



Hunter Economic Zone

Supporting Information - Warehouse and Distribution Facility

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Report Number: PR120132
Version / Date: Version 2 / 20th December 2013

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Document Status

Version	Purpose of Document	Orig	Review	Review Date
1	Draft for Internal Review	JM	SG	06.12.13
2	Submission to DoPI	SG	RD	20.12.13

Approval for Issue

Name	Signature	Date
Rob Dwyer		20.12.13

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1.0 Introduction

RPS has been engaged by Hunter Investment Corporation Pty Ltd to assist in seeking the Director-General Requirements (DGR's) for the storage and distribution of Ammonium Nitrate at a site within the Hunter Economic Zone (HEZ) at Kurri Kurri.

The information provided in this report is provided to assist the Department of Planning and Infrastructure (DoPI) in compiling the DGR's relating to the preparation of the Environmental Impact Statement (EIS) required to accompany a development application (DA) for 'State Significant Development' under Part 4, Division 4.1 of the *Environmental Planning and Assessment Act 1979* (EP&A Act) to the DoPI for the determination by Minister.

1.1 Site Description

Address:	Cessnock Road, Kurri Kurri
Legal Description:	Part Lot 2 DP 1142708
Land Owner:	Hunter Investment Corporation Pty Ltd
Local Government Area:	Cessnock City Council
Locality:	Kurri Kurri, NSW
Current Zoning:	IN1 – General Industrial under Cessnock Local Environmental Plan 2011

1.2 Site Location

The site is located within the HEZ site just south of the Weston and Kurri Kurri townships as illustrated in **Figure 1**. HEZ is situated on HEZ Drive off Leggetts Drive, the existing state road that connects to the Kurri Kurri interchange of the M1. The site subject of the DA and EIS is approximately thirty (30) hectares (ha) in size.

The broader HEZ site is 3200 ha in size much of which has been zoned to conserve the natural attributes of the site and provide a buffer between the industrial land uses and residential areas that border the site. Approximately one quarter (868 ha) of the HEZ site is zoned for industrial land uses.

1.3 Regional Context

HEZ is identified in the *Lower Hunter Regional Strategy 2006* as an area for employment activities. The site is located less than 10km from the Kurri Kurri Interchange on the soon-to-be completed Hunter Expressway.



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SCALE 1 : 20 000 (A3)

HEZ LAND BOUNDARY
SITE SUBJECT OF DA / EIS

1.4 Local Context and Surrounding Development

The site is located within the south-western portion of the HEZ. Access is provided from a private road, being HEZ Road, to Leggetts Drive. The surrounding lands within HEZ are mostly undeveloped with the exception of Ullrich Aluminium which is located approximately 600 metres to the east. Also to the east of the site is a diesel powered generation plant owned by Infratil Power and located next to it is an electrical generation plant owned and operated by Ausgrid. Locations of the above-mentioned are illustrated in **Figure 1**.

The closest dwelling to the site is approximately 1.5 km to the west and the closest residential neighbourhood, being Weston, is located approximately 1.5 km to the north-east. Hunter Enviro Mining, formally known as the Hebburn Colliery No. 2, continues to operate approximately 1km to the south of the site.

1.5 Site History

The HEZ has been the subject of detailed environmental investigations since 1998. In 2002 Amendment No.60 to Cessnock Local Environmental Plan 1989 was gazetted and zoned the HEZ land for employment generating development and conservation purposes.

A number of consents for development within the HEZ have been issued by Cessnock City Council including those to allow the establishment of uses outlined in Section 1.4 of this document.

It is also noted that the HEZ is a “Declared Potential State Significant Site” and a number of NSW Government project applications have been approved as listed below:

- Concept Plan - Precinct 1 Subdivision, Pelaw Main By-Pass, and Station Street Extension (Part3A);
- Project Application - WIPS Manufacturing Facility (Part3A);
- Modification Application MP 07_0128 MOD 2 (Part3 AMod).

