



MINISTER FOR THE ENVIRONMENT;
EMPLOYMENT AND TRAINING

Ass # 1035

Bull # 858

State # 458

**STATEMENT THAT A PROPOSAL MAY BE IMPLEMENTED
(PURSUANT TO THE PROVISIONS OF THE
ENVIRONMENTAL PROTECTION ACT 1986)**

**MID-WEST IRON AND STEEL PROJECT, GERALDTON STEEL PLANT
NARNGULU INDUSTRIAL ESTATE, GERALDTON**

INCREASE IN PRODUCTION FROM 1.0 MTPA TO 2.4 MTPA (1035)

KINGSTREAM RESOURCES NL

This proposal may be implemented subject to the following conditions:

1 Proponent Commitments

The proponent has made a number of environmental management commitments in order to protect the environment.

- 1-1 In implementing the proposal, the proponent shall fulfil the commitments made in the Public Environmental Review of July 1995 and in the Consultative Environmental Review of August 1996, and those made in response to issues raised following public submissions and subsequently; provided that the commitments are not inconsistent with the conditions or procedures contained in this statement.

In the event of any inconsistency, the conditions and procedures shall prevail to the extent of the inconsistency.

The proponent's consolidated environmental management commitments of June 1997 are attached.

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2 Implementation

Changes to the proposal which are not substantial may be carried out with the approval of the Minister for the Environment.

- 2-1 Subject to these conditions, the manner of detailed implementation of the proposal shall conform in substance with that set out in any designs, specifications, plans or other technical material submitted by the proponent to the Environmental Protection Authority with the proposal.
- 2-2 Where, in the course of the detailed implementation referred to in condition 2-1, the proponent seeks to change the designs, specifications, plans or other technical material submitted to the Environmental Protection Authority in any way that the Minister for the Environment determines, on the advice of the Environmental Protection Authority, is not substantial, those changes may be effected.

3 Proponent

These conditions legally apply to the nominated proponent.

- 3-1 No transfer of ownership, control or management of the project which would give rise to a need for the replacement of the proponent shall take place until the Minister for the Environment has advised the proponent that approval has been given for the nomination of a replacement proponent. Any request for the exercise of that power of the Minister shall be accompanied by a copy of this statement endorsed with an undertaking by the proposed replacement proponent to carry out the project in accordance with the conditions and procedures set out in the statement.

4 Environmental Management System

The proponent should exercise care and diligence in accordance with best practice environmental management principles.

- 4-1 In order to manage the environmental impacts of the project, and to fulfil the requirements of the conditions and procedures in this statement, prior to construction, the proponent shall prepare environmental management system documentation with components such as those adopted in Australian Standards AS/NZS ISO 14000 series, in consultation with the Department of Environmental Protection.
- 4-2 The proponent shall implement the environmental management system referred to in condition 4-1.

5 Environmental Management Programme

In order to plan for such a large processing operation with potential large-scale environmental impacts in reasonable proximity to sensitive premises, an Environmental Management Programme is required.

- 5-1 Prior to commissioning, the proponent shall prepare an Environmental Management Programme, to the requirements of the Environmental Protection Authority on advice of the Department of Environmental Protection.

This Programme shall address, but not be limited to the following:

Noise

- 1 monitoring and audit plan for noise emissions as a means of gauging the effectiveness of noise control measures and compliance with the noise regulations.

Gaseous emissions (including greenhouse gases and odours)

- 2 monitoring and audit plan for all gaseous and odorous emissions (stack and ambient), including greenhouse gases;
- 3 calculation of the greenhouse gas emissions for the project;
- 4 indication of the measures adopted to limit greenhouse gas emissions for the project;
- 5 estimation of the greenhouse gas efficiency of this project and comparison with the efficiencies of other comparable projects producing a similar product; and
- 6 consideration of entry into the Commonwealth Government's "Greenhouse Challenge" voluntary co-operative agreement programme which includes:
 - (1) an inventory of emissions;
 - (2) opportunities for abating greenhouse gas emissions in the organisation;
 - (3) a greenhouse gas mitigation action plan;
 - (4) regular monitoring and reporting of performance; and
 - (5) independent performance verification.

