

ASSESSMENT REPORT

EAST GUYONG QUARRY PROJECT

Access Road Modification (06_0193 MOD 1)

1. BACKGROUND

The East Guyong Quarry Project is a basalt quarry located at East Guyong, 20 kilometres (km) southeast of Orange and 22 km west of Bathurst, in Cabonne Shire (see Figure 1). The quarry is owned and operated by Hanson Construction Materials Pty Limited (Hanson). The project is located in an area dominated by agricultural properties which contain a small number of farm residences. The nearest urban settlement is Millthorpe, which is located approximately 6 km southwest of the quarry site.

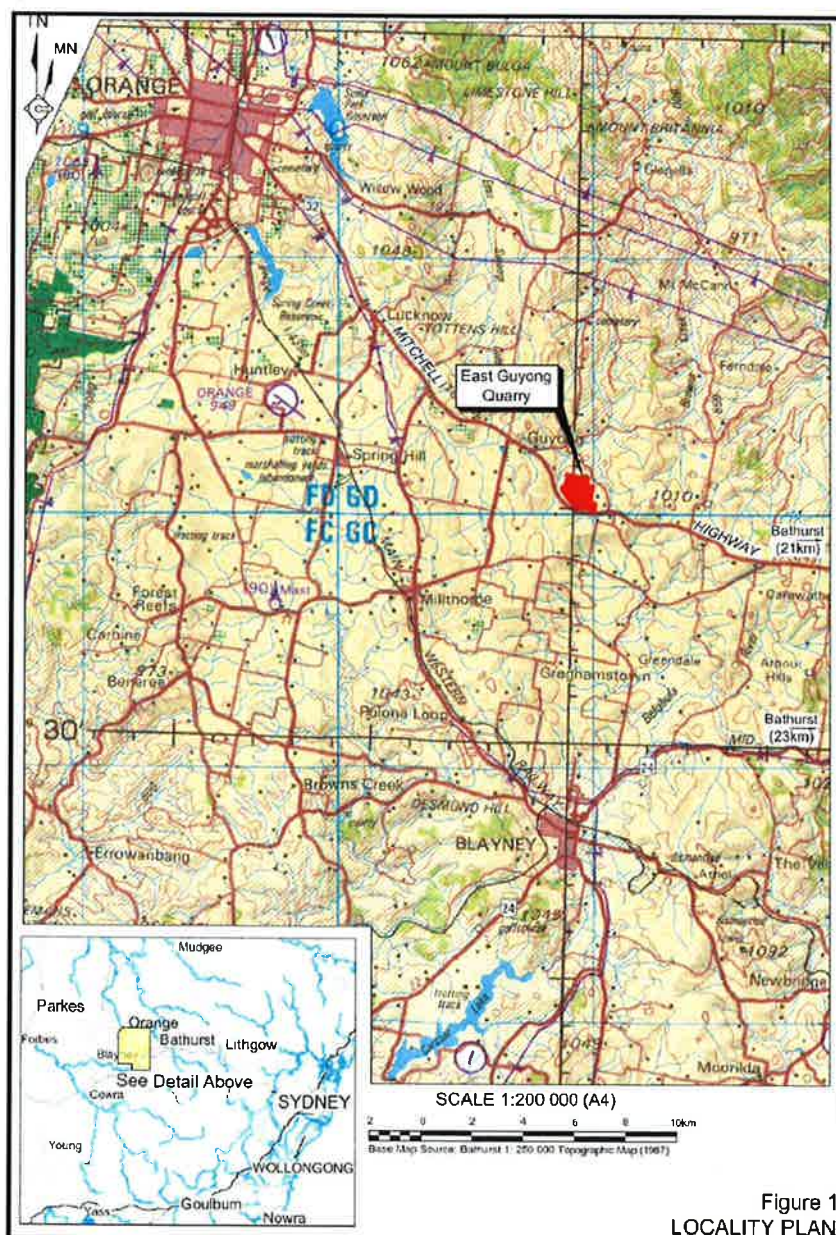


Figure 1: Location of the East Guyong Quarry Project

1.1 Project History

Hanson was granted a Part 3A project approval for the quarry in January 2011, under delegation from the then Minister for Planning. Shortly after, the approval decision was appealed in the Land and Environment Court. The appeal questioned the adequacy of assessment of the potential human health impacts of the approved project, since the quarry site was known to contain areas of rock containing naturally-occurring asbestos, which could give rise to emissions of asbestos dust. However, the basalt resource does not contain asbestos.