2.0 Proposed Development

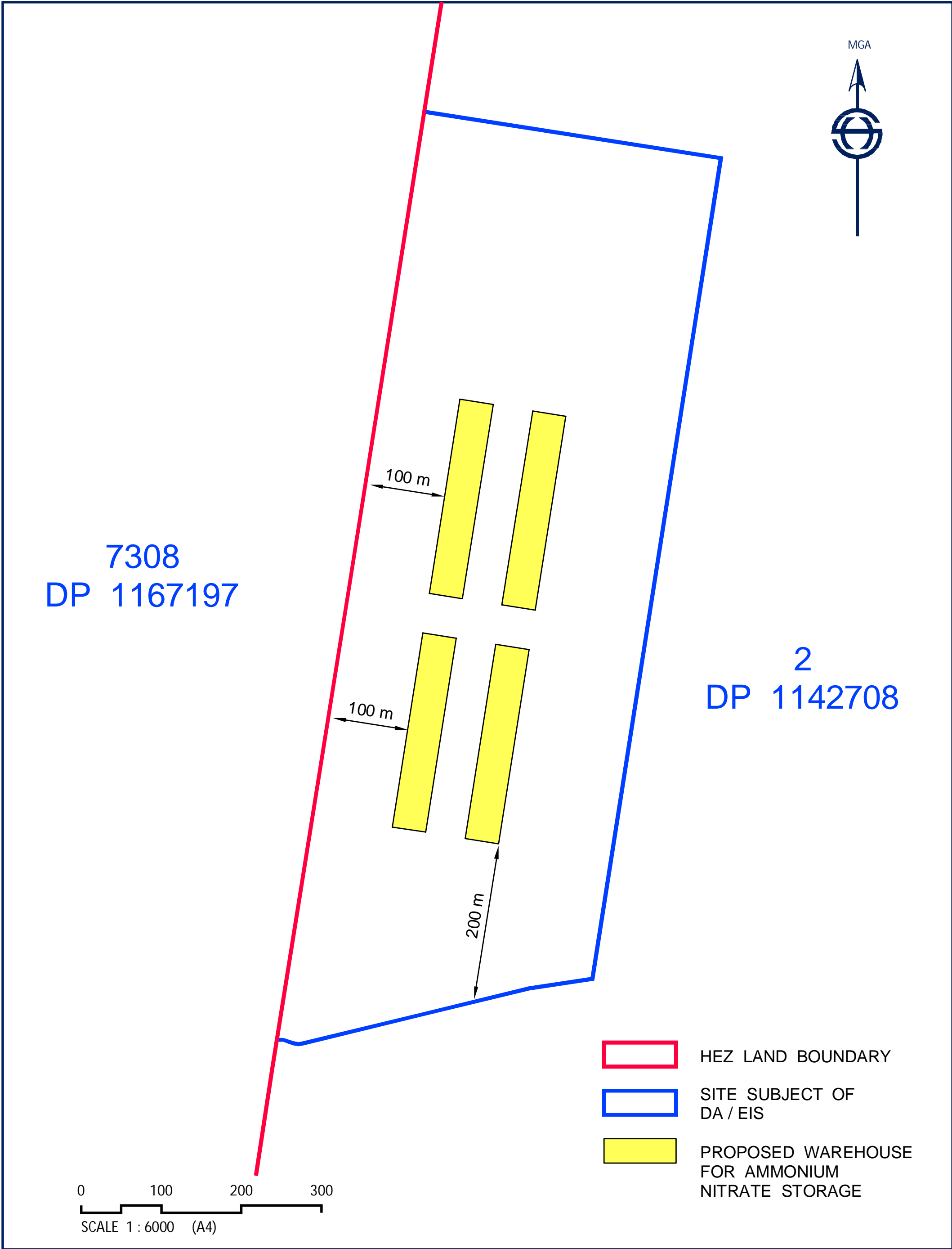
2.1 Development Description

The proposal consists of the construction and operation of an Ammonium Nitrate storage and distribution facility with a capacity to store 40,000 tonnes of Ammonium Nitrate. The facility will consist of 4 industrial warehouses each containing 10,000 tonnes of Ammonium Nitrate. The warehouses will be approximately 42 metres wide and 245 metres in depth. Preliminary architectural drawings of the warehouses are contained in **Appendix 1**. The facility will also include necessary driveways, truck movement areas, and site office and staff facilities. Staff office and staff facilities will be located close to the southern boundary of the site and the existing private road. **Figure 2** is a site plan which illustrates the proposed location of the warehouses.

The storage and distribution facility will be constructed by Hunter Investment Corporation and leased to Toll Mining Services who will provide the logistics behind the management and transportation of the raw material.

Ammonium Nitrate shipments will be received through the Newcastle Port and Port Botany then transported to the site for the purpose of storage and subsequent distribution. The Ammonium Nitrate product will primarily be used at mine sites throughout the Hunter Valley.

At present Ammonium Nitrate is stored at various sites in the Greater Newcastle and Hunter areas. Approval of the proposal will provide an opportunity to centralise some of the existing and planned Ammonium Nitrate storage and handling into one key location.



TITLE: FIGURE 2
SITE PLAN

LOCATION: HEZ DRIVE
KURRI KURRI

DATUM:
PROJECTION:

DATE: 5TH NOV 2013
PURPOSE: LOCATION

CAD REF: 120132 - 14A
VERSION: SITE PLAN

CLIENT: Hunter Investment Corporation
JOB REF: 120132

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3.0 Relevant Planning Considerations

3.1 Environmental Planning and Assessment Act 1979

The proposal as defined below would be assessed as 'State Significant Development' by the Minister under Part 4, Division 4.1 of the EP&A Act 1979. Division 4.1 clause 89C (2), details that "A *State Environmental Planning Policy (SEPP)* may declare any development, or any class or description of development, to State Significant Development."

Clause 8(1b) of the State and Regional Development SEPP 2011 declares development to be 'State Significant' if the development is specified in Schedule 1 or 2. Clause 10(3) of Schedule 1 states:

"Development for the purpose of the manufacture, storage or use of dangerous goods in such quantities that constitute the development as a major hazard facility within the meaning of Chapter 6B of the Occupational Health and Safety Regulation 2001" (OH&S Regulations). Ammonium Nitrate is classified as a Class 5 dangerous good; refer to Section 3.4 for the full definition.

The definitions listed in Chapter 6B of the OH&S Regulations states that a Major Hazard Facility (MHF) is "a facility at which Schedule 8 materials are present and likely to be present in quantity that exceeds there threshold quantity." Schedule 8 lists Ammonium Nitrate with a threshold quantity of 2500 tonnes.

The proposal proposes to store 40,000 tonnes of Ammonium Nitrate at the site. Therefore the operation is MHF, which is considered to be 'State Significant Development'. An EIS will therefore need to be prepared in accordance with Schedule 2 of the EP&A Act Regulations and will need to accompany any DA lodged with the DoPI.

It is noted that OH&S Regulations have been repealed and is replaced with the *Work Health and Safety Act 2011*. Notwithstanding this, the OH&S Regulations are still applicable until those provisions in the State and Regional Development SEPP 2011 are amended.

3.2 State Environmental Planning Policy – State and Regional Development 2011

Clause 8(1b) of the State and Regional Development SEPP 2011 declares development to be 'State Significant' requiring assessment by the Minister of Planning under Part 4 of the EP&A Act. The proposal relates to a Schedule 1 activity being for the storage of a dangerous good in such quantities that constitutes a MHF.

3.3 State Environmental Planning Policy No. 33: Hazardous and Offensive Development

SEPP 33 aims to ensure that in considering any application to carry out potentially hazardous or offensive development. SEPP 33 applies to any development which falls under the policy's definitions of '*potentially hazardous industry*' or '*potentially offensive industry*'. These types of industries attract additional scrutiny as the pose a significant risk to life and/or the environment.

The proposed development is a storage warehouse to be used exclusively for the storage of ammonium nitrate. The building will be designed to world's best practice and exceeds the applicable Australian Standards. Accordingly, the proposed development is not considered to pose a significant risk of harm to human health, life or property, or the biophysical environment. In this regard, the development is not considered to be a potentially hazardous or offensive industry.

Although the development is not a potentially hazardous or offensive industry, consideration of the SEPP 33 will be completed; including the delivery of a robust Hazard Analysis.

The following documents assist Councils and proponents to determine whether SEPP 33 applies to a development:

- Applying SEPP 33 - Hazardous and Offensive Development Application Guidelines' (SEPP 33 guidelines) (DUAP, 1994); and
- The NSW Department of Planning and Infrastructure (DoPI) guidelines (Hazardous Industry Planning Advisory Papers (HIPAPs).

3.4 Lower Hunter Regional Strategy

HEZ is identified in the *Lower Hunter Regional Strategy 2006* as an area for employment activities. The current identification in the *Lower Hunter Regional Strategy 2006* and the current zoning, as described in Section 3.5 of this document, allows various employment activities such as factories, warehouses, manufacturing and major storage operations. The proposal will be consistent with the intentions of the *Lower Hunter Regional Strategy 2006*.

3.5 Local Planning Instruments

The site is located within the General Industry Zone (IN1) under the Cessnock Local Environmental Plan 2011 (CLEP 2011). The CLEP 2011 lists certain development that is permissible with consent in the IN1 zone. The development is described as a “*warehouse or distribution centre*” which is a permissible use in the IN1 zone.

By definition “*warehouse or distribution centre*” means:

“a building or place that is used mainly or exclusively for storing or handling items (whether goods or materials) pending their sale, but from which no retail sales are made.”

3.6 Additional Policies and Plans – Cessnock DCP

The *Cessnock Development Control Plan (Part E: Chapter 6: HEZ) 2010* outlines the general controls for the broader HEZ site. Many of the general controls will be addressed by the EIS. The principal objectives of the relevant Development Control Plan Chapter are:

- To promote and foster:
 - (a) major industrial development or employment generating development that is accessible to urban centres and arterial roads and that retains the potential for rail access;
 - (b) employment opportunities; and
 - (c) new development that incorporates the principles of ecologically sustainable development;
- To ensure that ecosystems are protected and conserved, including important habitats, plant communities and watercourses within and adjoining HEZ;
- To ensure a high level of environmental protection;
- To ensure that satisfactory measures are incorporated into new development to ameliorate any impacts from noise, air and water pollution, dust, lighting, traffic, etc onto surrounding communities;
- Encourage innovative development which integrates well with the built form, landscaped areas and bushland setting to enhance the character of the HEZ estate;

- Provision of adequate infrastructure and facilities to service the development of the site; and
- To promote the conservation of any items of environmental heritage, including aboriginal heritage and heritage precincts.

