



Gunlake Quarry Extension Project – D447/16
Submissions to the Planning Assessment Commission
Public Hearing in Marulan
31st Jan 2017

In many ways, Holcim and Boral have set the standard for effective, efficient and responsible integration of extractive industry into sensitive rural communities.

The Towrang Valley Community requests the P.A.C. to require all industry participants, or aspiring participants, to meet these same standards?

Good morning. My name is Geoff Pearson. I am the President of the Towrang Valley Progress Group.

Holcim Example

At the outset, let me state we are not against Economic Development, Industry or even Quarries. Quite to the contrary. The Holcim Model is useful in many ways.

- For more than 3 years we have worked with Holcim re the development and expansion of its Lynwood Quarry at Marulan (next door to Gunlake)
- We resolved a major problem with lighting impacts
- We came to agreement with their proposed development of a major new Granite Quarry pit further into the Towrang Valley.
- Holcim's Consultants recognised the Towrang Valley as "*a pristine rural environment*" and they worked closely with us to protect the environment and the local community.
- In July last year we threw a party for them, presented the CEO and senior management with a painting. See Press Clipping "*After more than 20 years in the quarrying industry, I have never experienced anything quite like this*"

I only mention this to point out - We are not against responsibly run Quarries, or Economic Development.

Environmental Planning and Assessment Act 1979 – Objects

We note, and totally support the Objects of EP&A Act 1979. s5.

- s5 (1). *The Objects of this Act are;*
to encourage: the proper management, development and conservation of natural and artificial resources, including agricultural land, natural areas, forests, minerals, water, cities, town, and villages for the purpose of promoting the social and economic welfare of the community and a better environment.
- **It is not about finding the lowest cost** (highest profit) options for the Proponent. It about protecting the interests of "*the Community and a better Environment.*"

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- We believe Gunlake's Expansion Application and the Department's recommendations in their present form, fly in the face of these Objectives.

Our Submission

Our submission today is really quite simple. Gunlake's Application seeks;

- An increase in Quarry Footprint from **45 ha to 99 ha** (a 120% INCREASE in size)
- Increase Production of Hard Rock Products from **750,000 t.p.a. to 2,000,000 t.p.a.** (a 166% increase)
- Increase Truck Movements on local roads from **164 per day to 440 and up 590 trucks** per day – 24 hours a day
- Increase Crushing of hard Rock products from **11 hours a day to 24 hours** a day
- This will produce just **7 new jobs** at the quarry. From 25 up to 32.
- This Impact on the Local Community will be significant, the benefits quite minimal.
- Where their competitors, Holcim and Boral, have spent in excess of **\$200m and \$150m** to build similar plants, Gunlake propose spending just **\$3.2m** on this Expansion Project. Industry experts tell us Gunlake should be spending in excess of **\$100m** to meet industry standards, for project of this size.
- This Expansion, if granted, will generate gross receipts to Gunlake in excess of **\$1.4 billion** over the next **30 years**. The site has 90 years of product.
- To suggest we are dealing with a company that wants to invest the absolute minimum, take the maximum gain and leave the community with the real costs, seems quite an understatement.
- In such a case, one would expect particularly rigid and strict Development Consent Conditions. Yet we seem to have the opposite.
- This is neither fair to competitor companies who do the right thing yet have very strict Development Consent Conditions nor does it seem to comply with the stated Objectives of the Environment Planning and Assessment Act.

We are asking the P.A.C. for assistance to remedy this apparent contradiction.



Gunlake Draft Consent Conditions – vague, equivocal and weak

We suggest the Draft Development Consent for Gunlake be amended to bring it into line with the Conditions already imposed on Holcim.

- Whilst Holcim is required to implement “*all practicable measures to prevent or minimise harm*” Gunlake is only required to implement “*all reasonable and feasible measures*”? –P.A.C. members will recognise, there is a big difference between the two.
- Note **Holcim’s Statement of Commitments**, (see attached) voluntarily designed and agreed in consultation with the community. Holcim have agreed to pursue very specific and definitive outcomes and to continue to do all they can to achieve them.
- Gunlake’s proposed Statement of Commitments are Vague and Equivocal.
 - “*crusher will be enclosed*” – in what?. A tin shed, shade cloth on poles or a properly fit for purpose sound proof shed similar to that employed at Holcim’s Lynwood Quarry next door.
 - Air Quality –Why “*measures to be implemented to enable Gunlake to continue to manage potential air quality impacts effectively*” , why “*USA EPA*”? Holcim must comply with Australian Standards. Why only “*where practicable*”? and in whose opinion *is it “practicable”*? Why just for “*new plant*”? Why just “*consideration of the following factors*” Why isn’t compliance or satisfying such factors mandatory?
 - “*Fit and Monitor GPS technology to Gunlake owned trucks*” A large number of trucks employed are contractors trucks and not owned by Gunlake. Why isn’t *this all truck engaged by Gunlake?*