In May 2012, the Court upheld the appeal, but approved the project to proceed with minor modifications to the original conditions of approval. The modified conditions included the inclusion of Hanson's proposed Asbestos Management Plan within the project approval (see Appendix A).

Preliminary site works commenced in September 2012. The quarry's operational areas are yet to be developed.

1.2 Approved Activities

The approved quarry comprises an operational quarry area, an infrastructure area and an access road (see Figure 2). The approval allows Hanson to:

- extract up to 400,000 tonnes of basalt a year for 30 years;
- process and stockpile the extracted material on site; and
- transport quarry products by truck to market via the Mitchell Highway.

The approval requires the quarry to comply with strict asbestos disturbance and risk management protocols, and to also comply with strict operational noise limits, air quality limits, and water quality limits. Hanson is also required to landscape the site, and to rehabilitate the site at the end of the project.

2. PROPOSED MODIFICATION

On 22 November 2012, Hanson submitted a modification application (MP 06_0193 MOD 1) under section 75W of the *Environmental Planning and Assessment Act 1979* (EP&A Act) and a supporting environmental assessment (EA). The modification application seeks to realign the approved access road from the Mitchell Highway to the quarry infrastructure area. The proposed alignment is shown as a yellow line in Figure 2.

The currently-approved access road alignment travels north from the Mitchell Highway for 700 metres (m) up and over a ridgeline, before heading in a westerly direction for 300 m along the side of the ridge to the approved infrastructure area. Hanson has since found that it could improve the efficiency of its on-site haulage, and reduce the overall impact of the approved road, by realigning the road approximately 200 m to the southwest of the approved alignment. The proposed alignment would travel more directly over the ridge, and would require significantly less cut and fill and disturbance to construct. The proposed alignment would also be 145 m shorter than the approved alignment.

When compared to the approved alignment, the proposed alignment would be likely to result in the following beneficial outcomes:

- a reduction of up to 3,867 km of heavy vehicle travel per year;
- a reduction of 5,800 m² in the approved disturbance footprint;
- no requirement for extensive cut and fill works along the face of the ridgeline;
- potential savings in construction timeframes and associated costs;
- the proposed alignment would not require any additional intersection design works; and
- the visual impacts at farm residences north and east of the site would be significantly reduced.

3. STATUTORY CONTEXT

3.1 Modification

The Department is satisfied that the proposed modification is within the scope of section 75W of the EP&A Act. In this respect, the Department notes that there would be no change to the approved extraction methods, no increase in production, no change to processing or transportation systems, and the resulting environmental impacts would be substantially the same as (or less than) the approved development.