4.0 Environmental Factors

A number of investigative reports have been undertaken by Hunter Investment Corporation together with Toll Mining Services as part of a preliminary environmental assessment process. However a detailed environmental assessment for the proposal has not been conducted to date. Preparation and completion of an EIS will need to investigate the following issues.

4.1 Hazard Analysis

As the proposal includes the handling and storage of a Class 5 material, a Hazards and Risks Assessment will be prepared for the potential onsite and offsite impacts of the development. The Assessment will include the consideration of the following policies and methodologies:

- ISO 31000:2009 Risk Management;
- HB 203:2006 Environmental Risk Management – Principals and Process;
- State Environmental Planning Policy No 33– Hazardous and Offensive Development (SEPP 33);
- Planning Advisory Paper No. 6 – Guidelines for Hazardous Analysis (DUAP);
- Planning Advisory Paper No. 4 – Risk Criteria for Land Use Safety Planning (DUAP);
- HIPAP No. 11 – Route Selection 2011; and
- A multi-level risk assessment.

4.2 Ecology

A number of known Ecological Endangered Communities (EEC's) common to the Lower Hunter have been identified within the vicinity or potentially within the site. The proposal will require the removal of a number of trees to facilitate the development. The potential impact of the proposal on any EEC and on overall biodiversity values would need to be addressed via an Ecological Impact Assessment that will need to include the consideration of the following policies and methodologies

- Draft Guidelines for Threatened Species Assessment (DEC, 2004);
- Draft Threatened Biodiversity Survey and Assessment: Guidelines for Developments and Activities (DEC and DoPI July 2005);
- Guidelines for Development Adjoining Department of Environment and Conservation Land (DEC);
- National Parks and Wildlife Service Atlas of NSW Wildlife Data, GIPSICAM;
- Protection of the Environment Operations Act, 1997; and
- Native Vegetation Act, 2003.

4.3 Bushfire

The site is located on bushfire prone land. The risk of bush fire will need to be assessed through the preparation of a bush fire hazard analysis in accordance with the Rural Fires Regulation 2013 and the NSW Rural Fire Service Planning for Bushfire Protection 2006. The bushfire hazard analysis will recommend a series of bushfire protection measures to address this risk and will be documented in the EIS.

4.4 Cultural Heritage

Numerous archaeological assessments have been carried over the HEZ site in the last ten years. A Cultural Heritage Assessment will be prepared to address tangible and intangible Aboriginal cultural heritage for the site and consideration should be given, but not be limited to, the following items:

- Review of any previous archaeological studies undertaken in the area, and prepare an appropriate predictive landscape model and survey methodology;
- A description of any Aboriginal objects and declared Aboriginal places located in or associated with the primary or secondary investigation areas;
- Undertake appropriate field based surveys in the company of representatives of the Local Aboriginal Land Council;
- A description of the Aboriginal cultural heritage values of the site and the significance of these values to Aboriginal people who have a cultural association with the land;
- A description of any consultation with Aboriginal people regarding the proposal planning proposal and the significance of any Aboriginal cultural heritage values identified utilising the Office of Environment and Heritage's *Aboriginal Cultural Heritage Consultation Requirements for Proponents' (2010)* as best practice guidelines for such consultation; and
- Identify management recommendations for any sites or areas.

4.5 Drainage and Storm Water Management

A Drainage and Stormwater Assessment will be prepared for the potential onsite and offsite impacts of the proposal. Objectives for the Assessment may include:

- Evaluation of the potential impacts of the proposal on surface flow rates and existing downstream hydraulic structures, recommending engineering solutions where appropriate; and
- Nomination of appropriate stormwater quantity and quality controls for the proposal, where required.

The Stormwater Drainage Strategy utilised the DRAINS model, with input of Rainfall Intensity-Frequency-Duration data, for the calculation of flow estimates for the existing and developed situations. Significant findings and recommendations of the Drainage and Storm Water Assessment will be documented in the EIS.

It is noted that no land within the site is considered flood prone land.

4.6 Soils

Soil sampling of the site will be undertaken to identify any soil limitations due to erodibility, mass movement, or low permeability.

In addition a preliminary soil contamination investigation as per State Environmental Planning Policy No 55 Remediation of Contaminated Land will be prepared.

4.7 Traffic

The proposal is likely to generate traffic movements including heavy vehicle movements. A Traffic Impact Assessment will be prepared and measures to minimise impacts will be documented in the EIS.

4.8 Air Quality and Odour Control

The proposal will not produce Ammonium Nitrate on-site. The proposal will store Ammonium Nitrate in sealed bags which in turn will be stored in an enclosed warehouse. Ammonium Nitrate in its raw state is described as being odourless therefore will have minimal impact on the surrounding development. All access roads to the site will be sealed to minimise the dust and erosion potential from moving vehicles.

4.9 Greenhouse Gas Assessment

The proposal will not produce Ammonium Nitrate on-site. The product lifecycle however produces greenhouse gases in the production and its use. The raw material is likely to be transported by truck to the site therefore greenhouse gases will be produced during transportation.

4.10 Noise and Vibration

The movement of vehicles and construction activities is likely to be the main source of noise generation within the site. At the present time, there are no likely developments to be impacted upon during the construction and operational activities within close proximity to the site.

4.11 Waste Management

The proposal is likely to generate waste during the construction and operation phases. A Waste Management Plan will need to be undertaken to determine the type, quantity, onsite storage and methods of disposal and measures to minimise impacts will be documented in the EIS.

4.12 Socio-Economic

The proposal is likely to have significant positive social and economic impacts on the local community particularly during the construction phase of the development through the creation of jobs. Socio-economic Assessment will be prepared and measures to minimise impacts will be documented in the EIS.

4.13 Design for Incident Management

The proposal will need to give details on incident management through the details of building design, handling of chemicals and environmental protection equipment given the quantities and type of chemical stored on site.

5.0 Consultation

Hunter Investment Corporation has been in consultation with the following authorities and has disclosed plans and information for review to report back to the DoPI to assist the Director-General. These include but are not limited to:

- DoPI
- NSW Office of Environment and Heritage;
- NSW Environmental Protection Authority;
- Workcover NSW;
- Cessnock City Council;
- NSW Fire Services; and
- NSW Police – Anti-Terrorism Unit.

