

18 June 2020

Mr. Stephen Barry
Office of Independent Planning Commission NSW
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Dear Sir,

Re: Brandy Hill Quarry Expansion Project (SSD 5899) – Applicant Submission

Thank you for the opportunity to provide a final submission on the Brandy Hill Quarry Expansion Project (SSD 5899). Hanson believe sufficient justification has been provided to support our request for secondary and tertiary processing and product despatch during longer hours than other quarrying operations. With this submission we are formally responding to some of the assertions and concerns raised by the community during the public meeting held by the Independent Planning Commission (IPC) on 12 June 2020. This submission also provides a brief summary of the matters raised by Hanson during the meeting. The following issues are discussed in this submission

1. Interactions with the community including the Community Consultative Committee
2. Existing impacts experienced by the community
3. Delivery of the shared pathway and bus bays
4. Peak traffic levels and road noise modelling
5. Koala and regional bushfire impacts
6. Daily load and haul limits
7. Comparison to other Projects
8. Community amenity

Interactions with the Community

As mentioned during the public meeting, Hanson acknowledges that during preparation of the Environmental Impact Statement the community consultation did not meet community expectations. However, since the public exhibition period finished, a lot of time and effort has been invested into engagement with the community, listening to concerns and refining the Project to address these concerns. Hanson has taken the position that a balance between the Project requirements, environmental impacts and social amenity for everyone in the community was needed. Engagement has involved establishing a Community Consultative Committee, hosting informal have-a-chat meetings, community visits to the Quarry and starting a registration process for community members to be informed of blasting, news and other Quarry-related events.

It is disappointing that community members have made assertions about their treatment by Hanson personnel. As the Commission would be aware, the CCC includes several members of the Brandy Hill and Seaham Action Group and at times discussions in the CCC meetings

have become emotive and heated on both sides. Meetings have been held over more than three hours at times and the length of time that this Project has been in front of the community has also contributed to tension. We refer the IPC to the minutes of the CCC meetings in relation to the assertions of statements made by Hanson and suggest the IPC contact the independent chairperson Lisa Andrews regarding behaviour by all members. Ms Andrews details are provided below.

