biodiversity certification credit converted can be used to convert the quantity of ecosystem credits or hectares of land and then an amount of financial contribution.

A mechanism that is used now, and is sometimes criticised, is a voluntary planning agreement where you create a fund of money which then can be used to purchase credits or to purchase land to pay that process.

From very early on in the rezoning and assessment process, Hydro identified that they weren't looking at using this mechanism to go out and buy more credits because they are looking at a balanced outcome on the site. Whatever credits need to be retired, if that can be generated on the site and you get that balance in terms of development and conservation, that's the outcome.

Michael Ulph: Just so we are clear, has everyone got a handle on what we're talking about in relation to credits and so on? If you're going to knock down a hundred trees over an acre or something to construct a building, you need to then offset that elsewhere and it might be five hundred trees or something like that. That's the idea in a nutshell.

Alan Gray: In other words, if we take the 50 hectares on the other side of the Expressway for the hospital, and knock those trees down, we will have to plant the same number of trees elsewhere.

Michael Ulph: You'd have to put aside more trees than you took away.

Rod Doherty: Or if you build it on a contaminated site at Metford, you don't have to.

Michael Ulph: Right. Sorry, Colin you raised your hand.

Colin Maybury: Yes, the proposal I was thinking of putting up, that is the hospital which could go in the north west corner where it's not affected by the fluoride fall out. The fluoride fall out is mainly concentrated one kilometre around the smelter itself, isn't it?

Richard Brown: No, actually Col you'll recall in the first or second meeting we explained that our assessments have shown that there's actually no impact from the operation of the smelter outside some isolated areas on the



smelter footprint itself.

Colin Maybury: Well the AEMR for 2012 shows it as being degraded around the smelter, the vegetation.

Richard Brown: Which is affected by the airborne fluorides; that's stopped as of the 7 September 2012. That's no longer happening and any aerial deposition that may have occurred has not been identified as having any environmental impact.

Colin Maybury: That's great Richard, but it did occur for 45 years.

Richard Brown: That's stopped.

Colin Maybury: What I'm saying is a hospital in the north west corner of the site, on Bishops Bridge Road, would give it access to the Expressway. There's also the possibility of using Old Maitland Road, from Cessnock to Rutherford, as a main thoroughfare going past. If then you had to take out vegetation, you could put it back on the smelter site.

Shannon Sullivan: I think probably the key issue I would see with that is infrastructure. To get to that location on the site, you would probably have to build an interchange off the Expressway.

Colin Maybury: It should have never been here on Hart Road, but rather on Old Maitland Road with a fully integrated exit and inlet ramps to allow you to go north and south.

Rod Doherty: Through the Chair.

Michael Ulph: Sir.

Rod Doherty: It's totally irrelevant. The Hunter Expressway off ramp was constructed because the smelter was in operation. I will be blunt, because of Labour and the Greens the smelter no longer operates. We now have an off ramp there waiting to be reused for new projects, including the hospital.

Michael Ulph: Thank you for your points. I'll try to bring the conversation back to biodiversity now.

Colin Maybury: That was biodiversity.

Michael Ulph: Indeed, though roads and hospitals are slightly different.

Colin Maybury: Is there any problem taking out vegetation up there and transferring it to the smelter site

Shannon Sullivan: I think the issue with that, and I think we will get to this a littler later on, is that generally along this easement alignment there was a broader strategic assessment done in terms of conservation within the Lower Hunter. PB did some mapping informing this assessment and they actually identified the vegetation on the land to the north of the easement as a matter of national environmental significance. They looked at broader habitat and native vegetation mapping within the Lower Hunter region, and determined that within the Hydro site that easement line north was mapped as a matter of national environmental significance, in an isolated nature and fragmented with no connection to existing corridors. So in terms of our assessment work and the broader planning for the site, it was been considered that easement line is an existing separation between the vegetation to the south and the smelter itself, and the vegetation to the north which is largely intact.



Colin Maybury: Nothing is fixed in stone. All you'd need is about five hectares of land for the hospital.

Shannon Sullivan: The area required for hospitals is I think 20 hectares plus. But also the infrastructure you'd have to build would be very significant and fragment the site completely. You would end up criss-crossing the area with roads and other infrastructure which would destroy the biodiversity value.