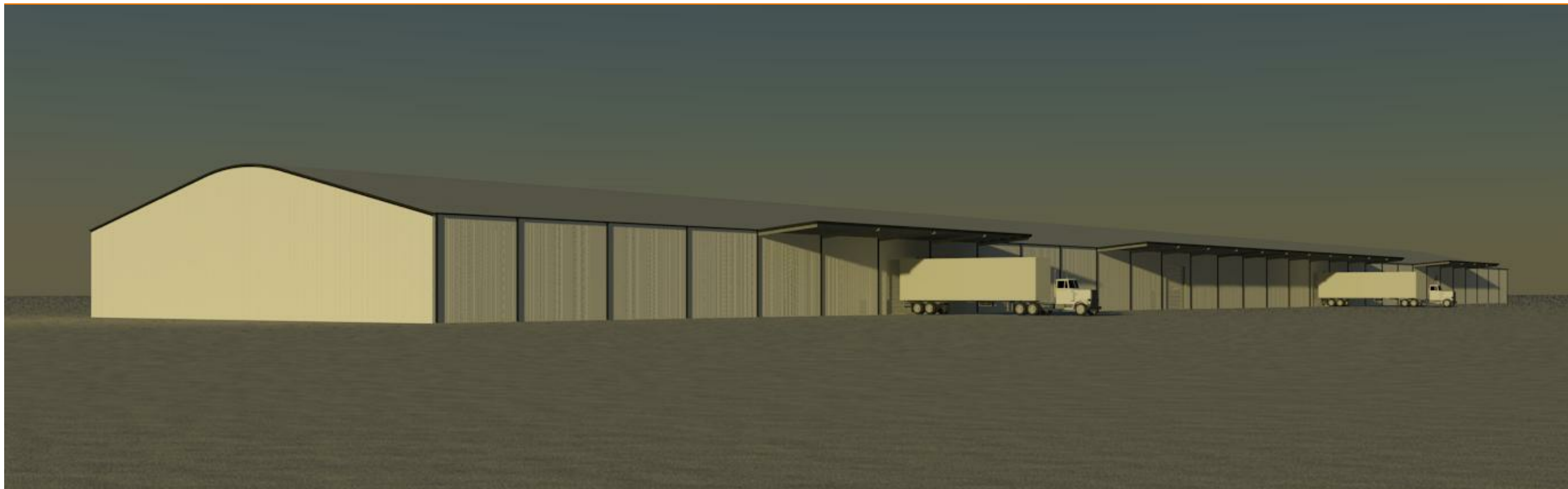
6.0 Conclusion

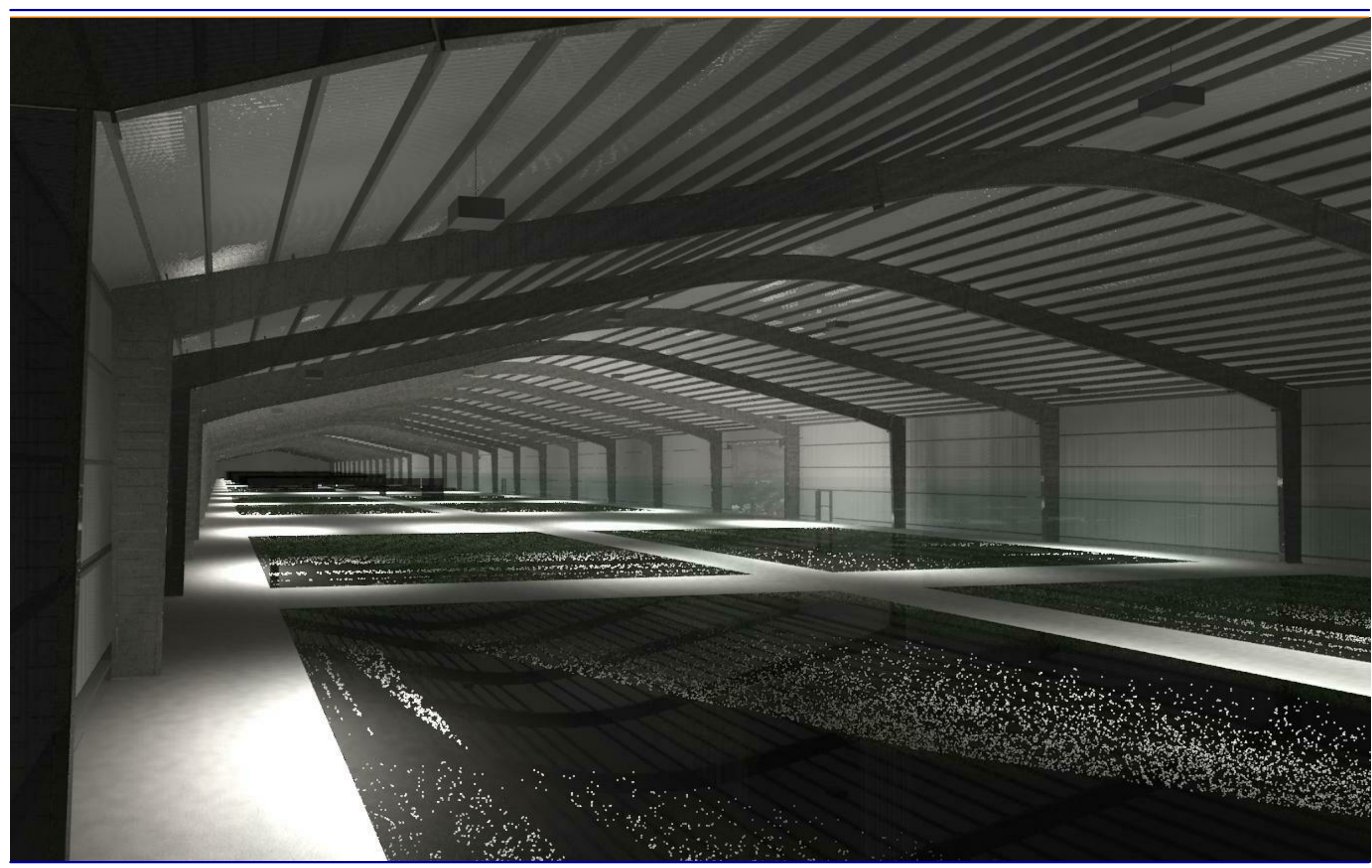
This document has been prepared by RPS on behalf of Hunter Investment Corporation for a proposed Ammonium Nitrate storage and distribution facility at the Hunter Economic Zone, Kurri Kurri. This document has outlined the planning policies and legislation that apply to the proposal and has provided an overview of the issues that the EIS and DA will need to investigate.