Transport Options

Rail has not been seriously or genuinely examined

The Department seems to have accepted Gunlake’s proposition that using Brayton Road, Ambrose Road and the Hume Hwy is the most financially advantageous option open to Gunlake.

- Gunlake have been asked on two separate occasions by the Dept to identify and describe “*all reasonable options to reduce transport of quarry products on local roads... and to use either existing rail infrastructure at Lynwood Quarry or new rail infrastructure....*” - SEARs provided by Howard Reed to Gunlake 13th October 2015. Gunlake failed to provide such analysis in their E.I.S. of February 2016. In fact Gunlake failed to even speak to Holcim about using the Lynwood Quarry rail infrastructure.
- Gunlake were again directed by Howard Reed on 25th May 2016 – “*the Department is not satisfied that Gunlake has provided a detailed assessment of the rail options as required, particularly as it would appear that Gunlake has not approached Holcim regarding the potential for using its rail infrastructure at the Lynwood Quarry. Gunlake is required to undertake further work....The analysis should include a comparison of the **costs of the two scenarios**, with regard to the full range of economic,*



social and environmental costs, including external cost of traffic congestion, carbon emissions and road accidents.” (emphasis added)

- Again, There is No Evidence this has been done.
- Gunlake acknowledge this lack of consultation in their Response To Submissions.- Note Clause **6.8.5**. *“There were seven submissions that raised that Gunlake did not sufficiently engage with Lafarge Holcim relating to the use of their rail system. Consultation with Lafarge Holcim is described in Section 4.4.4.”*

Clause **4.4.4** however says;

*“Gunlake met with Lafarge Holcim on the **9th June 2016** to discuss access to the Lynwood Quarry to allow rail loading from, or adjacent to, Lafarge Holcim’s rail loading facility... Lafarge Holcim required Gunlake to sign a confidentiality agreement regarding these discussions so detail of these discussions and subsequent discussions cannot be provided.*

This contradicts an email sent by **Ed O’Neil** to the Community dated the **4th June 2016** saying, *“We have started discussions with Holcim to seek access through their quarry and hope there will be a solution with this...”* This was clearly inaccurate.

- There is still no evidence of real consideration of use of the Holcim Lynwood Quarry rail infrastructure as twice directed by the Department. Of the 20 options put forward by Gunlake none of them consider the straightforward use of Holcim’s rail siding.
- None of them consider the use of an **Overhead Conveyor** joining the two Quarry Sites. These two sites are only **500 metres apart**. Gunlake confirms this at page 76;

“the analysis does not specifically include a conveyor to transport quarry products from Gunlake Quarry to a rail loading facility in Lynwood Quarry or adjacent to the Main Southern Railway as there were no substantial savings to be made and the outcomes of the analysis would be unchanged.”

There is no evidence to support any case for accepting or rejecting the use of a conveyor. Holcim has advised the TVPG it would be very open to considering such a proposal.

- **There is also no real analysis or detail provided on the costing of externalities. Only a series of bar graphs.** If the margin between net benefit to the community and net loss, as suggested by *Gillespie*, is as thin and tenuous as suggested, perhaps the project should not proceed. **At best independent and objective analysis is warranted.**
- **How is it that both Boral and Holcim can run their operations successfully and profitably, using rail and not local rural roads, but Gunlake can’t?**

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- We submit that, given the scale of the impacts of this Application, the PAC should use its power to engage independent and objective experts to fully analyse and report on these matters.