Dust and particulate emissions

- 7 monitoring and audit plan for all dust and particulate emissions (including fugitive dust) and the moisture content of all storage stockpiles as a means of gauging the effectiveness of dust control.

Liquid and solid waste disposal

- 8 details of waste disposal approvals obtained from relevant government authorities and how the conditions of those approvals will be implemented.

Protection of groundwater

- 9 efficient use and conservation of fresh water;
- 10 preferential use of brackish water; and
- 11 monitoring and audit plan for groundwater quality at the plant perimeter and at other selected sites within the plant, following liaison with the Water and Rivers Commission.

Light overspill

- 12 details of management measures to ensure that light overspill from the plant and transfer facility near Mullewa meets the requirements of the Department of Environmental Protection.

Results

- 13 results of monitoring to be submitted annually to the Department of Environmental Protection for audit, and to be made publicly available.

Performance audit

14 annual performance audit of the environmental objectives, and allowance for continuous improvement as new operational procedures and knowledge are developed.

5-2 The proponent shall make the Environmental Management Programme required by condition 5-1 available for public review at appropriate times.

5-3 The proponent shall implement the Environmental Management Programme required by condition 5-1.

6 Impacts on Residents

Predicted noise, dust and light overspill impacts on residents living near the Mullewa transfer facility and Narngulu steel plant, particularly at the Narngulu townsite and adjacent rural areas, have the potential to be unacceptable and require a management strategy for resolution before development commences.

6-1 Prior to construction, the proponent shall prepare a management strategy, in consultation with the surrounding residents, which details plans for either modifying operations or for relocating residents who would be affected by unacceptable noise, dust and light overspill from the steel production operation at Narngulu, to the requirements of the Minister for the Environment on advice of the Environmental Protection Authority.

6-2 Prior to construction, the proponent shall prepare a management strategy, in consultation with the surrounding residents, which details plans for either modifying operations, or for relocating residents who would be affected by unacceptable noise, dust and light overspill from the Mullewa transfer facility, to the requirements of the Minister for the Environment on advice of the Environmental Protection Authority.

6-3 If either or both of the strategies prepared in accordance with conditions 6-1 and 6-2 lead to modifying operations rather than relocation of residents, the proponent shall implement the strategy(ies) through the Environmental Management Programme required by condition 5-1.

6-4 If either or both of the strategies prepared in accordance with condition 6-1 and 6-2 lead to relocation of residents, the proponent shall implement the strategy(ies) to the requirements of the Minister for the Environment.

6-5 With respect to road transportation noise, prior to construction, the proponent shall carry out further studies of the noise impacts associated with road transportation between the plant and the port in order to identify residences where established criteria may be exceeded, and to determine appropriate ameliorative measures, to the requirements of the Minister for the Environment on advice of the Environmental Protection Authority.

6-6 With respect to rail transportation noise, prior to construction, the proponent shall carry out further studies of the noise impacts associated with rail transportation of iron ore between Mullewa and the plant in order to identify residences where established criteria may be exceeded, and to determine appropriate ameliorative measures, to the requirements of the Minister for the Environment on advice of the Environmental Protection Authority.

6-7 The proponent shall implement the ameliorative measures determined according to the requirements of conditions 6-5 and 6-6.

7 Incorporation of Low NO_x Technology

- 7-1 Prior to construction, the proponent shall design the power station gas turbines to incorporate low NO_x technology, to the requirements of the Minister for the Environment on advice of the Environmental Protection Authority.
- 7-2 The proponent shall construct the power station gas turbines according to the design required by condition 7-1.

8 Public Health and Safety - Risk

- 8-1 Prior to the preparation of final plant engineering designs, as part of the site's overall risk assessment, the proponent shall undertake:
 - 1 a qualitative risk assessment of the site to ensure compliance with the Department of Environmental Protection's individual risk criteria; and
 - 2 a hazard and operability study (HAZOP) and hazardous zone analysis for all flammable and toxic gas systems for the Direct Reduced Iron Plant and storage area and the cryogenic oxygen unit;

to the requirements of the Environmental Protection Authority on advice of the Department of Minerals and Energy and the Department of Environmental Protection.

