

28 July 2017

Clearing Regulation
Department of Water and Environment Regulation
168 St Georges Tce
Perth WA 6000

Dear

RE –Clearing Permit Application CPS 7516/1 – Response to Submission

I refer to your correspondence dated 17th July 2017 which includes one submission that was received during the public comment period associated with the clearing permit application (CPS 7516) for portion of Lot 3 Buller Road, Waroona (herein referred to as the subject site). Accendo Australia (Accendo) is acting on behalf on the proponent (AMG (WA) Pty Ltd) in providing environmental input associated with the abovementioned clearing permit application.

Please refer to the following information which has been provided in response to the submission received.

Submission

It is understood that within the submission it is stated that there is 250,000,000 tonnes of residue sand available for road/industry use at the Alcoa alumina refinery at Wagerup. It is proposed that this material could be used as an alternative to the sand resource located within the subject site.

Response

In accordance with Alcoa's *Wagerup Refinery Long Term Residue Management Strategy* (2012), a residue sand product, ReadyGrit®, has been developed and trialled for use as a road base and industrial land development product. Currently, this product is not being used as a commercial product within the construction industry. More importantly, given the potentially hazardous chemical composition of the residue sand, it is not considered a suitable alternative to sand for residential developments.

Correspondence was received from an Alcoa representative (pers. comm. , 24 July 2017) regarding the use of residue sand whereby the following was stated (refer to **Attachment 1**);

- *Our residue has two major components: mud and sand.*
- *We use the sand in the construction of our residue storage areas.*
- *Alcoa has been doing work over some years on the potential commercialisation of the sand component.*
- *Various successful trials have been completed on a range of applications for red sand including as road base under a section of the upgrade of Greenlands Road.*
- *Currently, however, there is no regulatory framework to support the commercialisation of the sand.*

- *Alcoa is not currently selling red sand.*

The sand resource within the subject site will almost wholly be used as a construction material (i.e. fill, concrete and building sand) for residential developments in nearby localities. The Department of Mines and Petroleum (DMP) has identified a shortage of building materials between Perth and Busselton. A dependable supply of these materials is crucial for construction and building involved with development. Transporting these materials from distant sources increases costs for housing and all developments. This is supported by the DMP Mineral Titles Executive Director Dr Ivor Roberts' statement "*A growing shortage of basic raw materials has been of concern to the Department of Mines and Petroleum for a number of years*". Furthermore, to further emphasise the shortage of basic raw materials within the Perth and Peel regions, it is noted that the DMP are investigating options for the establishment of sand extraction operations on crown land between Harvey and Waroona.

It should be noted that the subject site is within an area zoned Rural 1 General Farming pursuant to the *Shire of Waroona Town Planning Scheme Number 7*. The *Shire of Waroona Local Planning Strategy* also identifies the subject site as a sand ridge centered on Buller and Old Bunbury Roads. The Shire of Waroona has identified that mineral extraction, such as sand, in the region '*contribute significantly to the economy. Mineral extraction and processing is a key component of the local economy. Basic raw materials are essential for the road and construction industries*'. Furthermore, the DMP and Shire of Waroona have specifically identified the subject site as being located within a '*regionally significant basic raw materials*' area (Strickland 2013).

In summary, the following is provided:

- Residue sand from the Alcoa alumina refinery at Wagerup is not a suitable alternative for construction sand for residential developments and is currently not being used in any commercial capacity.
- The DMP has identified a shortage of building materials between Perth and Busselton.
- The subject site has been specifically identified by the DMP and Shire of Waroona as a '*regionally significant basic raw materials*' area.

Additional Matters

While not stated on the advertisement for this clearing permit application, this project will operate as joint venture between AMG (WA) Pty Ltd and Pandanus Park Aboriginal Community. The key objective of this project is to provide employment and training opportunities for Aboriginal people currently experiencing extreme hardship. On this basis, it is considered a project of state significance as it will provide invaluable community benefits to the Pandanus Park Aboriginal Community. Accordingly, the following government agencies have provided written support for this project:

- Josie Farrer – Member for Kimberly (dated 29 March 2017);
- Federal Minister for Indigenous Affairs (dated 19 April 2017);
- Federal Minister for Employment (dated 13 July 2017);
- Department of Aboriginal Affairs (dated 6 June 2017);
- Peel Development Commission (dated 14 June 2017); and
- Department of Training and Workforce (dated 21 June 2017).

I trust this information is satisfactory for your purposes. Should you have any queries or concerns relating to any of the above, please do not hesitate to contact me directly.

From:
Sent: Friday, 28 July 2017 9:30 AM
To:
Subject: Fwd: Alcoa sand enquiry

Sent from my iPhone

Begin forwarded message:

From:
Date: 24 July 2017 at 8:24:07 am AWST
To:
Subject: Alcoa sand enquiry

Hi

On Tuesday, July 18th you contacted me to ask whether Alcoa was selling, or planning to sell, sand into the commercial market.

On Thursday July 20th we spoke again; below is a summary of Alcoa's response to your question:

- Our residue has two major components: mud and sand.
- We use the sand in the construction of our residue storage areas.
- Alcoa has been doing work over some years on the potential commercialisation of the sand component.
- Various successful trials have been completed on a range of applications for red sand including as road base under a section of the upgrade of Greenlands Road.
- Currently, however, there is no regulatory framework to support the commercialisation of the sand.
- Alcoa is not currently selling red sand.

Regards,

Cockburn Road
Kwinana, WA, 6966
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