Shaun Taylor: To add to that, whilst using those biodiversity offsetting you'd have to find another 200 odd hectares of pristine vegetation. You couldn't just clear it and offset on the smelter site; you'd need to find existing vegetation in the same condition.

Michael Ulph: Because these are all threatened species up here, right?

Shannon Sullivan: Yep.

Colin Maybury: It says on there that you can transfer species or vegetation.

Shannon Sullivan: You can't transfer species or vegetation, but you can offset the impact of that by managing other offset land.

Colin Maybury: Of course you can.

Shannon Sullivan: Okay, so what we're saying is that you can't physically

transfer the vegetation.

Colin Maybury: But you can get the credits for it.

Shannon Sullivan: Yes, that's right.

To be clear in terms of process, I've listed some extracts from the Threatened Species Conservation Act. As I've said before, there is an intention that in the next few months Hydro will submit the formal planning proposal and rezoning application with Cessnock City Council. We've already had discussions with Cessnock City Council and the Office of Environment and Heritage regarding the bio-certification of the amendment. The bio-certification is a separate application process which is made to the Office of Environment and Heritage by a consensual party. To be clear this application can be made to the Minister by a planning authority. So in this case, Hydro will lodge an application for the LEP amendment to the Council, but the Council will be the proponent who will lodge a biodiversity certification application with Office of Environment and Heritage. In this way, when it does go on exhibition it will be identified as two different processes and two different streams. These will probably run concurrently, however I wanted to be clear on the difference to avoid any ambiguity.

There is a criterion approach to biodiversity conservation through the offset strategy and biodiversity certification which is generally known as a test about improving or maintaining. When you go through the credit certification and look at the balance, the amount of credits you retire generally should be less than the amount of credits retained on site or an alternate site. That's the checking mechanism that goes through to the Minister for the Environment who makes a determination about the "improve" or "maintain" values.

Are there any questions about that? It's quite technical.



Vegetation communities

So, what's actually on the site? What often occurs with EECs is that there is a proper name, what it's more locally known as and also a biometric vegetation type that it equates to.

You can see in this slide, the Kurri sand swamp woodland, for example is a HU847 Parramatta Red Gum – narrow-leave Apple – Prickly-leaved Paperbark scrubby woodland in the

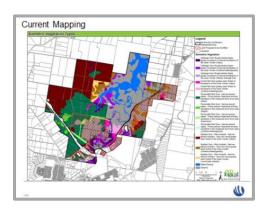


Cessnock-Kurri Kurri area. You will see to the definitions or uses of that term.

EECs are Endangered Ecological Communities. Generally speaking, across the site we have four. The purple colour in the map is a Cabbage Gum, the pink and light pink colour is the Forrest Red Gum, the green is the Kurri sand swamp woodland, and the brown is the Lower Hunter Spotted Gum.

Michael Ulph: Just for the CRG, I've got copies of this and the next few slides if you're interested. I note there is a fair bit of detail in these slides.

Shannon Sullivan: With the mapping, generally the darker the colour refers to the quality or the more intact vegetation. You will see through the middle of the site, adjacent Wentworth swamp generally correlating to the Wangara property, there is a large amount of grey area which is cleared land currently grazed land. This is usually improved pastures with generally no over storey or shrub layer, which for this purpose generates no credits.



One of the opportunities that exists is adjacent the Wentworth swamp system, on the north western side. There is some lower quality vegetation and some cleared area which provides an opportunity to generate some extra credits through the rehabilitation of this vegetation back to its intact nature. So that's part of that improve or maintain test. The habitat in that north western corner is largely intact, so overall that criterion about maintain will be on that side. There's very limited opportunity to improve the vegetation through here. However, there are some other areas on the site that are a lower quality, have been partly grazed or previously cleared which can be improved in tense generating credits in terms of the overall balance in credit calculation.

The red patched area is overall the development footprint we are looking at. This includes the area around the smelter itself, and then the residential development through the eastern corridor, and business park employment land development. Overall you can see that in terms of the smelter footprint and the extent of development around the employment area, generally this correlates; there is not a large component of vegetation that is proposed to be removed around the smelter footprint.