9 Decommissioning

- 9-1 The proponent shall carry out the satisfactory decommissioning of the project, removal of installations and rehabilitation of the site and its environs.
- 9-2 To achieve the objectives of condition 9-1, at least six months prior to decommissioning, the proponent shall prepare a decommissioning and rehabilitation plan.
- 9-3 The proponent shall implement the plan required by condition 9-2.

10 Time Limit on Approval

The environmental approval for the substantial commencement of the proposal is limited.

- 10-1 If the proponent has not substantially commenced the project within five years of the date of this statement, then the approval to implement the proposal as granted in this statement shall lapse and be void. The Minister for the Environment shall determine any question as to whether the project has been substantially commenced.

Any application to extend the period of five years referred to in this condition shall be made before the expiration of that period to the Minister for the Environment.

Where the proponent demonstrates to the requirements of the Minister for the Environment on advice of the Environmental Protection Authority that the environmental parameters of the proposal have not changed significantly, then the Minister may grant an extension not exceeding five years.

11 Performance Review

- 11-1 Each year following the commencement of construction, the proponent shall prepare an audit of the performance of the Environmental Management Programme referred to in condition 5-1, and in particular, the audit shall show rectification and improvement measures where required.

The annual audit shall be presented to the Department of Environmental Protection acting on behalf of the Environmental Protection Authority.

- 11-2 Each six years following the commencement of construction, the proponent shall prepare a major review of the following:

- (1) environmental protection, including but not limited to consideration of the environmental objectives;
- (2) the audit of performance against these objectives; and
- (3) the audit of the performance of the Environmental Management Programme referred to in condition 5-1;

to the requirements of the Environmental Protection Authority on advice of the Department of Environmental Protection.

These environmental objectives shall include but not be limited to those identified by the Environmental Protection Authority in the assessment report (Environmental Protection Authority Bulletin 858) and account for operating experience and new knowledge.

The environmental objectives may be changed by the Environmental Protection Authority following the review.

Note:

In the event that the timing requirements of this condition are not compatible with the timing requirements of the triennial reporting required under the State Agreement Act, then the timing requirements of the latter will prevail.

12 Compliance Auditing

To help determine environmental performance, periodic reports on progress in implementation of the proposal are required.

- 12-1 The proponent shall submit periodic Performance and Compliance Reports, in accordance with an audit programme prepared by the Department of Environmental Protection in consultation with the proponent.

Procedure

- 1 Unless otherwise specified, the Department of Environmental Protection is responsible for assessing compliance with the conditions contained in this statement and for issuing formal clearance of conditions.
- 2 Where compliance with any condition is in dispute, the matter will be determined by the Minister for the Environment.

- 3 The Environmental Protection Authority will undertake a detailed review of the proposal and the results of the Environmental Management Programme referred to in condition 5-1 after the first five years following commencement of construction.

Note

- 1 The proponent is required to apply for a Works Approval and Licence for this project under the provisions of Part V of the Environmental Protection Act.
- 2 The Environmental Protection Authority reported on this project in Environmental Protection Authority Bulletins 804 (January 1996) and 858 (June 1997).

CHERYL EDWARDES (Mrs) MLA
MINISTER FOR THE ENVIRONMENT

13 OCT 1997

Proponent's Environmental Management Commitments

June 1997

MID-WEST IRON AND STEEL PROJECT GERALDTON STEEL PLANT NARNGULU INDUSTRIAL ESTATE, GERALDTON

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KINGSTREAM RESOURCES NL

COMMITMENTS

Construction and Operation

- 1 The proponent will ensure that the GSP is designed and constructed in accordance with the descriptions provided in the PER. (Timing - prior to and during construction)

Kingstream Resources NL is willing to replace this Commitment with the following:

- 1-A The proponent will ensure that the GSP is designed and constructed in accordance with the descriptions provided in the CER (Timing - prior to and during construction)**
- 2 The proponent will ensure that the construction and operation of the GSP conforms with the environmental conditions and regulations as determined by the Minister for the Environment. (Timing - prior to construction and during the life of the project)
- 3 The proponent will appoint an Environmental Manager who will be responsible for environmental management of the construction and operation of the GSP. (Timing - prior to construction)