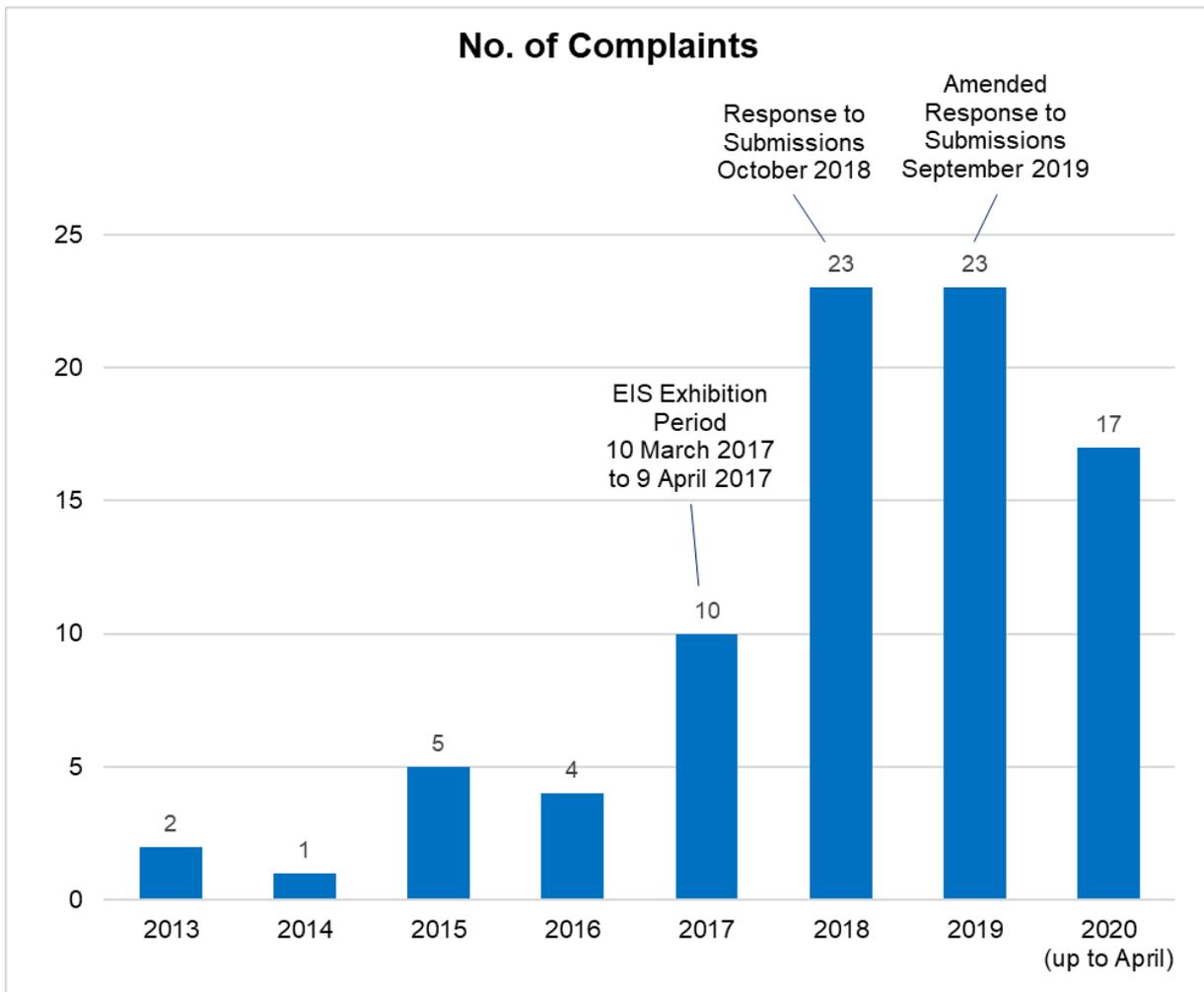
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Regardless of the assertions made, Hanson feels the CCC meetings have been productive and genuine in most cases. The insights and experience of members is appreciated with each member bringing a different perspective. The meetings have provided an avenue for Hanson to present refinements to the Project and receive feedback, sometimes delayed to allow members to discuss matters with other community members. This has included a review of how Hanson continuously manages its trucks and drivers. It is not expected that every member of the community will welcome the Project, however interactions with the community at the have-a-chat meetings, including with residents on Brandy Hill Drive, has also been positive at times. The incentive for supportive community members to participate in IPC processes is very different to opponents and there is also a risk of community stigma. On numerous occasions feedback reflected that the community accepts the presence of the Quarry and the need for it to operate, with queries directed at ensuring operating conditions were suitable. In addition, we draw your attention to the feedback presented in the Social Impact Assessment prepared by Key Insights. The consultation for the assessment of social impacts reached out to the broader community and reflected alternative views to those held by the CCC members.

Hanson condemns the alleged attacks on Ms Parslow Redman (as reflected in her presentation). Raising this matter in relation to the Project is however considered misleading and offensive. It should be clear to the IPC that although initial interactions with the community were not considered acceptable by the community, Hanson has made a clear effort to interact and listen to community members. The community concerns have not been simply dismissed as was alleged by some presenters.

Existing Impacts

Many of the presenters at the public meeting raised concerns regarding existing impacts of the operation. Again, it is disappointing that some of the assertions were not raised during CCC meetings or with Hanson directly but seemingly held back for this forum. It is notable that Hanson has an existing complaints management system with all complaints investigated and a response provided to the complainant. The following presents the number of complaints received since 2013 with key dates for the Project added. It is common that when an application is put forward for assessment the number of complaints increases either through increased awareness or an attempt to express dissatisfaction with the proposal. Review of the complaints over this period also highlights that 43 of 94 complaints were received from four people (all members of the Brandy Hill and Seaham Action Group) with most other complaints made anonymously or through the EPA. This is not to discount the issues raised or the importance of this process.



