

Submission to PAC For the Gunlake Expansion

The recommendations by the DPE to the PAC concerning the Gunlake Expansion are disappointing as the Department seems to adopt the concessions made by Gunlake to the original Gunlake submission without any independent research by the DPE. Nor does it make any significant conditions covering the community's concerns over the haulage route.

The impact of the haulage route on local residents is a major concern for safety, dust and noise reasons. According to the DPE submission in clause 5.1.2 tables 2 and 3 the average volume of heavy vehicles will increase by 85% on Brayton Rd and on the Ambrose Rd by 82%. At peak times the increases will be 160% and 240% respectively. These vehicles are on rural roads and are a problem at the current levels of traffic.

Viability of Alternative Routes

The lack of transparency and clarity over the alternative route studies presented by Gunlake makes a proper assessment of these routes not possible by the public and or the Department. An example of the problems is illustrated by the study of the private road via Holcim.

In Clause 7 the DPE concludes that adoption of alternative haulage route via Lynwood Quarry or by a rail option would " result in the project becoming unviable". This conclusion is based on studies undertaken by EMM and Hatch and paid for by Gunlake, without any independent research by the DPE. The additional cost for the private haulage route via Holcim is \$44m (according to EMM). The profit per tonne from the project is believed to be \$6 per tonne or \$12m per year, or over the life of the project is \$360m. The private route may have additional capital cost, but it will clearly not make the project unviable.

The costs for the route via Holcim have not been detailed and I believe they are inflated. I doubt if the Sec 94 contributions to Council have been taken into account. The current charge is \$0.0462 per tonne per kilometre. The cost per year would be \$647,000 and for the life of the project \$19.4m. By using a private route or any other alternative route, Gunlake would not be liable for the \$19.4m Sec 94 contributions. It should also be noted that the Sec 94 charge will increase over time in line with inflation, whereas the capital cost of the alternative routes would be fixed and amortised over time.

In Clause 5.1.4 the DPE quotes an EMM study as calculating that the net present transport cost of moving the product to the Hume Highway by using the existing route is \$240m, while the route through Holcim is \$284m. An increase of \$44m or \$0.73 per tonne over the life of the project. This figure does not take into account the savings made by not being liable for the Sec 94 contributions to Council.

Further, according to the DPE the EMM studies claim that the South Marulan Interchange built by Holcim at a cost \$20.6m, that Holcim would require a contribution from Gunlake to help defray its cost. At Clause 5.1.5 the DPE states that "The Department's position on the matter must be that the South Marulan interchange has been transferred to the RMS and forms part of the State road network. Therefore, the Department is unable to treat it any differently from any other road in the State network." Thus a payment to Holcim for the use of the interchange would not eventuate. Therefore the costs for the use of the Holcim route are overstated. It should be noted that Gunlake vehicles returning from the north already use the overpass without payment to Holcim.

Social Objections to the Holcim Road Option.

The DPE lists these as:

- 1) Clearing of 7.3 hectares of land would need to be cleared (1 ha of Endangered Ecological Communities, 3.3 ha of potential EEC and 3.8 ha of other native vegetation),
- 2) Potential sites of aboriginal significance, and
- 3) Private land that would need to be purchased or suitable easement arrangements made.

In clause 5.4.9 the DPE states that the project proposes to remove 12.2 ha of woodland and 41.9 ha of grassland vegetation including 15.8 ha of EEC/CEEC box gum woodland, but “the department is satisfied that this impact and other impacts can be adequately managed, mitigated and/or offset”. Why could the plan not include the 1 ha of EEC box gum woodland required for the road?

Potential aboriginal sites. Are there aboriginal sites or not?

In table 13 the Department states the field survey in 2015 found 15 sites in the extension area. The highest concentration of artefacts was found on the hill crest in the proposed overburden placement area. The Department notes that “the majority of sites to be impacted are of low archaeological value and typical of sites found in the surrounding area”. The Department concludes that “it is satisfied that the project would have a very low impact on Aboriginal cultural heritage values and that appropriate measures would be put in place to manage sites and artefacts that are impacted”. Clearly any aboriginal sites found where the road would go can be managed. To dismiss the option because of potential aboriginal sites is just unconvincing.

