REGROWTH
KURRI KURRI

CREATING PROSPEROUS FUTURES

NEWSLETTER

WINTER 2017

The Hydro smelter site and buffer zone covers approximately 2000 hectares of land. It is predominantly zoned rural with a large portion in the Cessnock Local Government Area (LGA) and the remainder in the Maitland LGA.

Hydro has lodged rezoning applications with Maitland and Cessnock City Councils to support future employment land and housing within the site. Hydro is currently moving towards the demolition and remediation of the smelter site, the major parts of which require planning approval.

The Environmental Impact Statement (EIS) for remediation and Stage 2 demolition was placed on display by Department of Planning and Environment (DP&E) from 11 August to 12 September 2016.

REZONING

applications lodged July 2015

gateway determination received with conditions March 2016

the next key milestone for the rezoning is the completion of a flood study by Maitland City Council. Expected early 2018

exhibition expected late 2018 subject to certain Gateway conditions being satisfied

REUSE

items donated to charities and NGOs

plant and equipment sold online

some demolition waste to be reused onsite

RECYCLING

spent pot lining will be recycled, expected to take 3 – 4 years to complete

aluminium components, oil and steel are being recycled

DEMOLITION AND REMEDIATION

early works are complete

demolition to begin in June 2017 and take 2-3 years to complete

CMA Contracting now Principal Contractor on site

stage one demolition approved by Cessnock City Council March 2016, expected completion late 2018

Hydro is currently responding to issues raised during exhibition of the EIS

stage two demolition DA under preparation for submission to Cessnock City Council for determination. Expected completion 2020

REMEDIATION AND STAGE 2 DEMOLITION EIS SUBMISSIONS

To assess the potential environmental and social impacts of the remediation and Stage 2 demolition project, an EIS was prepared and displayed by the DP&E for community comment in August and September 2016.

A total of 24 submissions were received from various stakeholders, and each submission was individually examined to understand and respond to issues raised. Hydro is preparing a submissions report to address the issues and concerns raised in the submissions.

The EIS and submissions can be viewed on the Department of Planning and Environment website at **http://majorprojects.planning.nsw.gov.au/**

SUBMISSIONS:

7 INDIVIDUALS

6 ORGANISATIONS

11 GOVERNMENT AGENCIES

The main issues related to:

- Contamination
- Water
- Financial Assurance
- Containment Cell
- Human Health Risk Assessment
- Capped Waste Stockpile
- Waste
- Noise
- Bushfire
- Air Quality
- Traffic
- Hazards

After considering issues raised in the submissions, Hydro is currently preparing a response to submissions report for submission for review by DP&E and other stakeholders.

DEMOLITION AND REMEDIATION

The demolition and remediation process is a key component of Hydro's strategic vision to increase economic activity and employment in the local area by allowing for a new generation of business and industrial development at the Kurri Kurri site.

In April 2017 CMA Contracting were awarded the demolition contract for the Kurri Kurri site following an 18 months tendering process. CMA Contracting has operated for more than 30 years in large-scale industrial demolition and resource sector plant deconstruction, including the demolition of steel works, chemical and petrochemical plants and power plants.

Representatives of CMA addressed the ReGrowth Kurri Kurri Community Reference Group meeting in April 2017. They explained the planned demolition process and answered questions from the group.

CMA contracting became Principal Contractor for the Kurri Kurri site in May 2017.

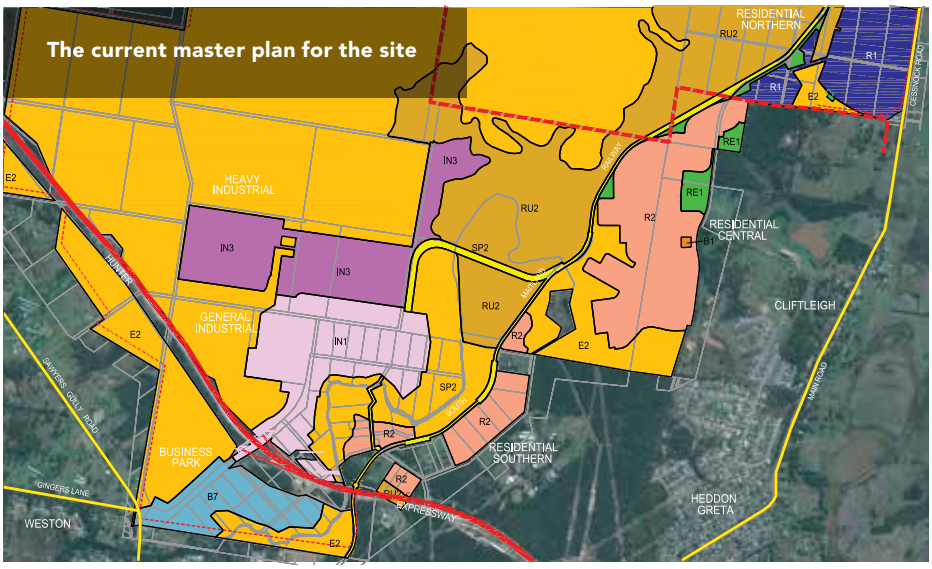
There are four parts to the demolition and remediation process:

1. Early Works: this is the relatively simple clean-up work that can be done without any approvals. This is prior to demolition work and is now largely completed.
2. Stage 1 Demolition: this includes demolition of the majority of site buildings and structures, excluding structures such as stacks, buildings with a potential for reuse, buildings storing waste materials, and below-ground infrastructure. CMA estimate that Stage 1 demolition will be complete by late 2018.
3. Stage 2 Demolition: this includes the tall stacks and removal of below-ground infrastructure. CMA estimate that subject to approval, the Stage 2 demolition will be complete in 2020.
4. Remediation: this includes excavation of contaminated soils and the on-site containment of these, along with non-recyclable waste material. Remediation remains the subject of the State Significant Development (SDD) Application and the associated EIS for determination by the NSW Minister for Planning.

Hydro received development consent from Council for Stage 1 demolition in March 2016, and is expected to commence in June 2017. Due to ongoing negotiations with the EPA and the DP&E regarding the ongoing management requirements and structure for the Containment Cell, there is a potential that the Project approval would be delayed beyond that in Hydro's overall demolition and remediation program. This could result in the demolition contractor having to demobilise from the Smelter and then remobilise once the Project receives approval. This poses significant time and cost implications for the demolition activities and the entire works program at the Smelter.

As a result, Hydro has withdrawn the Stage 2 Demolition from the SSD application and will be including it in a Development Application (DA) to Cessnock City Council. This DA will be supported by a new EIS. The Stage 2 Demolition EIS is currently under preparation and is expected to be submitted to Council within the next three months. Hydro has been in consultation with Council, the DP&E and the EPA on this new EIS. The demolition methodology, and therefore the potential environmental impacts and commitments to environmental management, will be consistent with that described in the existing Demolition and Remediation EIS.

LAND REZONING



- Site Boundary
- B1 -Neighbourhood Centre (5,046m²)
- E2 - Environmental Conservation (1249ha)
- R2 - Low Density Residential (127.7ha)
- RE1 -Public Recreation(14.17ha)
- SSP2 - pecial Purpose Infrastructure (10.6ha)
- RU2 - Rural landscape (235.6ha)
- B7 - Business Park (38.18ha)
- IN1 - General Industrial (87.23ha)
- IN3 - Heavy Industrial (89.88ha)
- R1 - General Residential (54.21ha)

Rezoning applications were lodged with Cessnock and Maitland City Councils in July 2015 for the following:

- Rezoning of around 215 hectares to business and industrial zoning
- Rezoning of around 180 hectares to residential zoning
- Rezoning of around 1300 hectares for environmental conservation
- With the remainder of the site to remain rural

Both Councils endorsed the applications to be forwarded to the DP&E for Gateway Determination and then exhibition. The Gateway Determination was approved with conditions in March 2016. A number of the conditions required additional environmental assessment of the site and further assessment of the future impacts of development on the site. When these conditions are met, the proposals will progress to the next stage, which is consultation and public exhibition for community feedback, managed concurrently by both councils. One of the Gateway conditions was that the biodiversity certification must be resolved prior to a final decision on rezoning. Another was the requirement for a flood study to be completed which takes into account the Tester's Hollow area. The flood study is expected to be complete in early 2018. Overall the rezoning process is expected to take up to three years.

The stacks in this photograph will be demolished as part of Stage 2 demolition, and require an environmental impact statement.

YOUTUBE VIDEOS

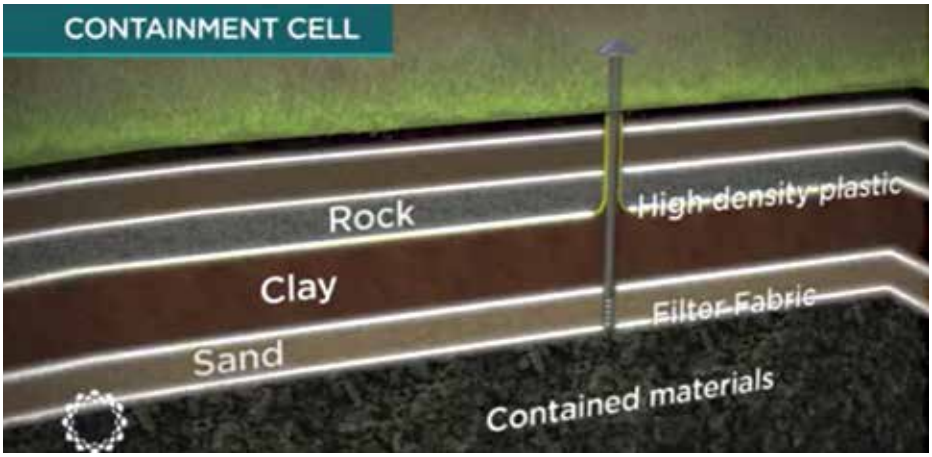
If you are interested in seeing images of the work being carried out on site, head to our YouTube channel. We have uploaded photographs of early remediation and early works prior to the larger demolition. Simply search on YouTube for *Regrowth Kurri Kurri.*

CONTAINMENT CELL DETAILED DESIGN

Site materials including concrete, metal and segregated smelter wastes (such as separated spent pot lining) that can be recycled, will be, where it is a reasonable and feasible option. Where recycling is not a viable option, an onsite containment cell will be used to manage waste materials.