The cleared area on the western side, which is the area identified previously for the location of the containment cell. Adjacent this there is an area proposed adjacent to that which will be cleared for the purposes of heavy industry or isolated industry.

A Michael said there is a lot of information on these slide so if anyone has any questions about the vegetation process, the mapping or EECs feel free to ask.

Michael Ulph: The following slides you have describe the types of forest. The map you have shown was developed for Hydro, I believe?

Shannon Sullivan: Yes, Ecological Australia consultants were engaged to undertake and work through the bio-certification process in consultation with Council who will be proponent, as well as the Office of Environment and Heritage. I will say at the moment the mapping identified and assessment calculation is based on the ecosystems only. We will shortly commence detailed assessments looking at species particular impact assessment, species credit generation and potential credit retirement which may be required within the site.

The Office of Environment and Heritage have been integral in terms of methodology and survey level of effort, and have signed off on these associated with the ecosystem calculation, and also the species impact assessment work we are currently doing. They will review the results of this assessment once complete. Probably the most important thing in terms of the site and biodiversity is that at the moment, based on the footprint currently adopted, the credit calculation is at balance or in a positive for all four endangered communities.

As you can see on the map, the Spotted Gum is in a large surplus,







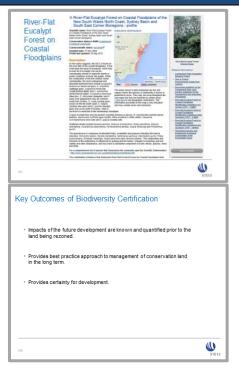
but more importantly the Kurri sand swamp woodland, which has been cleared around the smelter footprint and in the south eastern corner, is in balance with the amount of vegetation being retained.

You can quite clearly see also that the amount of green and that being cleared doesn't necessarily match up evenly with the amount of green being retained. That's because the actual offset ratios for particular ecosystems



varies up to eight or 10-1 on a balance on the overall credit calculation on the site. Given some of these other areas which will be regenerated as part of the bio-banking and bio-certification process, I think overall our credit assessment work has identified a ratio that will be about 5-1 being offset against vegetation to be cleared.

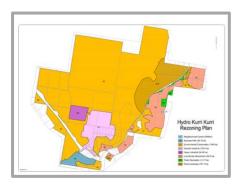
To give you an idea of the numbers, we included in the slides a brief summation about each EEC and looking at the distribution of those and a description of the communities. The Spotted Gum, despite being an EEC, is reasonably common area this area. Similarly with the Red Gum forest which is a coastal type of EEC. Kurri sand swamp woodland is probably one of the most locally known because it has a very localised range. And then there is the Cabbage Gum which has a much larger distribution on the



eastern sea board. Some of the reason these are EECs is because that was the original distribution and unfortunately correlates with the eastern sea border where our population density is the greatest. Often they are EECs because they are critically cleared, it not necessary about their original range of biodiversity value.

Current rezoning proposal

This is our current rezoning proposal, and it correlates to the overall subdivision master plan we proposed. When we talk about a ratio offset of about 5-1 or 6-1 in terms of overall clearing, the current plan identifies an area of about 160 hectares of EEC that will be cleared and we are looking at an environment conservation area of



about 1300 hectares. So when you start to look at those numbers, it appears as those it's about a 9-1 or even 10-1 ratio however when we drill down into the technical assessment it actually comes out at around 5-1 because there is those areas inside the site which at this stage are not vegetated or have been previously grazed.

The key outcomes for biodiversity certification

Firstly, the impacts of the future development are known and quantified prior to the land being rezoned. What often happens is the land is rezoned without biodiversity truly being considered as part of that impact assessment, and then there are difficulties with the development application after that because they need to find offsets for clearing afterwards.



Secondly, it provides the best practice approach to management of conservation land in the long term. The area in the north western corner of the site and through the northern part of the site is considered high quality and a key asset going forward. It will end up creating a bio-bank site which will be unique and probably one of the most substantial in the Lower Hunter region.



Finally, and importantly in terms of development moving forward. Once a LEP is bio-certified, the footprint to be cleared is known and then any subsequent development on that land does not need to address bio-certifications or flora and fauna impact assessment on a piecemeal approach, which does often occur.

Michael Ulph: Any further questions for Shannon in relation to this particular subject?