The developer has stated that the private land between Gunlake and Holcim is not for sale. It is difficult to believe that the owner of the land would not wish to sell when sandwiched between two quarries. Properties are always for sale at an appropriate price.

Safety Audit on Ambrose and Red Hills Rd.

Lyall Marshall and Partners conducted a safety audit of the existing haulage route. They made a number of recommendations which included acceleration lanes, widening the Ambrose Rd/ Brayton Rd Intersection and reducing the speed to 80km per hour. These are all welcome as the bypass has issues at both the Brayton Rd and the Hume Highway intersections. However it does not address the problem of bad visibility for vehicles turning left from Ambrose Rd to Brayton Rd. There is a dip in Brayton Rd which hides the turning driver’s view of approaching traffic. There has been at least one incident of a quarry truck colliding with a turning car.

There is major safety issue with Ambrose Rd that has not been addressed. This the T intersection in the middle of the road at the top of the steep climb. Visibility for vehicles turning either right or left from Red Hills Rd is limited to less than 100 metres. Even in good visibility the intersection is hazardous and at night or in foggy conditions treacherous. There have been numerous near misses of trucks coming up behind a car that has just turned from Red Hills road onto Ambrose road.

The steepness of Ambrose Rd must be mentioned. It is a straight climb with an inclination of 10 deg. I have witnessed a fully laden B Double quarry truck stopped on the hill unable to start again. This truck was holding up several other trucks and a number of cars waiting to go up hill and at least two cars going down. The only option for the driver was to reverse down the hill to a flatter point. To do this he need to use the entire road (reversing a B Double is a highly skilled exercise). While it was

achieved successfully it was in day light and in good weather. At night or in fog the driver could easily have gone over the side which would have probably rolled the vehicle.

Haulage Route Noise

The EMM noise study was referred to EPA for assessment. In clause 5.2.6 the EPA is quoted as saying "the EPA noted that the impacts of increased road traffic would be felt by residents along the primary transport route and questions whether there may be an alternative transport option available to Gunlake". Clearly there are options that are economically viable. However the Department states that it is satisfied that there is no other option that is economically viable. How has the Department come to this conclusion without dissecting the various studies? If it has done a study where are the figures?

It seems that the DPE is merely accepting Gunlake's figures which support Gunlake's preferred option. This behaviour is hardly looking after the community's interests, which they state they are doing.

Community Consultation

Despite Gunlake's claims to the opposite, community consultation has been reluctant and sparing. I am a member of the Community Consultative Committee which I imagined would be the principal vehicle through which community views would be sought by Gunlake and would be presented to Gunlake. The committee was not invited to participate in the preparation of the initial submission for the expansion or to comment on any of the aspects. There has only been two meetings since the lodgement of the proposal, one at our request to discuss the proposal after it was lodged and the second when we were presented with Gunlake's response to the community submissions.

Gunlake prefers to use a "fact sheet" which is little more than a document justifying their actions as is the use of a PR company.

To date the committee has only existed to satisfy a requirement of the Department.

Where external experts are required to monitor aspects of Gunlake's operations (such as noise, air quality, driver behaviour etc.) their reports should be made available to the members of the CCC.

Conclusion.

The use of Brayton, Ambrose and Red Hills Rds., as the primary haulage route is inappropriate. The route is dangerous and has a major impact on residents. There are alternatives which are not economically prohibitive.

The Ambrose Rd route was built by Gunlake to minimise heavy vehicle traffic through Marulan. This road was approved when the production level was 250,000 tpa. Approval was given despite wide community objections and submissions for Gunlake to have a private haulage route via the South Marulan Interchange. This option was rejected as it was claimed that the production volume did not justify the additional cost. It is now proposed for production to reach 2,000,000 tpa, eight times the original amount. This volume easily justifies the cost, and the building of an alternative route will also remove haulage route objections for any future expansions beyond 2,000,000 tpa. Such a policy would also go a long way to appeasing community hostility. There is probably sufficient resource in place to last for ninety years and the probability is that the company seek a further increase in the future. We need a solution now that will last for the long term.

It is clearly in Gunlake's and the community's long term interest for an alternative to be found to the existing primary haulage route either by road or by rail.

The Commission is urged to independently verify the veracity of the various studies supplied to Gunlake by its consultants.