Containment cells are current best-practice for the management of many contaminated and waste materials. For this reason, Hydro are proposing that the contaminated material on site be placed in a specially designed cell for long term management.

The concept design for the containment cell has layers of clay, high density engineered plastic sheeting, sand and rock, placed with filter fabric in between, to form a barrier that stops water from entering the cell, and stops any leachate from leaving the cell, except through a designed drainage layer that if required, allows the leachate to be collected and treated.



A still from our video about the remediation.

The whole containment cell would be constructed in an area where the ground is made of clay. This means that below the cell is around three to four metres of clay, with rock below that and well above the ground water table.

To date, Hydro has engaged engineering consultants to undertake the preliminary design and detailed design for the cell. Preliminary design was completed in late 2016 with detailed design and constructability assessments expected to be completed by August 2017.

A video explaining the concept design for the containment cell is also on the ReGrowth Kurri Kurri YouTube channel.

COMMUNITY CONSULTATION

To date the project team has carried out a variety of consultation activities. Project web pages contain a range of information and feedback mechanisms. Advertisements have been placed online and in printed media seeking feedback on proposal elements and promoting community drop-in sessions. Three sessions took place in 2015 in Kurri Kurri, Weston and Gillieston Heights, and an additional session was held in 2016, during the EIS exhibition period in Kurri Kurri.

Since July 2014, the Community Reference Group (CRG) has been meeting regularly to bring together community stakeholders with an interest in the project. The CRG is made up of community, business, and local government representatives, and is one of a number of ways the community is able to exchange information with Hydro and gain answers to questions and concerns.

We welcome feedback at any time and are always keen to hear from any local residents, business owners or other stakeholders who have questions or issues about any aspect of the project.

To contact the project team please:
Email: community.kurri@hydro.com
Phone: 1800 066 243 or
Write to: Hydro Aluminium Kurri Kurri, PO Box 1, Kurri Kurri NSW 2327.

REMEMBERING THE SMELTER

The Kurri smelter has been a part of the local landscape, and a part of many people's lives for decades. We want remember the smelter's place in the history of the region.

In August 2015 we put a call out for interested people to tell us how they think this can be achieved. The general consensus was to establish a mural. A small committee of interested locals was established to lead the mural process such as the design and location to incorporate the values and ideas of the community into the process and overall outcome.

The committee has developed a collection of ideas that feature key visual reminders of the smelting history; however, we are still interested in hearing yours.

WHERE WILL THE MURAL BE?

The committee considered the most appropriate location for the mural and have agreed on a key location. The vision of the committee is for the mural to act as a town entry mural and is proposed to be located on Hart Road, west of the Hunter Expressway, in close proximity to the smelter site.

WHAT'S NEXT?

Towns with Heart have been engaged by Hydro to facilitate the construction and design of the mural. An Expression of Interest (EOI) tender document for potential artists was compiled and opened to the public in April 2017 with EOIs being collected up to the end of May.

ECONOMIC BENEFITS

Hydro is committed to facilitating long-term employment and economic activity for the Kurri Kurri and Weston communities and the broader Hunter Region.

Early predictions estimate that development of the business and industrial area could bring around 300 million dollars, and create up to 30,000 construction jobs as well as several thousand ongoing jobs, when the site is fully developed.

The conservation area alone could potentially generate around a million dollars of regional value, and ongoing conservation management jobs.

NEXT STEPS

The early demolition works are nearly complete, with Stage 1 demolition beginning in June 2017.

Hydro are in early discussions with potential purchasers/developers for the site and proposals have been received, with clarifications underway. More information about the future use of the site will be available towards the second half of 2017.

REZONING OF LAND TO RESIDENTIAL, INDUSTRIAL AND CONSERVATION	TIMEFRAME
Prepare rezoning application	Completed April 2015
Planning proposals submitted to councils	Completed July 2015
Planning proposals tabled to meeting of councils	Completed November 2015
Applications forwarded to the LEP Review Panel	Completed August 2015
Gateway determination	Completed March 2016
Proposals on exhibition by Councils	2018-2019
Biodiversity certification application outcome (gateway condition)	2018-2019
Detailed assessment by Councils	2018-2019

MAJOR PROJECT DETERMINATION	TIMEFRAME
Remediation EIS submitted for appropriateness to the DP&E	Completed October 2015
Public exhibition of remediation EIS	Completed September 2016
DP&E receives submissions on remediation EIS	Completed January 2017
Hydro reviews submissions and prepares a Response to submissions report for remediation EIS	2017
Stage 2 demolition EIS exhibited by Council	August 2017
Submissions report provided to DP&E for review	Third Quarter 2017
Council determination of Stage 2 demolition DA	December 2017
DP&E determination of remediation DA	2018

RG11913