A name (and new brand) for the redevelopment project

Michael Ulph: I will now progress through the agenda and do my thing for about five minutes. This item is called a name (and new brand) for the project. To do this you need to have some sugar in your system, so you wouldn't mind removing some of the lollies from the jar or having some fruit cake that Leanne has kindly brought along. I am going to use this white board here.

Basically we are looking to come up with a way to label the project. We all understand that Kurri has a long history, the smelter has a long history and that the smelter has shut down and will be gone. The smelter being gone and the remediation of the site is an enabler for the future of the site. When the smelter shut down many jobs were lost, but there's an opportunity that with this commercial development proposed that more jobs can come. We know that the smelter has had impacts on the environment, but with the development of these conservation areas there is a great positive potential for the environment. We also see there's residential development around Cliftleigh and so on, and Hydro is looking to infill some of those areas where there is residential development. There will be more people in the local area, more jobs in the local area and more development, and at the same time there is a huge area being conserved at the same time. In my time working in this space, I've never seen such a large area that is 70 per cent of the site potentially put up as a biodiversity area. You just don't see that.

So we are trying to come up with a name for the project. Hydro is going to be gone in the future and these sites will be developed by other people who will redevelop the commercial and residential sites. Others will be handed in trust the biodiversity sites. We are trying to come up with a name for the project which describes what the aspiration is behind the project. You've been here for several months now, and you've heard what the aspirations are, the issues and the potential. I'd like to get a feel from you what sort of things come to mind when you think about the potential is and what the future might hold for this project. It's kind of like a brainstorming session where you say a word or two and then someone says a word or two, and before you know it we have four words on the board.



Col, you're in Kurri Landcare and no doubt there will be conservation.

Colin Maybury: I think you're putting the car before the horse. You've got to clean the site first.

Michael Ulph: Yes, cleaning the site is very very important, and is an enabler for the future development of the site.

Colin Maybury: You could call it something like the Bidawee State Industrial Farm. But finish cleaning the site.

Michael Ulph: Yes, but we want to have an idea of where we're heading.

Brad Wood: What about Settlement, they used to be called solder settlements and what not.

Toby Thomas: This site transcends several geographical areas doesn't it? **Michael Ulph:** Yep. So you're thinking of giving it a name around a locality.

Toby Thomas: Could you rename the whole area in there?

Kerry Hallett: As in a whole new suburb?

Arch Humphery: Hunterworth swamps - Wentworth Swamps, Hunter

Region

Alan Gray: If you're looking for a suburb name, Bowditch.

Rob Doherty: I'll go back to the very first, Wonnarua. The main street in the Kurri smelter is Wonnarua.

Shaun Taylor: One of the guys mentioned the settlement. Most of those from around here probably know anyway, but the area around Loxford was originally settled by former World War 1 soldiers. Many of the chook farms are the result of that.

Alan Gray: The other name that went with it was B. Siding where you got off the train if you wanted to go to the solder settlement.

Michael Ulph: Good, so we've heard reference to Aboriginal history and World War 1 history.

Colin Maybury: There was a corroboree where the Church of Christ is now.

Alan Gray: Woodsland

Michael Ulph: What's this place going to become? 50 years from now what will it become?

lan Turnbull: You're looking at jobs, new housing and a clean environment.

Leanne Pringle: I see prosperity, building, industries and projects and houses. That's what I see 50 years from now.

Toby Thomas: Something like Norwest Business Park in Sydney, which is housing integrated with industry.

Arch Humphery: This business park idea is something people like to do. But business parks and economic zones aren't really where people want to live. You don't name it an industrial area.

Michael Ulph: Okay. To be clear we're not talking about renaming the residential development, there will be developers coming in who will buy an



area and name it something.

Brad Wood: There are some significant Aboriginal sites around here.

Michael Ulph: Okay, thank you. There are some brightly coloured pieces of paper on the table and some textas. If you think of anything else tonight, please write it down and we will continue to think about this.

With the aim to move forward I'll wrap up now.

I won't take up anymore of your time with this and we will move on to the next agenda item. Please write down anything that comes to you, and please let me know if you think of anything over the next week feel free to email me. What are we going to do with it? We are most likely going to look at it, think about it and probably get some graphic designer branding people to get an understanding of what the project is and to come up with a brand and way to describe the project in the future.