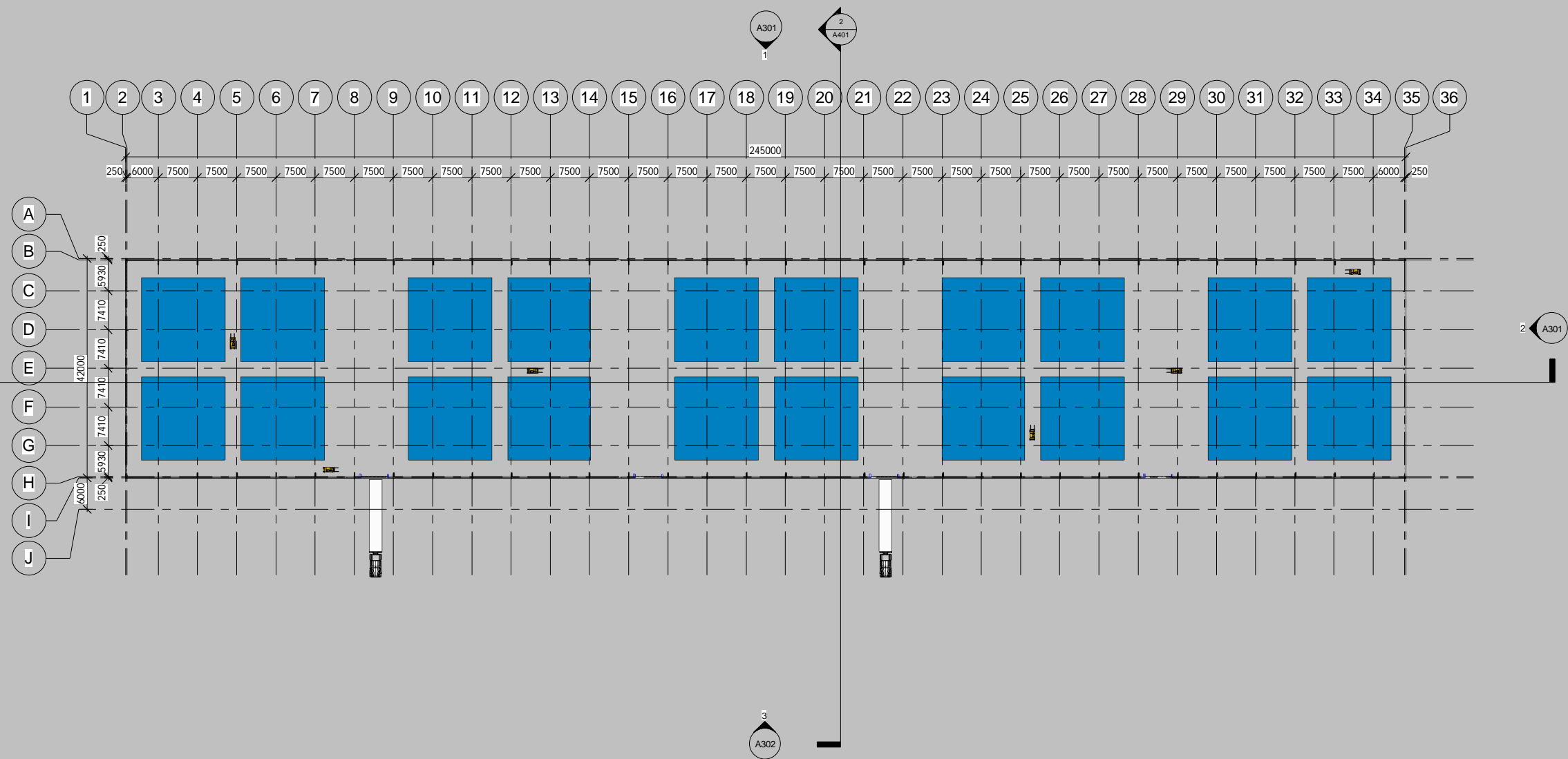
The information provided in this document has been provided to assist the DoPI in compiling the DGR's that will guide the preparation of EIS under Part 4, Division 4.1 of the EP&A Act.