Hanson has also diligently responded to requests for noise and dust monitoring at properties on Giles Road. All monitoring has demonstrated that Hanson was operating within the criteria applied through the existing Environment Protection Licence for the Quarry. In addition, water tank water quality was tested upon request and demonstrated compliance with the New South Wales Private Water Supply Guidelines, NSW Health 2016. It is noted that chromium is a metal that is commonly found in the Earth's crust. Water testing was ceased when it was requested that Hanson sample 200 local water tanks. Hanson is comfortable that the testing indicates that water tank water is safe for drinking and for use in pools. Following discussion with one community member, Hanson modified the primary crushing equipment to provide better mitigation for noise generation. Hanson is open to these kinds of practical responses where it makes a difference to members of the community.

It should be noted that from the first CCC meeting the members put forward a request for enclosure of operating equipment to reduce noise and air quality impacts. Hanson has committed to constructing enclosures on processing equipment from Stage 1 of operations which would allow Hanson to mitigate for the increased intensity of the proposed ongoing operations. It should be noted that through discussion with the CCC, Hanson agreed to construct a three-sided enclosure for mobile crushing equipment that would principally be used for crushing small volumes of recycled concrete. This is over and above measures required for this activity, however Hanson understands the community's preference for this to be a component of mitigation.

Implementation of enclosures on equipment is an expensive and time-consuming process. However, to ensure community certainty, Hanson is comfortable for the conditions of consent to reflect that production would not increase above 700,000tpa (currently levels) until such time as the enclosures are in place.

Delivery of shared pathway and bus bays

Hanson appreciates the concerns of the presenters in relation to the timing for delivery of the shared pathway and bus bays. It is noted that reference to timing for delivery of the shared pathway by 2027 in Port Stephens Council documents referred to delivery that was 100% funded by Port Stephens Council and therefore is not relevant given the majority of funding is now being provided by Hanson. As noted in our presentation during the public meeting, a lot of time was spent negotiating with Port Stephens Council and at times involving the Department of Planning, Industry and Environment, in order to reach an agreement on funding and construction of the infrastructure. It was agreed during that consultation that Hanson should not be responsible for 100% of funding of the shared pathway given the relatively high volume of traffic using the road. It is noted that at no time did feedback from government agency review of the application indicate that a pathway was necessary to mitigate road safety risks caused by the Project. Rather it was noted that concerns about road safety may be mitigated through consideration of the provision of a pathway and better bus bays to separate pedestrians from traffic.

The outcomes of negotiations concluded with a commitment by Hanson to provide \$1.5 million to fund 75% of the indicative cost of the shared pathway. In addition, Hanson would provide funding for better bus bay infrastructure through forward payment of developer contributions. In order to speed up delivery of this infrastructure Hanson agrees to the following update to the terms of the Planning Agreement as presented in Appendix 7 of the draft conditions of consent.

- All payments would be made within 12 months of the commencement of the development, or as otherwise agreed under the executed document.
- Payment of the \$1.5 million funding towards the construction of a shared pathway would be made over four equal payments.
- The first payment (\$375,000) would be made immediately following execution of the agreement in order to fund design and planning for construction of the pathway and towards commencement of construction.
- Hanson would not increase production above 700,000tpa until the agreement has been executed and the relevant funding provided, unless otherwise agreed by the Planning Secretary.

It is important that there is flexibility for the executed document to amend the terms of agreement as the Planning Agreement is a legally binding document and conflicts between the possible outcomes and the development consent should be avoided. It should be noted that Hanson has no intention of deliberately trying to subvert this process and any change would need to be agreed by Port Stephens Council, which acts on behalf of the entire regional community.