Gunlake's Proposed Alternative Road Options

Gunlake offer and then dismiss “20 alternative road and road/rail options as” not financially viable. This is a cynical and misleading attempt to try to justify the use of their preferred **Option 1** – use of Brayton Road, Ambrose Road and the Hume Hwy. We note;

- Gunlake were required to *compare the full costs of using local roads against the costs of using the existing rail infrastructure at Lynwood Quarry. They have not done this.*
- To propose construction of additional haul roads through the middle of the “pristine rural environment” of the Towrang Valley is not a solution.
 - This simply shifts part of the problem into, as yet, untouched environmentally sensitive area. eg right beside the **Wollondilly River that feeds Warragamba Dam.**
 - **590 Quarry Trucks per day through the middle of the Towrang Valley would cause massive disruption and shatter the rural amenity. It would cause major damage to both the environmental and the local community.**
 - It would be in direct contravention of the Objectives of the EP&A Act 1979.

These proposed “alternatives” are not viable, not genuine and designed simply to distract from Gunlake’s failure to fully and properly develop a case for “*use of existing rail infrastructure*” as requested.

Annual Quarry Limits to be Covered by Monthly Caps

- We Note Condition 7 of the proposed Gunlake Conditions which provides; “*The Applicant must not transport more than 2 million tonnes in any calendar year.*” – if evenly spread across the year, this would equate to 166,000 tonnes per month or 5,555 t per day. Across the anticipated average 220 loaded trucks per day this would require payloads of 25 t per truck load.
- However, we note, the truck size is not limited. If production levels should be lost (due to poor weather, maintenance requirements etc) or transport is delayed (unanticipated road repairs) then much larger trucks could be employed and up to 590 truck movements per day, for many days, could be used to “*catch up*” to the bald annual total of 2,000,000 tonnes.

The TVPG has suggested to Gunlake that it impose a limit to the number of days 590 truck movements could be used. Gunlake has refused

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- 590 trucks per day is **one truck every 2.5 minutes**, 24 hours a day, and they will bunch up. They do now. Two, or three or four or more trucks of this size all attempting to entry the Hume Hwy at one time is a recipe for disaster, on a major scale.

Limit Truck Sizes and impose Monthly Transport Caps

(Should Rail Transport not be employed)

- There needs to be a **limit on truck size** that can be used and a **monthly cap on volume** which is 1/12 of annual total volume. Any monthly shortfall cannot later be “made up”.
- If Gunlake lose transport ability due to road degradation, it must be to their loss and not the communities. The local and broader community should not bear the full brunt of this folly. If, as Gunlake maintain, Brayton Road and Ambrose Road are in fact quite suitable for this massive level of truck use, Gunlake should have no problem accepting such a condition.
- We note Holcim Consent Condition 8 –“Limits Holcim road transport to no more than 1.5m.t out of 5 m.t. (30%) by road per annum”. In fact they move far less by road.
Why is it that Gunlake are allowed to transport 100% of their product by road?
- **How much do Holcim currently transport by Road???** They tell us they believe “*any more than 40 to 50 truck movements a day on roads like these would be quite unreasonable.*”
- We ask the **Commission to speak with Holcim** senior management and put these questions to Holcim.

Noise

Gunlake Quarry already imposes a major noise impact on the Towrang Valley

We have asked these questions on many occasions but have not received any answer. At no time has anyone from Gunlake visited our home, nor has there been any suggested that a properly qualified sound expert visit to monitor or assess or seek to address these problems.

The proposed Consent Condition suggest this noise reduction be achieved “**By enclosing the crusher**”

- It does not define what “enclose” means.
- It does not say what the Crusher be enclosed in. What sort of structure would be required?
- Is it only the primary crusher that we can hear? Or does other on site equipment and processes add to the sound that invades the Towrang Valley.
- **Holcim** have set the standard with their **Crusher Shed** (you can stand next to it and not hear the crushing occurring inside)
- **Holcim have enclosed all major equipment and processes in appropriate sound absorbing facilities.**
- Why not impose the **same standard on Gunlake?** Holcim crush now, 24 hours a day, in their shed and no-one can hear it.

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- **Why won't Gunlake agree to enclose their crusher in a Holcim Style Shed now, regardless of Expansion Application, as a gesture to minimising their impact on the local community?**

We encourage the PAC to inspect this Holcim facility and the Boral facility. Compare it to the existing and proposed minimalist facilities employed by Gunlake.

Gunlake should be required to invest in and employ the same standard of infrastructure used by Holcim at its neighbouring Lynwood Quarry?