Community Liaison

- 4 The proponent will continue to liaise with local communities, local authorities, and government agencies to provide information about the MWIS Project and in order to promote benefits to the Mid West Region. (Timing - prior to construction and during the life of the project)

Atmospheric Emissions

- 5 The proponent will, prior to construction, develop and subsequently implement the Environmental Management Program which will ensure that all gaseous and odorous emissions and ground level concentrations are within established criteria. The Environmental Management Program will include, but not be restricted to:
 - 1 the development of suitable monitoring programs, and
 - 2 contingency plans should emissions exceed established criteria to reduce emission levels below those criteria.

The results of the monitoring programs will be reported to the DEP and will be available to the public.

6 The proponent will, prior to construction, develop and subsequently implement an Environmental Management Program which will ensure that all dust and particulate emissions and ground level concentrations are within established criteria. The Environmental Management Program will include, but not be restricted to:

- 1 the development of suitable monitoring programs, and
- 2 contingency plans should emissions exceed established criteria to reduce emissions levels below those criteria.

The results of the monitoring programs will be reported to the DEP and will be available to the public.

7 The proponent will include stacks with a minimum height of 50m in the pellet plant in place of the 30m high stacks originally proposed for the 1.0Mt/pa plant, in order to achieve the lowest practical ground level concentrations of NO₂ from these sources in accordance with best management practice.

Noise

8 The proponent will incorporate specific noise attenuation measures in the detailed design of the GSP which will ensure that the requirements of the *Environmental Protection Act, 1986* Regulations or any new Regulations with respect to noise are complied with. These measures will be to the satisfaction of the DEP. (Timing - detailed design phase of the project)

9 The proponent will, prior to construction, develop and subsequently implement an Environmental Management Program which will ensure that all noise emissions are within established criteria. The Environmental Management Program will include, but not be restricted to:

- 1 the development of suitable monitoring programs, and
- 2 contingency plans should emissions exceed established criteria to reduce emission levels below those criteria.

The results of the monitoring programs will be reported to the DEP and will be available to the public.

10 The proponent has committed to the following specifications for vehicles in the transportation of steel and scrap steel to and from the Port of Geraldton, and to specify similar requirements on supply and trucking tenders entered into by Kingstream Resources NL:

- 1 A minimum rated power output of 388kW (530 horsepower);
- 2 No engine braking;

- 3 The use of airbag/pneumatic suspension systems in lieu of conventional springs for prime movers and trailers where economically feasible; and
- 4 A noise level 5dB(A) less than ADR28/01 (External Noise of Motor Vehicles) where economically feasible.

Solid Waste

- 11 The proponent will investigate opportunities for the use of solid wastes generated by the GSP. (Timing - prior to and during the operation of the GSP)

Visual Impact

- 12 The proponent will establish landscape plantings around the perimeters of the GSP site adjacent to roads and small property holdings. The landscape treatment will be developed in consultation with the Shire of Greenough and will be to the satisfaction of the DEP. (Timing - prior to and during construction of the GSP)

Geraldton Airport

- 13 The proponent will liaise with the Shire of Greenough regarding aircraft operations at Geraldton Airport. (Timing - prior to construction)

Water Supply

- 14 The proponent will participate in, or will implement an exploration program to define a groundwater resource to provide water to the GSP and will use non-potable water for cooling purposes in preference to potable water provided that a suitable resource is identified by the groundwater exploration program and that use of this resource would not incur additional costs relative to supply of potable water. (Timing - exploration program, prior to and during the initial phase of construction; use of non-potable groundwater - throughout life of the project)

Kingstream Resources NL wishes to replace this Commitment with the following:

If it is technically feasible to use significant quantities of non-potable water in the GSP, and such use would not involve additional costs relative to the supply of potable water, the proponent will participate in, or will implement an exploration program in an attempt to define a non-potable groundwater resource which can supply the GSP.

Protection of Groundwater

- 15 The proponent will prepare and subsequently implement a Drainage Management Plan which specifies measures designed to ensure the protection of groundwater resources at the site of the GSP and will submit this plan to the DEP for approval. (Timing - prior to construction).