Hanson has previously accepted Draft Condition A11 with regards to a limit on production of 700,000tpa until such time as the bus bays are constructed, as long as there is a mechanism for review by the Planning Secretary in the case of unreasonable delays by Port Stephens Council. Given that the proposed \$1.5 million funding has been estimated to provide pathway

infrastructure to 90% of properties on Brandy Hill Drive, it is not acceptable to limit production on the basis that funding has not been put to use by Port Stephens Council.

In summary, within 12 months of an approval, Hanson would expect the following to have occurred.

- All payments required under the Planning Agreement would have been made to Port Stephens Council.
- Six bus bays would have been constructed along the transportation route.
- Enclosures on all processing equipment would be in place.
- Construction of the shared pathway would have commenced or in the least a design and schedule would be finalised.
- Hanson would be in a position to increase production levels above 700,000tpa.

Peak traffic levels and road noise modelling

There are two important considerations that justify the proposed peak traffic levels associated with the Project.

1. A peak of 300 laden loads (600 movements) is consistent with existing peaks experienced for the operation.
2. Road noise modelling has confirmed that the change in road noise levels associated with the Project would be less than 2dB on Brandy Hill Drive in accordance with the assessment requirements of the Road Noise Policy 2011.

Over the past six years Hanson's operations have required annual peaks of between 270 and 520 movements in a single day. This is peak despatch and not predicted to increase substantially under the Project as it reflects delivery to large projects as well as supply to more regular delivery needs. It is notable that in 2016, when peak traffic of 520 movements occurred and extraction and processing would have been occurring over extended hours, there were no complaints received at the Quarry (a total of four complaints were received in 2016 – none during the peak traffic of 520 movements).

Discussion of traffic levels in many of the presentations at the public meeting and in submissions on the Project neglects the fact that 600 movements would be a peak, only experienced during extremely busy periods. It is necessary that Hanson assess the peak output in order to ensure that worst case outcomes are considered. Should Hanson operate at a traffic level involving 300 laden loads a day over 12 months, production would reach more than 3Mtpa (double the production rate that is being sought).

Further to this Hanson considers that road noise modelling has been conservative. In preparing this submission we have noted that during the presentation of Mr James Ashton, the speed of vehicles applied in road traffic noise modelling was raised. It is true that heavy vehicle traffic was modelled at a speed of 60km/hr by Vipac Engineers and Scientists (please refer to Section 6.7 and Table 33 of the Updated Noise Impact Assessment). However, this was consistent with a commitment made at that time to limit the speed of trucks on Brandy Hill Drive to 60km/hr as a mitigation measure to reduce noise and improve road safety. It is noted that there was no outcome of assessment directing this decision but a decision by Hanson in response to engagement with the community. The road traffic noise modelling undertaken at the time the EIS was submitted modelled vehicle speed at 80km/hr but was later refined.

Hanson implemented a speed limit of 60km/hr shortly after the Response to Submissions document was submitted to the Department of Planning, Industry and Environment. Unfortunately, feedback from Hanson drivers and the community in response was that the slower speed of heavy vehicles was frustrating light vehicle drivers who were illegally trying to overtake vehicles. This presented an increased safety risk and was ceased.

It should also be noted that the cumulative impact of traffic associated with the Martins Creek Quarry Project was included in the road traffic noise modelling in the Updated Noise Impact Assessment. As previously mentioned, this traffic would no longer occur under current plans for that quarry. Therefore, the cumulative impact from these trucks (180 movements during the day time and 24 at night time) would no longer occur.

We have liaised with the noise consultants at Vipac Engineers and Scientists and they have indicated that it is likely that a change in noise from the increased speed would be more than accounted for by removal of the additional trucks originally proposed by the Martins Creek Quarry. Unfortunately, the deadline for closure of submissions did not allow time for this modelling to be updated.