- Condition 3 provides, "The Applicant must engage a suitably qualified and experienced acoustical practitioner..... to show a 5db reduction" This will do little:
 - A "5db" drop is not the target. We refer again to **s 5 of EP&A Act**
 - Such an "acoustical practitioner" will be a consultant chosen by Gunlake, instructed by Gunlake and paid by Gunlake – unfortunately we have little faith in these "hired gun" consultants. The community will not be able to respond effectively to such a consultants "findings".
 - Moreso, this will not achieve the Objectives of the EP&A Act.
 - Gunlake must be required to build a Holcim Standard Shed
 - Gunlake must also be required to commit to a Holcim style Statement of Commitments, with Objectives to Achieve the best outcomes for Community and Environment "practicable" listing specific and precise means for achievement. In particular Holcim have committed to;

Holcim will do everything practicable to ensure operational elements of the proposed granite quarry pit and associated works... do not impact the existing residences in the Towrang Valley and surrounds as far as is practicable in relation to noise, dust and vibration."

- Further, we note the Holcim Commitment;

"When from time to time during the quarry licence period improved technical innovations emerge that would deliver an improved outcome to the above objective Holcim will promptly adopt these innovations where practicable."

Similarly to Holcim, the Gunlake Licence will be for **30 years** and there is **90 years** of product at site. The Consent Conditions must reflect the Objects and Intent of the EP&A Act, Community Expectations Commitments must be clear, unequivocal, enforceable and must meet the expectations of the growing community in this area. They must ensure adoption of continual improving means to prevent or mitigate impacts of industry on community and the environment

- **Condition 6. Noise Impact Assessment Criteria**

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- Noise limits do not apply if wind speed is over 10k.p.h. or if there is a temperature inversion
 - Those are precisely the climactic conditions when the quarry noise travels across the Valley.
 - In absence of **Holcim style Commitments**, there must be an independent and expert Sound and Weather consultant report, to assess the source of such sound and the means by which it can be suppressed or eliminated.

 - **Condition 7. Operating Conditions.**
 - The Consent Conditions should include a definition for “**Best Practice**”
 - Consent Conditions should be amended to use “**prevent and/or minimise**” not just “minimise”
 - d) provides, “**The Applicant must regularly assess noise monitoring data and modify or stop operations.....**” We believe it highly unlikely Gunlake, given its past activities and displayed attitudes to the public, would modify its operations let alone “stop operations” to avoid excess noise unless compelled to by the appropriate authorities.
 - Gunlake should be required to “*report all noise monitoring data to the Secretary or the EPA*” or some appropriate third party and to “*Publish all noise monitoring data, as obtained and audited by a third party...*” The Community has very little faith in Gunlake’s ability to effectively or ethically self-monitor.

 - **Condition 14 - Air Quality**
 - The Condition should be amended to read “all practicable” not “reasonable and feasible”
 - Note Holcim have attached tubes or “*snorkels*” to their stock pile conveyors to minimise dust dispersion. Gunlake should be required to install similar equipment.

 - **Condition 39 - Visual Impacts**
 - Gunlake should be held to the same standard as neighbouring Holcim. Whereas the Gunlake condition only requires;

“The Applicant must implement all reasonable and feasible measures to minimise the visual and off-site lighting impacts of the development to the satisfaction of the Secretary.”
 - The Consent Condition for Holcim (Condition 50) requires;

“The Applicant shall take all practicable measures to prevent and/or minimise any visual and off-site lighting impacts of the development.”



PAC might enquire a softer standard was proposed for Gunlake.

A Need for Independent, Accurate, Complete and Unbiased Expert Reports

- So far, the only “expert” opinion on any of the issues received by the Dept so far have been from consultants selected by Gunlake, directed by Gunlake and paid for by Gunlake.
- The Community is not in a position to engage Properly Qualified and Independent, Accurate, Complete and Unbiased Expert Reports in response.
- The Community submit that, given the massive impacts this Expansion could have, it is essential that truly independent, objective expert advice is sought to give an accurate and complete picture of Costs, Benefits and Operating Alternative Options.

Complete Rail Supply Chain Was Always Available

The TVPG has confirmed through meetings and discussions with **Holcim, Chicago Freight, ARTC, and the S.A.D.A Group** who run the Glenlee Rail Receiving Facility that a complete rail supply chain appeared to be open to Gunlake to ship 1.5 m.t.p.a. of product from its Marulan site to Sydney, with minimal capital expenditure. None of these options appeared to be fully or genuinely explored in the documents provided to the Department.

The PAC might also wish to enquire why Gunlake has not taken full advantage of these opportunities.

Thank you,

*Geoff Pearson,
President,
Towrang Valley Progress Group*