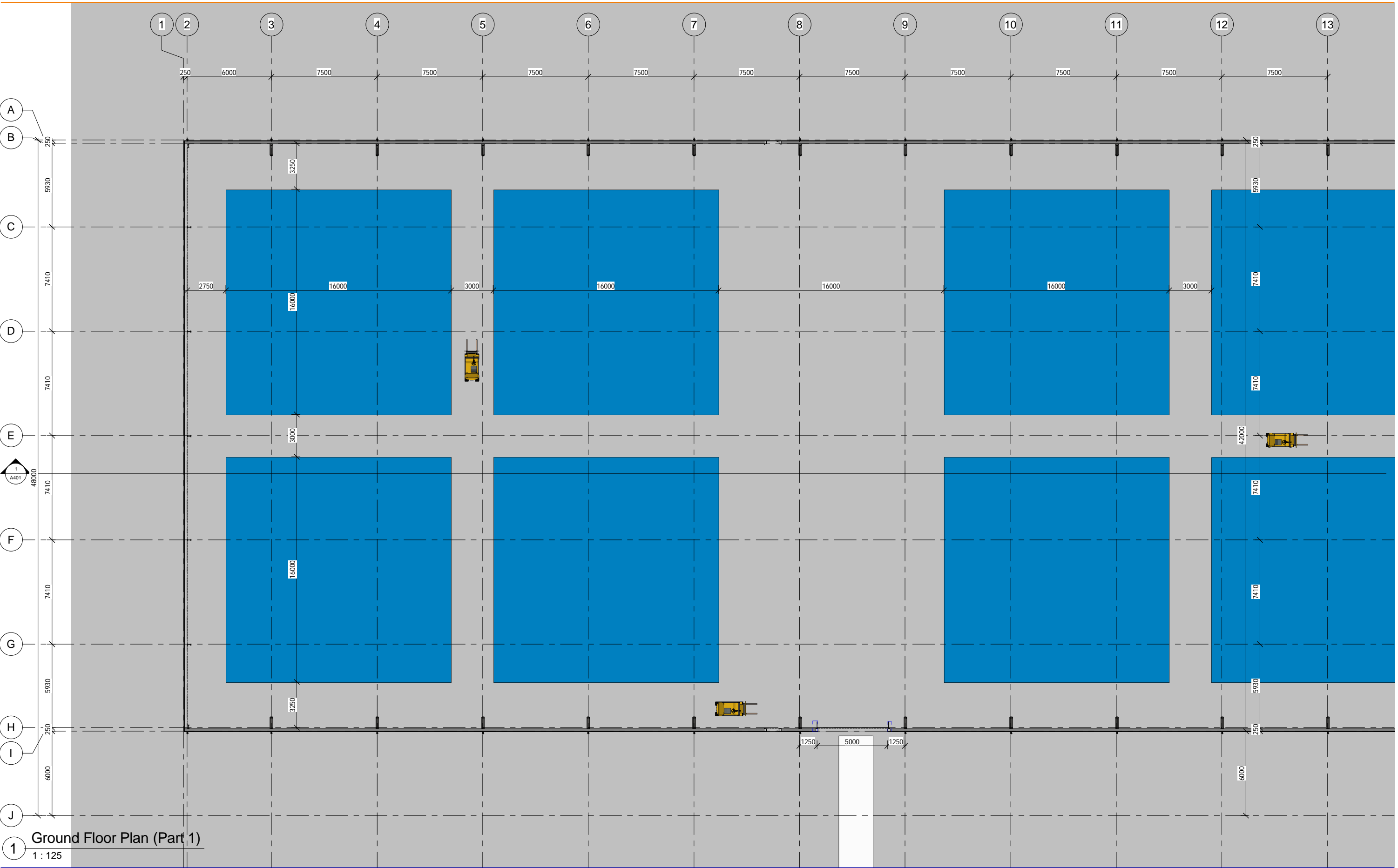
Appendix I

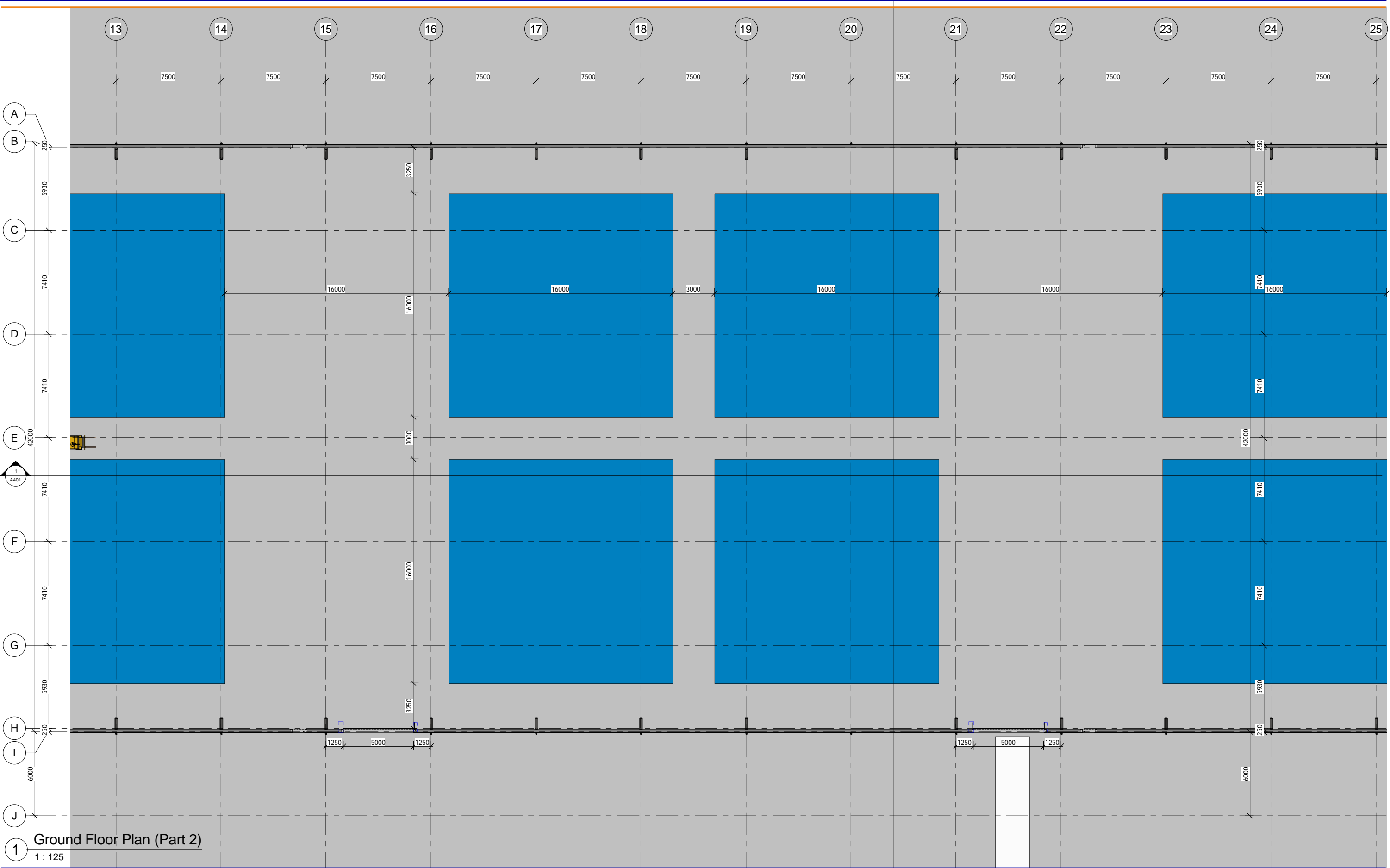
Preliminary Architectural Drawings

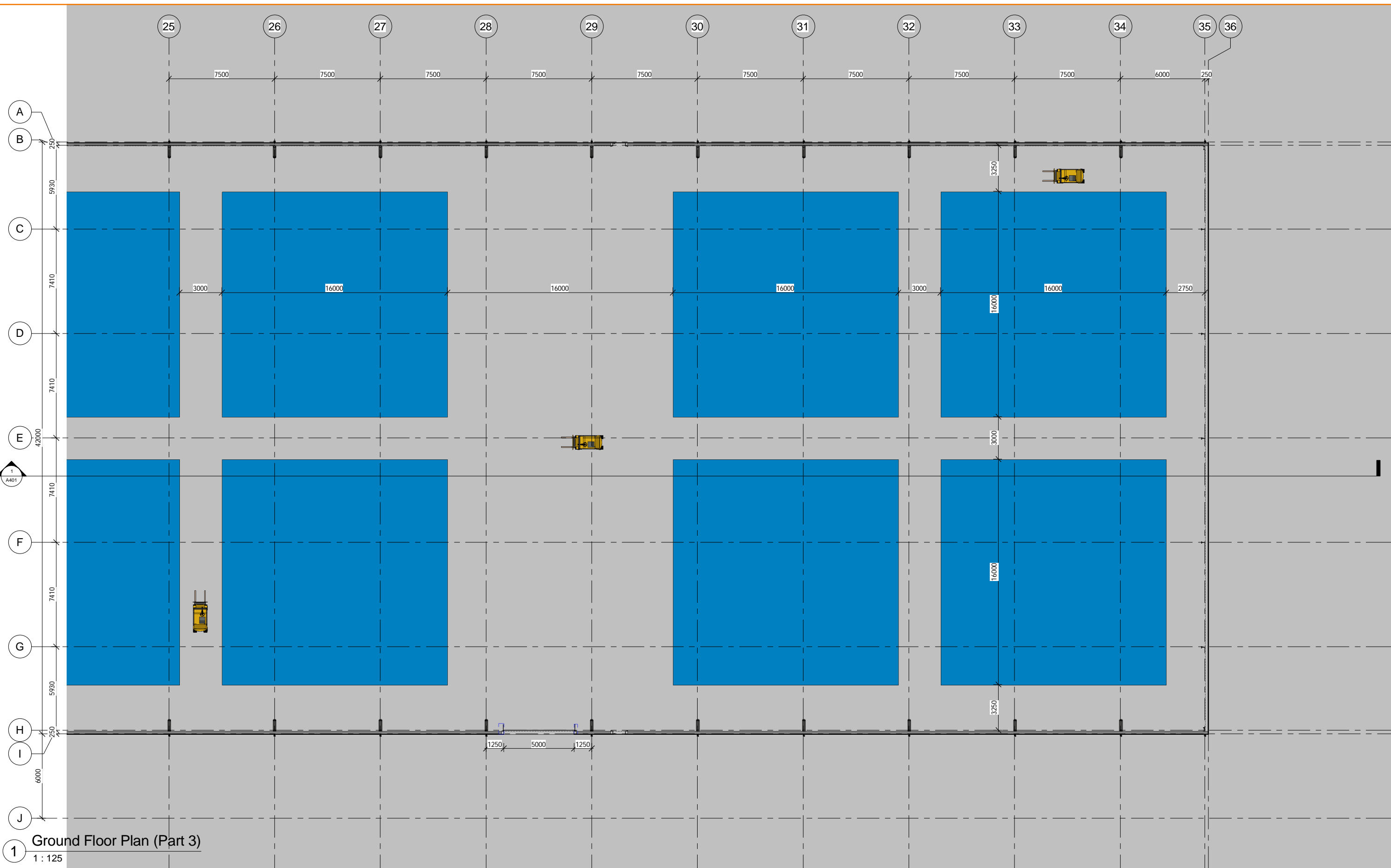




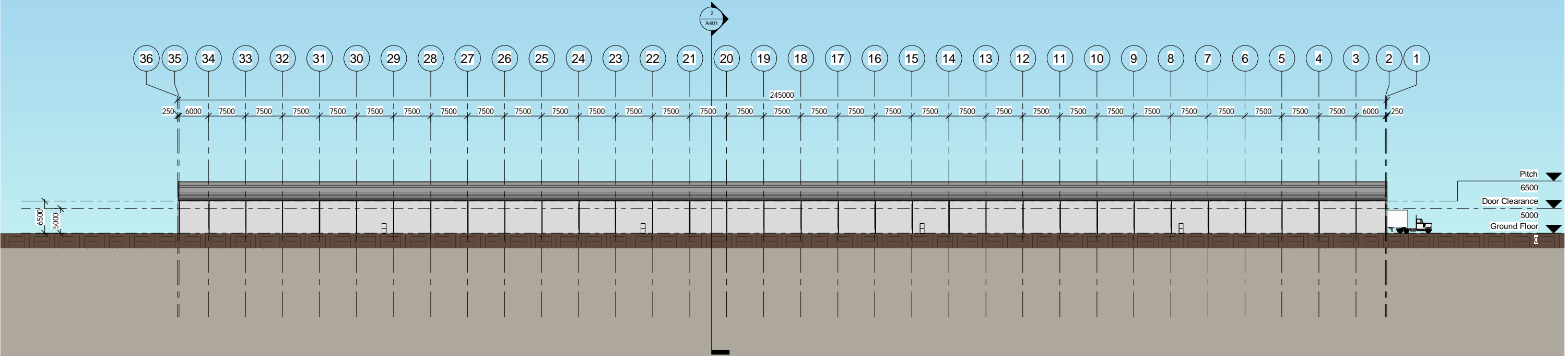




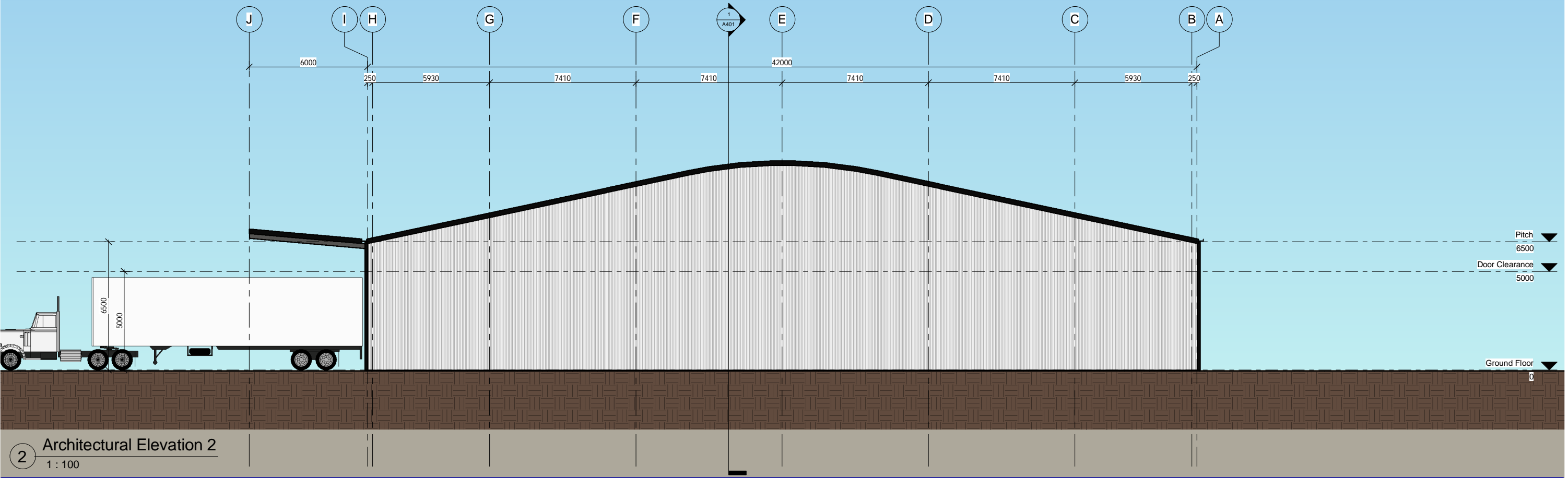