Regardless, Hanson considers that the road noise modelling over predicts impacts. Hanson has been proactive in our engagement and refinement of the Project over the last two years, with the intended speed limitation being one measure that was not appropriate once implemented. We are confident that the peak daily traffic movements proposed in the draft conditions of consent remain consistent with peaks experienced in current operations, have been thoroughly assessed and remain appropriate.

Koala and regional bushfire impacts

Hanson considers it has been conservative and proactive in its consideration of potential impacts to the Koala, including commissioning two additional assessments since the Amended Response to Submissions document was finalised.

- Consideration of impacts in accordance with SEPP Koala Habitat Protection 2019
- Assessment of impacts of summer 2019/20 bushfires on EPBC listed species including the Koala.

Both documents are provided with this submission. While few Koala were located during field surveys, much of the vegetation within the Quarry Site is Koala habitat. So, while the Project ecologists did not find abundant evidence of Koala use and breeding, there is sufficient evidence that the area may be used by the species. Community members have also provided videos and photos of Koala on their properties as evidence of the species' presence. As the species may occur and habitat is going to be removed, the impact must be considered significant under the assessment guidelines and therefore requiring offsetting. The assessment is a strictly technical process designed to ensure that potential impacts are thoroughly assessed and understood. Biodiversity offsetting is also a technical process that converts the level of impact to credits that are required to be satisfied. What appears to have been overlooked in the community presentations is firstly Hanson's actions to avoid and mitigate impacts to the Koala in planning the Project and secondly that the establishment of biodiversity offsets for the Koala provides in perpetuity conservation areas for the species (as well as others that may use similar habitat). Therefore, offsetting provides a higher level of conservation than properties on which vegetation may be cleared to construct a pool or a shed. The level of offset required is designed to be commensurate with the impact and is cost

prohibitive, ensuring that clearing for development only includes what is needed.

Further to this the consideration of the impact of regional bush fires in NSW in the summer of 2018/19 identified that less than 1% of habitat for the Koala (and other species assessed) was impacted by fire in the Port Stephens LGA and IBRA subregion. Therefore, it was concluded that the impacts assessed for the Project have not been exacerbated by recent bushfires. This includes a small patch of vegetation to the north of the Quarry and located in the Dungog Local Government Area.

Both additional assessments undertaken have not changed the outcomes of the Project with regards the Koala. The outcomes of assessment have been accepted by the NSW Biodiversity Conservation Division in accordance with the Biodiversity Offset Scheme and are consistent with requirements under the Commonwealth Environment Protection and Biodiversity Conservation Act 1999 (as assessed under the bilateral agreement between the NSW Government and the Commonwealth Government). It is noted that Hanson have commenced discussions with a neighbour to the north of the Quarry who holds all the offset requirements of the Project. Notwithstanding this, the property contains remnant vegetation that may be used as an offset should it be needed.

Daily load and haul limits

A discrepancy between the draft conditions of consent and the general terms of approval for a future Environment Protection Licence provided by the EPA has been noted by the Commission and it is considered important that Hanson confirms its position on this matter.

Consultation with the EPA following provision of the general terms of approval identified that a daily extraction limit of 5,000 tonnes per day was taken from the emissions inventory assumptions included in the air quality impact assessment submitted with the Environmental Impact Statement for the Project. As future updates and a complete revision to the air quality assessment did not include reference to this assumption, the EPA assumed it had not been changed and applied it in its terms of approval. This inclusion ignores how the level was established and what it was used for when applied in modelling. In fact, updates to the assessment (most importantly relating to operating hours) would have necessitated update to the assumption. In response, Hanson commissioned Todoroski Air Sciences to prepare an addendum report to their air quality assessment that reverse engineered daily extraction levels to meet criteria levels. The additional assessment identified that up to 24,000t may be extracted per day in Stage 1 and Stage 2 while maintaining compliance. This decreases to 10,000t per day in Stage 4 and Stage 5.