Thanks for bearing with me. Richard you've got a couple more slides there.

Richard Brown: I do, and at the risk of dragging the meeting on longer.

Michael Ulph: Okay, we're at 7.50pm. What's the feeling around the room? Do people have to get away?

Richard Brown: I'm happy to hold on. We've talked about Kline Street to death and I'm sick of talking about it, so I can hold on to that. It's not really going to change anything in the short term. What do you reckon Michael?

Rod Doherty: I have another meeting at 7pm.

Michael Ulph: Okay, well I'm happy if everyone is. If it's not pressing, and we are running overtime, so we will move on question and answers. We have already had question and answers on the particular topics, so we may move on to other business. If anyone does have to duck off, the next meeting is down for February 19, which is a Thursday at the same time.

General business

Michael Ulph: We will move on to general business. Any general business?

No. Okay I'll close the meeting at 7.51pm.

Please take some Christmas cake and I'll see you in February.

Next Meeting

The next meeting will be on Thursday 19 February 2015, from 6pm.

Janita Klein

GHD - Stakeholder Engagement and Social Sustainability

Appendices:

Appendix 1: - Questions from Mrs Helen McGee.

Appendix 2: - Responses from Hydro Kurri Kurri.

Appendix 3: - Letter from Marcia Maybury

DUESTION (1)

From Hoter Master

To a resident of WESON, living only meters away from

The site in KINE 3112ET, which is currently being

REMEDIATED, by the Removal of a LANGE PRODUCT of

ACCININION Spart por livings, which was "Illesally" O'MPED

in a large Gully on the laws, and caren to over with

soil, afrommetily towery terms ago, by an Employet

of the Accan smelter at Kirri Kurri, I am asting

with the Smelter has Not been "Lesposible" for the

"COSTS involved in the "RAMEDIATION" of the site, INSUPD

of the Current owners, who afferently Kirri "NOTHING"

alast the "Corranication" of the Land, when it was purchased

reveal year ago.

Given the fact the Smether die NOT CUN THIS EAND at the time, it was repassible for its Continuention and therefore in my view, it staid have been Responsible for the Full list of the Remediation of the land, and Not the current owners, as they played NO Role whetherever in relation to what hapened prior to their purchase of the land.

From what I understand, the present owners knew htthis of the land, until "AFRE" they betget a Pattopment Application with Costick Council in 2008, for the building of Six Dual occupancy Ductions on the land, which is south Respectful 200 and therefore, in my view, they should not have had the Respectibility of "Remodiative" the land placed upon them, when clearly they player ND Rete in the Contamination of the site.

GUESTICK (2)

From Helen McGE.

I am also esking WHY this "CONTAMINATED SITE" has
NEVER been FENCET OFF, and WHY there were NO
SIGNS exected, to "WARN" people of the "PANGER" of the
"CONTAMINATION" of the LAND, and the MANBY CREEK,
ESPECIALLY given the fact that in the SITE INVESTIGATION
REPORT Carried out by GHD in 2003 (as revealed in
Council documents in relation to the Nathament
Application larged by the current owners in 2008)
It was stated that, THE LAND (AS IT WAS IT THE TIME)
POSED A SIGNIFICANT RISK OF HARD, TO HUMAN HAPITHI
AND THE TANDERS OF THE TANDERS.

INSTERD of ANY "WARNINGS" being issued to the residents, and "ESPECIALLY" those living in very close proximity to the site, we were left totally in the DARK and NOT KNOWING of the giowirk ANT RISK to our HEALTH because "Toxic CHEMICALS" had been Alkaren to leach into the groundwater (and therefore the creek) the Soil, and the Air we breath, through escaping vapors, and Dust.

The nearly residents were NOT NOTIFIED" the land was "Constaninated", when the present owners ladged their Dardyment Application with lesswere correct in I cos, and we were NOT NOTIFIED" the land would have to be "Pemeriated", to Remove the "toxic" Aluminium sport por livings, and containing soil from the rite, Elevationsh it head been Recommended in the Removiation Action plan preparedly D.L.A.