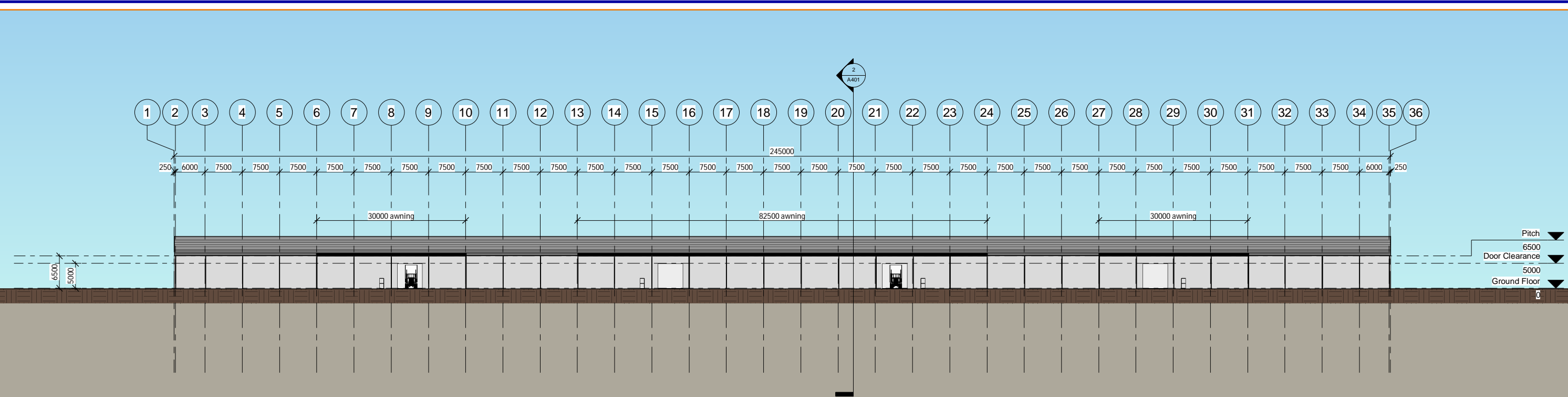
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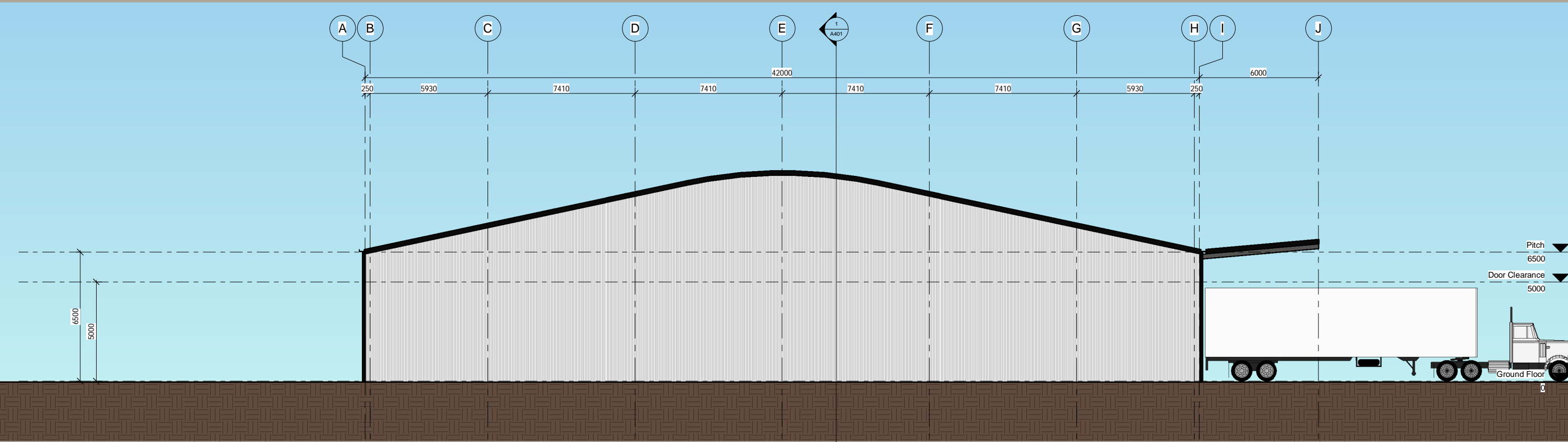
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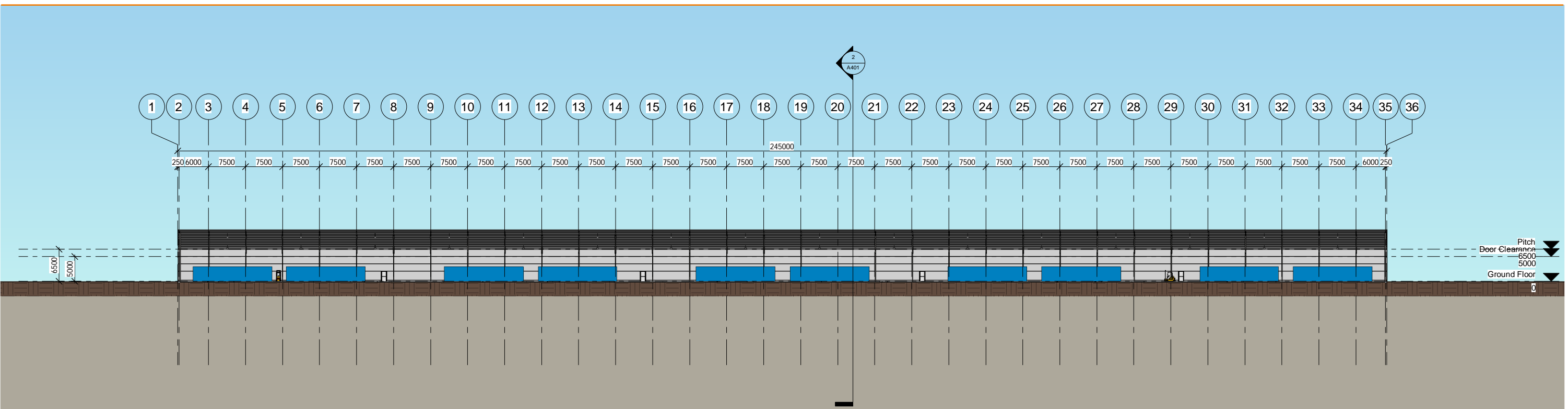
2 Architectural Elevation 2