In summary, the daily extraction limit provided in the EPA general terms of approval relies on an invalid assumption and grossly overestimates the impact of the operation. The Todoroski Air Sciences addendum report is provided with this submission and would be provided to the EPA should approval be granted and Hanson needs to apply to vary its existing Environment Protection Licence. It is noted that the hours of operation proposed in the draft conditions of consent would provide an alternate limit on possible daily rates of extraction.

Comparison to Other Projects

The presentation of Mr James Ashton compared the Project to other quarries in the region and to operations in Marulan. Mr Ashton presented other quarries in the region that have

direct access to the Pacific Highway. This review omits that Clarence Town Road and Seaham Road are both major sub-arterial routes that are designed and managed for heavy vehicles use. These roads connect regional areas with the Pacific Highway at Raymond Terrace and the New England Highway at Maitland. In addition, Brandy Hill Drive was originally built for access to the Quarry as a bypass of Seaham (consistent with Multiquip in Bungonia) with residential areas progressively densifying around it. There is existing heavy vehicle use of these roads and no limitations on the hours they may be used for freight purposes.

Mr. James Ashton also compared the mitigation provided for quarry operations in Marulan with that proposed at Brandy Hill. What the comparison failed to note was the significant level of production involved in quarry operations in Marulan. These projects were presented as a standard for mitigation and infrastructure provision but are approved to produce up to 4Mtpa of materials. This may be compared to the proposed limit of 1.5Mtpa for the Project and therefore comparison with other project of significantly larger scale is not considered appropriate.

Use of Coal Fly Ash

The intended use of coal fly ash in concrete batching (from Stage 4 of operations) was discussed in Section 2.13 of the Amended Response to Submissions. Coal fly ash is a by-product of coal combustion in power stations and is used to enhance durability and other concrete performance characteristics of concrete. Ground granulated blast furnace slag is another similar material that may be used for the same purpose. Its use in concrete production provides for the beneficial use of what would otherwise be considered a waste material. It may replace cement in the concrete manufacture process and therefore avoids the need for cement production that is energy intensive. It is standard practice for cementitious materials to be transported in pneumatically sealed tankers and transferred to storage silos via a pneumatic pressure system and hoses.

Consistent with Hanson's numerous concrete batching facilities that make use of this waste material, it is considered common and low risk.

Community amenity

Hanson acknowledges that consideration of community amenity is separate to technical compliance established in guidelines but notes that in most cases the guideline levels are intended to protect community amenity (health and annoyance) and are therefore likely to be a reasonably appropriate guide. Nonetheless, different impacts are perceived and experienced differently by different people. Hanson remains confident that the potential impacts raised by some members of the community would not be experienced in the manner that is expected. Further to this, the following is relevant to the consideration of community amenity.

- The operation would not feature 600 heavy vehicle movements on every operating day.
- Hanson has committed to provide seven days notification to interested community members of the intended night time despatch (that would only occur on a maximum of 20 nights per year).
- Noise and dust impacts would be mitigated by enclosure of operating equipment.

- All assessment outcomes for amenity matters were acceptable.
- Both proactive and reactive measures would be used to ensure that amenity is not significantly impacted.
- The operation would be subject to monitoring, reporting and independent audit requirements.
- Hanson would implement a Sponsorship Policy designed to provide direct investment into the local community. A copy of this policy is included with this submission.
- Hanson has committed to presenting an update on the operation, including monitoring outcomes, to the community each year (in a have-a-chat style meeting). Feedback from this process would be included in the Annual Review reporting provided to the compliance section of the Department of Planning, Industry and Environment.

Community expectations of impact and the outcomes of assessment differ but this is consistent with most major projects. Our experience with other operations indicates that this is matter of the community experiencing the operation once commenced to demonstrate that predicted impacts are close to reality. Regardless, Hanson would have in place the necessary monitoring, reporting and complaints procedures to respond where needed.

Yours sincerely,

HANSON CONSTRUCTION MATERIALS PTY LTD

A handwritten signature in black ink, appearing to read 'A. Driver', with a long horizontal flourish extending to the right.

ANDREW DRIVER
Development Manager