MICONMENTAL, that SCHEDOL COMMUNITY

METHORS Should be held to NOTIFY the RESIDENTS

of what was helpening. This was "suppress" to include
an EMERGENCY MILL being wenied count a HOT LINE

being set up for any companies, but Westerns

NOTHING WHAT THERE hafened, and we knew NOTHING

of the "Contamination" of the land, and the "RYSK" to over

HEPLITH through exposure to the "Toxic Chemicals" being

semoved from the site, through REMEDIATION.

The FIRST the needly resident, In a of the PADLY the site was contaminated, end of the Remodiation of the land to Remove the texic punition waste, was AFTER the REMODIATION works "commenced," and "MAJOR" proplems began to arise, which led to me analing enquires as & what was actually bafewing.

at the time, we were advised there REMEDIATION WORKS would involve a penish of 3-4 weeks, but due to the fact the Amount of 3 part pot civings, disimped on the site, had been "UNDER Estimated" in the GAD size investigation in therefore the REMEDIATION ACTION PLANS have become involved, and the REMEDIATION WORKS are "Still" continuing, at an ENORMOUS COST" to the present occurs of the land.

But even warse, in the Cost of the "Hearth of the Residents Sing only metres from this taxic Site, as we have been Forces to breathe in the Toxic Finnes, waspones, and Dust, on a Daily Basis for a period of MARS. AND WHO KNOWS HOW MANY LINES HAVE BEEN AFFERD, in the PAST.

GUESMON 3

FROM HELEN Mc GOE

With the "REMEDIATION" of the SMETER SITE, Over the next FIRE YETES OF SO, what "GUARANTEE" do the residents of Wester, Kurei, HETREN EXETA, and leagend have that there works will be cornied out in a way, where there will be NO SIGNIFICANT RISK of HARDS to HUMAN HEATH and the EXCHOUNTENT, quen the fact there is Much More spent pot Living's Buildet on the Smelter Site, than what was "illespely" dumper on the rite at Wester, afroximately Forty years Aso.

One of the MAJER PROBLEMS we have experienced at WESTEN has been "allowed" to blow over us on a VERY RETOLDER BASIS, expecially due to works being carried out ching wild days, and sexpiles of soil NOT being carried out carred. The difference with both sites is that the site at WESTEN is in a RESIDENTIAL lasea, and the works were heing assist out out from our homes.

although the smeties site is NOT as close to residential areas, it has to be realized that STRONG WINDS can carry thic DIST over a great distance, and this is something which Meto's to be considered, given the amount of new housing in the area.

I was educied at the CRG METING held on 21 AUGUST 14
that a REMETIATION ACRON PLAN with he proposed for the
Amelter inte, and I am arking on he half of the resident;
that the REMINENTATIONS are Followers, to protect

the Health of everyone living in this area, Especially given the fact the letomerous noise made in the Removation Acrois plan for the USEN STE, were lowered, as was the Health of the Residents.
given the fact the letomer 1741005 made in the
REMEDIATION ACTION PLAN for the WESON STE, Were
16voxed, as was the HEALH of the RESTORATS.
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Mrs Helen McGee Street address deleted Suburb deleted

Dear Mrs McGee,

Thank you for your (undated) letter of September 2014.

As your letter did not contain a return address, we have sourced it from Mr Colin Maybury of Kurri Kurri Landcare. We hope that you don't mind.

As with your verbal comments at the previous Community Reference Group meeting, your letter is both informative and compelling, and we thank you for it.

Hydro shares your concern about the remediation of the Kline street site, but must firstly point out a few facts in relation to these matters.

Firstly the Kline street site is not now, nor has it ever been owned by, or under the control of Hydro, or (to the best of our knowledge) any of the previous owners of the smelter. By way of background, Hydro has only owned the smelter since 2002 – previous owners of the smelter include Alcan (1968 to 1995), Capral Aluminium (1995 to 2000) and VAW Primary Materials (2000/2001).

Secondly, the current owner of the Kline street site, GJ Shield & Associates Pty Ltd (**GJ Shield**), was certainly aware of the contamination prior to its decision to lodge a Development Application with Cessnock Council in 2008 to carry out residential development on the site. Hydro is aware that GJ Shield obtained a Contaminated Site Assessment from GHD Pty Ltd in 2003 which concluded that the site is **not** suitable for redevelopment for either residential land use or commercial/land use without remediation of the identified contamination. Therefore, GJ Shield's decision to proceed with residential development was taken in full knowledge that the site required remediation and that it would be responsible for carrying out that remediation.