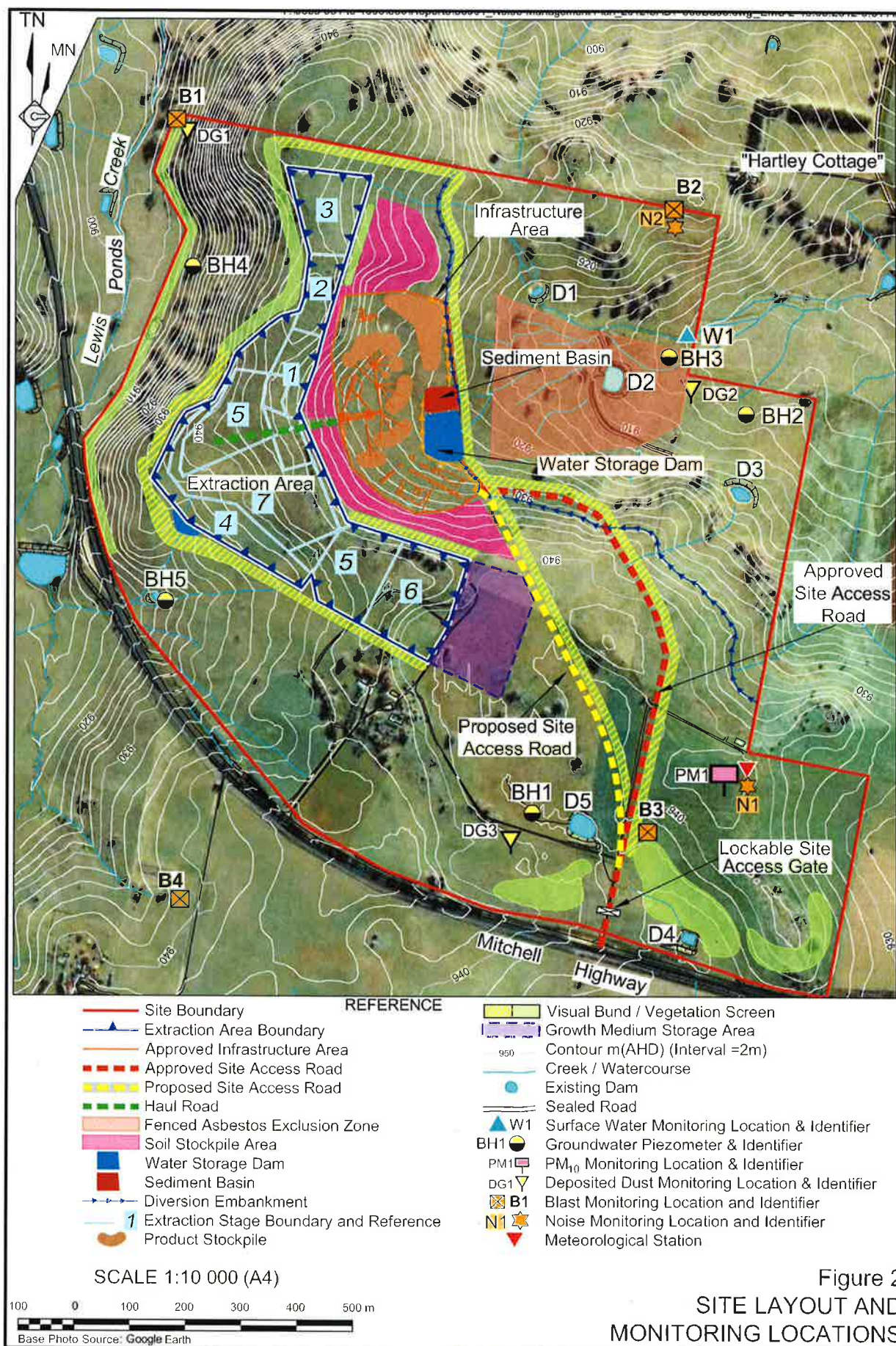


Figure 2: Approved and proposed quarry access road alignments
(shown as red dashed and yellow dashed lines respectively)

3.2 Approval Authority

Under section 75W of the EP&A Act, the Minister for Planning and Infrastructure is the approval authority for this modification application. However, under the Minister's delegation of 14 September 2011, the Director, Mining and Industry Projects, can determine the modification application, as:

- no objections were received from the public;
- Cabonne Shire Council did not object; and
- Hanson has not made any reportable political donations.

4. CONSULTATION

After accepting the Environmental Assessment (EA) for the proposed modification, the Department made the EA publicly available from 3 December 2012 to 17 December 2012:

- on the Department's website and at its Information Centre;
- at Cabonne Shire Council; and
- at the Nature Conservation Council.

The Department also notified relevant State and local agencies in writing, and advertised the exhibition in the Central Western Daily.

The **Environment Protection Authority (EPA)**, the **Division of Resources and Energy (DRE)** within the Department of Trade and Investment, Regional Infrastructure and Services, **Roads and Maritime Services (RMS)**, **NSW Office of Water (NOW)** and **Cabonne Shire Council (Council)** made submissions (see Appendix D).

EPA raised no objection to the proposed modification. It also stated that no changes would be required to the quarry's Environmental Protection Licence. NOW did not object to the proposed modification, but indicated that Hanson's Soil and Water Management Plan may require to be updated to reflect the works required for the realigned access road. DRE, RMS and Council did not object to the proposed modification.

5 ASSESSMENT

The Department's assessment of relevant issues is summarised in Table 1 below.