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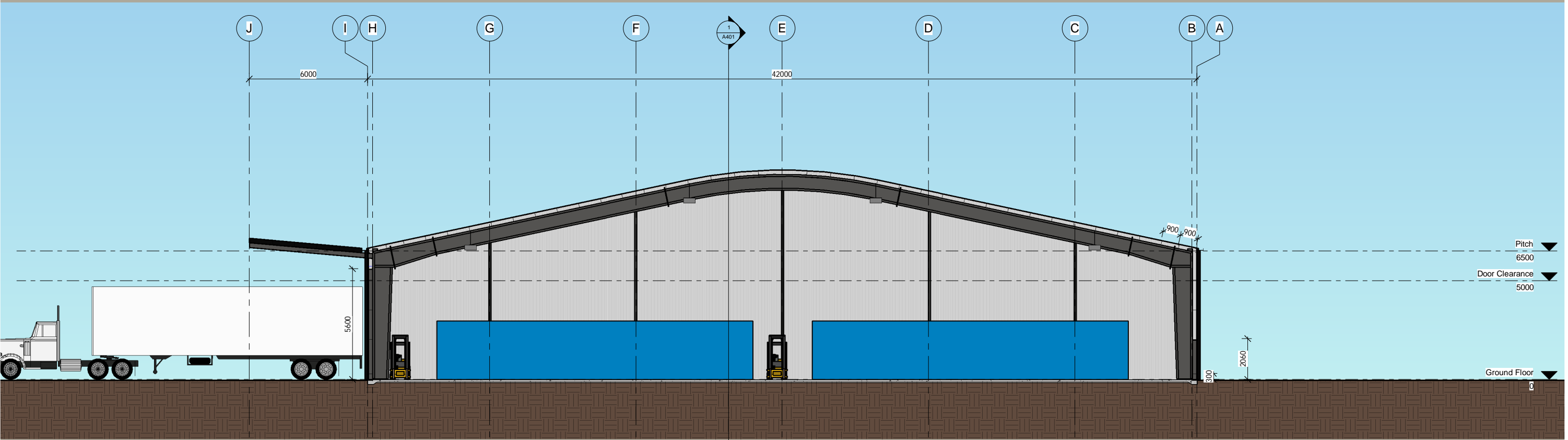
3 Architectural Elevation 3
1 : 400



4 Architectural Elevation 4
1 : 100



1 Architectural Section 1
1 : 400



2 Architectural Section 2
1 : 100