Both Hydro and yourself are bystanders and outsiders to these transactions, and so neither of us could reasonably have had access to this information.

Our understanding is that the person that illegally dumped both smelter waste and other types of 'fill' on the site over an unknown period of time, was not an employee of Alcan, but a civil earthworks contractor who also worked for a variety of other organisations, and owned the site at the time.

We believe that the actions of the civil contractor were unknown to the smelter management of the day, being Alcan – who owned the smelter between 1968 and 1995. In addition, Hydro could not possibly have had any control over the actions and management of civil contractors or smelter operations during this period because it only bought the smelter in 2002.

Despite the above, Hydro management appreciates that some of the material on site at Kline street is smelter materials that some decades ago came from the smelter. As a goodwill gesture, Hydro agreed with the current landowner/developer to receive the smelter materials back at the smelter site. This has saved the developer many thousands of dollars in the cost constructing the residential development at the Kline street site - and it will add a proportionate cost to the overall management and remediation of the smelter site.

Discussions between Hydro and the owners of the site have not previously involved the topic of costs, however costs have been raised by the owner in recent times, and discussions are ongoing. As you are a third party to these discussions we are not at this time in a position to share the details of commercial discussions that we are having with the Kline street property owner.

If Hydro comes to an arrangement with the owner that allows us to disclose any potential involvement of Hydro, we expect to write to you and to other neighbours of the site and keep you informed of site activity and possible impacts.

In relation to your second question, the fencing and signage of the Kline street property is the responsibility of the landowner, which could be delegated to the remediation contractor or other agent of the landowner. As Hydro has no current involvement here we can only suggest you ask this of the land owner or their agents. If you do not receive a satisfactory response, we would suggest that the regulatory bodies in these matters are the NSW Environment Protection Authority, Cessnock Council and possibly Workcover, and that you contact them.

In relation to your third question, please be assured that as a large global company with a high level of corporate social responsibility, Hydro takes environmental management very seriously.

For example, you will be aware that we have commenced our Community Consultation in relation to the remediation and redevelopment of the smelter site and buffer zone some months ago, even though we are not obliged to do so even now, and not until we commence the development of an Environmental Impact Statement (EIS), for the proposed project. This has included advertising in the local newspapers, the set-up of the Community Reference Group, writing to local Loxford residents and businesses, briefings to Councils and politicians, and the setting up of a community phone line (1800 066 243), a community email address, community.kurri@hydro.com, and a set of web pages on the Hydro web site www.hydro.com/kurri.

Because of the size of the Hydro redevelopment project, it will be put under considerable scrutiny and the EIS will be examined by both Maitland and Cessnock Councils, the NSW Department of Planning and the NSW Environment Protection Authority.

If approved, the approval will come with "consent conditions" that will impose monitoring, management, and reporting measures to mitigate environmental issues to an acceptable level.

If Hydro is found in breach of these conditions, or of other guidelines, work can be stopped on the project.

Mrs McGee, we hope that these answers to your questions are satisfactory. Please feel free to contact the project using the project contact details provided above. We hope that this matter can be resolved quickly.

Sincerely,

Richard Brown Managing Director

Hydro Aluminium Kurri Kurri

OCTOBER, 2014 matine in 1997; I answered the phone to a lady who anted to tack to Colin, as President of Landense, to ask is adrice regarding her small son's behaviour + alth. Col talked to the lady + argued to visit her me in Lorford. I went with him and listened as he told him the problems of her child. Col affered to he this information to our local GP. Dr. Kwa, who hed for a sample of the child's hair to send away testing. This was done and when the results came at Dr. Kura said the levels were dangerous and wised the family to move. We relayed this essays of advice to the lady who beame nearly poet & said they liked renting there and didn't and to more. fler about sin weeks we received a phone call say they had moved to somewhere outside essnock (I forget where) + the little boy was oring manuellously well. The tolanded us I I were heard from her again.

haria haybury. J.P.

WARRIA MARBURY J.P.