COMMITMENTS TABLE

Several of the commitments listed above reaffirm Kingstream Resources intention to comply with the statutory requirements incumbent on the company, or paraphrase conditions likely to be placed upon the project by the Minister for the Environment. For brevity these conditions have not been repeated in the Commitment table below, which has been produced in accordance with Department of Environmental Protection Guidelines.

Commitment	Objective	Action	Timing	Whose Requirement	Measurement/ Compliance Criteria
Environmental Manager Appoint an Environmental manager	To coordinate environmental management and reporting	Appoint environmental manager to monitor plant performance against established criteria and requirements	Prior to construction	DEP Part IV,V In consultation with proponent	Letter to DEP Identifying delegated officer
Community Liaison Continue to liaise with local communities, local authorities and government agencies	To provide information about the MWIS project and to promote the benefits to the Mid West Region	Identify a mechanism for liaison	Prior to construction	DEP Part IV	Provision of liaison schedule
Community Liaison Continue to liaise with local communities, local authorities and government agencies	To provide information about the MWIS project and to promote the benefits to the Mid West Region	Liaise regularly with local communities, local authorities and government agencies	Prior to and during the life of the project	DEP Part IV	Six monthly review of liaison with local community, local authorities and government agencies
Geraldton Airport Liaise with Shire of Greenough	Ensure safe road transport flow to and from Geraldton Airport	Consultation with Shire of Greenough	Prior to Construction	DEP in consultation with Shire of Greenough	Outcomes of consultations reported in community liaison
Geraldton Airport Airport Safety	Ensure Air Safety Standards are met	Consultation with FAC	Prior to Construction	DEP In consultation with FAC	Report outcomes of meetings with FAC

Commitment	Objective	Action	Timing	Whose Requirement	Measurement/ Compliance Criteria
<p>Visual Amenity Establish landscape plantings around the perimeter of the GSP site adjacent to roads and small property holdings</p>	<p>Improve visual amenity</p>	<p>Develop a landscape plan</p>	<p>Prior to construction</p>	<p>DEP Part V In consultation with the Shire of Greenough</p>	<p>Submission of a Landscape Plan</p>
<p>Visual Amenity Establish landscape plantings around the perimeter of the GSP site adjacent to roads and small property holdings</p>	<p>Improve visual amenity</p>	<p>Implement the landscape plan</p>	<p>Prior to and during construction</p>	<p>DEP Part V In consultation with the Shire of Greenough</p>	<p>Proponents Compliance Report</p>
<p>Transport Noise All vehicles involved in transportation of product and scrap steel</p>	<p>To keep noise to a practical minimum</p>	<p>Provide trucks with the following specifications: (i) a minimum rated power output of 520 horsepower, (ii) no engine braking, (iii) the use of airbag/ pneumatic suspension systems in lieu of conventional springs for prime movers and trailers where economically feasible, (iv) a noise level of 5dB(A) less than ADR28/01 (External Noise of Motor Vehicles) where economically feasible</p>	<p>During operation of the plant</p>	<p>DEP Part V</p>	<p>Proponents Compliance Report</p>

Commitment	Objective	Action	Timing	Whose Requirement	Measurement/ Compliance Criteria
Transport Noise Heavy vehicles involved in transport of bulk commodities other than steel and scrap steel	To keep noise to a practical minimum	With the tender specifications documents for bulk haulage arrangement entered into by AFKS identify a preference for the following truck specifications: (i) a minimum rated power output of 520 horsepower, (ii) no engine braking, (iii) the use of airbag/ pneumatic suspension systems in lieu of conventional springs for prime movers and trailers where economically feasible, (iv) a noise level of 5dB(A) less than ADR28/01 (External Noise of Motor Vehicles) where economically feasible	During operation of the plant	DEP Part V	Proponents Commitment Report
Atmospheric Emissions To install pellet plant stacks of a minimum height of 50 metres	To achieve practical ground level concentrations of NO ₂	By equipment specification to major equipment suppliers	Prior to construction	DEP Part V	Proponents Compliance Report