

**Supplementary submission to the New South Wales
Department of Planning and Infrastructure
re Port Kembla Grain Terminal Application DA 0844/672 MOD 1
Philip Laird, University of Wollongong, August 2011**

As before, the exhibition by the New South Wales Department of Planning and Infrastructure of the relevant Environmental Assessment and inviting of submissions is appreciated. Like the writers primary submission, this submission is based on research conducted at the University of Wollongong. This research was supported, in part, by various government agencies at a federal and state level. However, the views and research findings remain the responsibility of the writer.

The initial proposals of the Port Kembla Grain Terminal (PKGTT) are basically two fold: to lift a long standing curfew on grain truck deliveries to the loader and to expand road receipt of grain from limit of 200,000 tonnes per annum.

On 3 August 2011, the applicant lodged a response to some 11 submissions, that addresses 12 counts. Setting aside an all too brief consideration of access pricing of roads for heavy trucks (item 5), these items do not include any include consideration of external costs and little if any about cumulative impacts.

In regards to external costs, it is of note that in December 2009, the a NSW Legislative Council Committee (GPSC No 4) issued a report 'Privatisation of FreightCorp' with some 15 recommendations including #12.

That the New South Wales Government ensure that economic appraisal of major road and rail infrastructure projects incorporate, to the fullest extent possible, public externalities with appropriate weighting and quantification. Externalities may include, but are not to be limited to: fossil fuel use, greenhouse gas emissions, other airborne pollutants, noise, traffic congestion, and social and economic loss incurred by accidents and fatalities.

This recommendation could also apply to operations as well as projects, and indeed consideration of externalities did form part of a 2004 GIAC report, and a 2009 NSW Grain Freight Review for the Australian government. External costs do form part of the current review of access pricing on the NSW grain rail network by the Independent Pricing and Regulatory Tribunal (IPART).

In the absence of evidence from the applicant re external costs, it is submitted that consideration should be given by the Department to values given in this writers primary submission of \$11.27 for one tonne of grain moving 400 km by road (the average length of haul noted in the Environmental Assessment -with 10 km via urban areas) offset by \$1 tonne if the grain instead moves by rail.

In addition, greenhouse gas emissions were raised in at least one submission (that of the writer) but are not addressed in the submissions report. This omission should be rectified. In the meantime, as per this writers primary submission, the switching from rail to road for the movement of 1 million tonnes per annum of grain over 400 km would lead to an increase in the use of diesel of some 7.5 million litres of diesel a year. Greenhouse emissions would then increase by about 200,000 tonnes per annum.

It is also noted that the applicant by letter dated 4 August 2011 to the Department is prepared to accept a cap on road receipt of 500,000 tonnes per annum, plus provision for emergency exceptions.

A request is made for consideration of a balance between this proposal, and the proposal of Wollongong City Council's Neighbourhood Forum 5:

- a. A nominated maximum tonnage of grain by road (no more than 50 per cent increase over the present limit of 200,000 tonnes per annum).
- b. An estimate of all of the external costs of additional grain haulage on road.
- c. A code of conduct for grain truck drivers (as per coal truck drivers).
- d. An outline of measures to encourage more grain onto rail. These should include a surcharge on road deliveries to cover the external costs.

A mid way compromise would be a limit of 350,000 tonnes per annum of road receipt, with all tonnages in excess of 200,000 tonnes per annum being subject to a surcharge of \$5 per tonne, being paid to the Roads and Traffic Authority for both road improvements and for improvements to the noise walls along the Mt Ousley road. It is of note that the noise walls adjacent to a private road serving the Bass Point Quarry are higher than those on the Mt Ousley road.

In addition, attention is invited to the desirability of a condition requiring some form of monitoring and public reporting of road receipt tonnages.

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