Table 1: Consideration of Assessment Issues

| Issue | Consideration | Recommendations |
|-------------------------------------|---|---|
| <i>Naturally-occurring Asbestos</i> | <ul style="list-style-type: none">• Hanson undertook a geotechnical investigation of the proposed alignment.• The investigation found that the land affected by the proposed alignment is underlain by basalt for considerable depths, and that consequently no naturally-occurring asbestos would be likely to occur within the proposed road alignment.• The approved AMP contains appropriate procedures in the unlikely event that naturally-occurring asbestos is disturbed during the construction of the road. | <ul style="list-style-type: none">• No change to existing naturally-occurring asbestos management conditions is required. |
| <i>Visual Amenity</i> | <ul style="list-style-type: none">• Realigning the road would result in quarry vehicles being shielded from direct view of properties to the north and northwest of the site.• Approved visual amenity bunds would screen the road from views, and vegetation plantings would further reduce the visual impact of the trucks on the road. | <ul style="list-style-type: none">• No change to existing visual amenity conditions is required. |
| <i>Traffic</i> | <ul style="list-style-type: none">• The proposed modification would not change traffic levels or flows at the site or on the public road network.• The proposed modification would not affect the design of the intersection with the Mitchell Highway. | <ul style="list-style-type: none">• No change to traffic management conditions is required. |

| Issue | Consideration | Recommendations |
|----------------------|---|--|
| <i>Noise</i> | <ul style="list-style-type: none"> No additional noise impacts over those already assessed and approved would occur during construction and operation of the proposed road alignment. The proposed realignment would be likely to result in reduced exposure to truck noise at nearby residences. Strict noise limits would continue to apply to the modified project. | <ul style="list-style-type: none"> No change to existing noise conditions is required. |
| <i>Air Quality</i> | <ul style="list-style-type: none"> No additional air quality impacts over those already assessed and approved would eventuate during construction and operation of the road on the proposed alignment. The proposed access road would be asphalt sealed, which would limit the amount of dust generated by haulage vehicles. The shorter alignment and associated reduced vehicle travel would result in less greenhouse gas emissions from the project. Strict air quality limits would continue to apply to the modified development. | <ul style="list-style-type: none"> No change to existing air quality conditions is required. |
| <i>Surface Water</i> | <ul style="list-style-type: none"> The proposed alignment is located within the same catchment as the approved road. Additional surface water impacts are unlikely to result from the proposed modification. Appropriate drainage structures would be installed to manage run-off from the road. Any changes to surface water management would be addressed in a revised Soil and Water Management Plan, which is required to be prepared under existing conditions of approval. | <ul style="list-style-type: none"> No change to existing water conditions is required. |
| <i>Biodiversity</i> | <ul style="list-style-type: none"> The proposed alignment would be constructed on cleared land which has limited biodiversity value. There would be no additional impacts on any flora or fauna species. The proposed road would be ripped and rehabilitated on completion of the project. | <ul style="list-style-type: none"> No change to existing biodiversity conditions is required. |

6 RECOMMENDED CONDITIONS

The Department has recommended modified conditions of approval for the East Guyong Quarry Project. The modified conditions simply require Hanson to implement the proposed modification generally in accordance with the EA prepared to support the proposal. The Department has also updated all site figures in the project approval, to reflect the changed location of the quarry access road.

7 CONCLUSION

The Department has assessed Hanson's modification application in accordance with the relevant requirements of the EP&A Act. The Department is satisfied that the proposed modification is justified, and should be approved, as constructing the access road on the proposed alignment would result in less site disturbance and civil works than the approved alignment, and would reduce the visual impact of quarry vehicles at nearby farm residences.

The Department is confident that the proposed modification would have either negligible additional environmental impacts, or else beneficial environmental outcomes. There are no predicted impacts relating to the risk of disturbing naturally-occurring asbestos, traffic levels, noise levels, air quality, surface water values or biodiversity values. The Department also considers that, if any unforeseen impacts were to occur, the existing conditions of approval would continue to provide a robust framework to successfully manage and/or mitigate these impacts.

8 RECOMMENDATION

It is RECOMMENDED that the Director, Mining and Industry Projects:

- **considers** the findings and recommendations of this report;
- **determines** that the proposed modification is within the scope of section 75W of the EP&A Act;
- **approves** the proposed modification under section 75W of the EP&A Act; and
- **signs** the attached Notice of Modification (see Appendix C).

Howard Reed

Howard Reed 21.12.12
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DKitto 24/12/12

David Kitto
Director
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