



Hunter Bird Observers Club Inc.

Affiliated with Bird Observation and Conservation Australia

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27 January 2012

Ms Jones,
Assistant Secretary,
Environment Assessment Branch,
Dept. Sustainability, Environment, Water, Population and Communities,
GPO Box 787,
Canberra, ACT, 2601

Dear Ms Jones,

Hunter Wetlands National Park Area E and Offsets in the Hunter Estuary Newcastle NSW

Thank you for your prompt answer to our letter of 7 November 2011. The Hunter Bird Observers Club Inc. (HBOC) will take your advice and write a submission on the Port Waratah Coal Services Terminal 4 Project (PWCS T4) when the Environmental Assessment is released.

In the meantime I would like to try to clarify various complicated issues with regard to past management of offsets in the Hunter Estuary and I apologise for the complex and lengthy letter. It appears however, that serious irregularities may have occurred indicating a systemic dysfunction in the offsetting process which must be resolved if the environment is to be effectively managed in a sustainable manner.

Both in the local press and in your reply to our letter, it is implied that the 22 ha of land to be added to the National Park Estate is connected to the removal of 18.5 ha of wetland from the site known as Area E on Ash Island. This is not the case. This 22 ha of saltmarsh land is situated north of the North Arm of the Hunter River at Tomago west of and adjacent to the Hunter Wetlands National Park (Tomago site). The 22 ha was in fact an offset for a development at Tomago by the company WesTrac, owned by Northbank Hub Enterprises, which is investing in a 130 million dollar project (see enclosed Figure).

This same 22 ha of land is part of a much larger block which in 1990 was offered by Tomago Aluminium Smelter as a Buffer Zone between the smelter and the Hunter Wetlands National Park (Tomago site) called at that time Kooragang Nature Reserve. As a result of negotiations the Kooragang Wetland Rehabilitation Project was formed and it embarked on the documentation required to restore this much degraded site to a viable wetland. When a project called Austeel showed interest in developing a new steel mill for Newcastle the NSW State Government stepped in, cancelled the Buffer Zone wetland project and purchased the land in 2003 for the Austeel Project which, however, subsequently failed. HBOC considers that this 22 ha has been used as an offset by two different companies and that it cannot possibly be used as an offset for the removal of the 18.5 ha from Hunter Wetlands National Park at Ash Island Area E to provide extra rail lines for PWCS T4.

The issue is complicated even further:

Northbank Hub Enterprises have purchased 239.7 ha, Lot 1001 DP 1127780, of the original Tomago Smelter Buffer Zone and the Hunter Development Corporation now owns 242.6 ha, Lot 1002, to the south of Lot 1001. In the Ecological Assessment, October 2011, Northbank Hub claimed Lot 1002 as its offset for Lot 1001 according to the 2005 Memorandum of Understanding (MOU) whereby Lot 1002 was to be conservation land. However, this MOU was overturned and is no longer valid. Hunter Development

Corporation are now advertising Lot 1002 as “for sale” for environmental purposes, 13 December 2011 press release, which leaves Northbank Hub Enterprises without an offset unless they purchase the land. There is little doubt in our minds, however, that it is intended that PWCS purchase this land as an offset for their Terminal 4 project which will require offsets although this is guesswork on our part. This situation will no doubt provide more problems in the future.

HBOC notes that part of Lot 1002, called the Rice Paddy, lies on the western side of the Hunter Wetlands National Park (Tomago site) and is approximately 400x 400 metres in size and encompassed by a low levee. In November 2006 HBOC was invited to take part in a meeting with NSW National Parks and Wildlife Service (NPWS) to discuss the future of remaining assets from the offset monies for the site known as Big Pond which lies on Cormorant Road, Kooragang Island adjacent to the South Arm of the Hunter River. Big Pond was an important wetland for migratory shorebirds listed under the Environment Protection and Biodiversity Conservation Act. In the offset agreement Big Pond wetland habitat was to be replaced but this was never achieved. Big Pond itself no longer exists as it has been filled in and is now the site for the Newcastle Coal and Infrastructure Group coal export terminal. It was suggested by NPWS that the Rice Paddy be managed for shorebirds as replacement habitat for Big Pond. The budget of \$50,000 was spent on repairing the levee and installing further tidal gates on the Ring Drain which surrounds Fullerton Cove. HBOC was promised that the Rice Paddy would become part of the National Park Estate. This promise was not kept and it now appears that the Rice Paddy is for sale as part of Lot 1002.

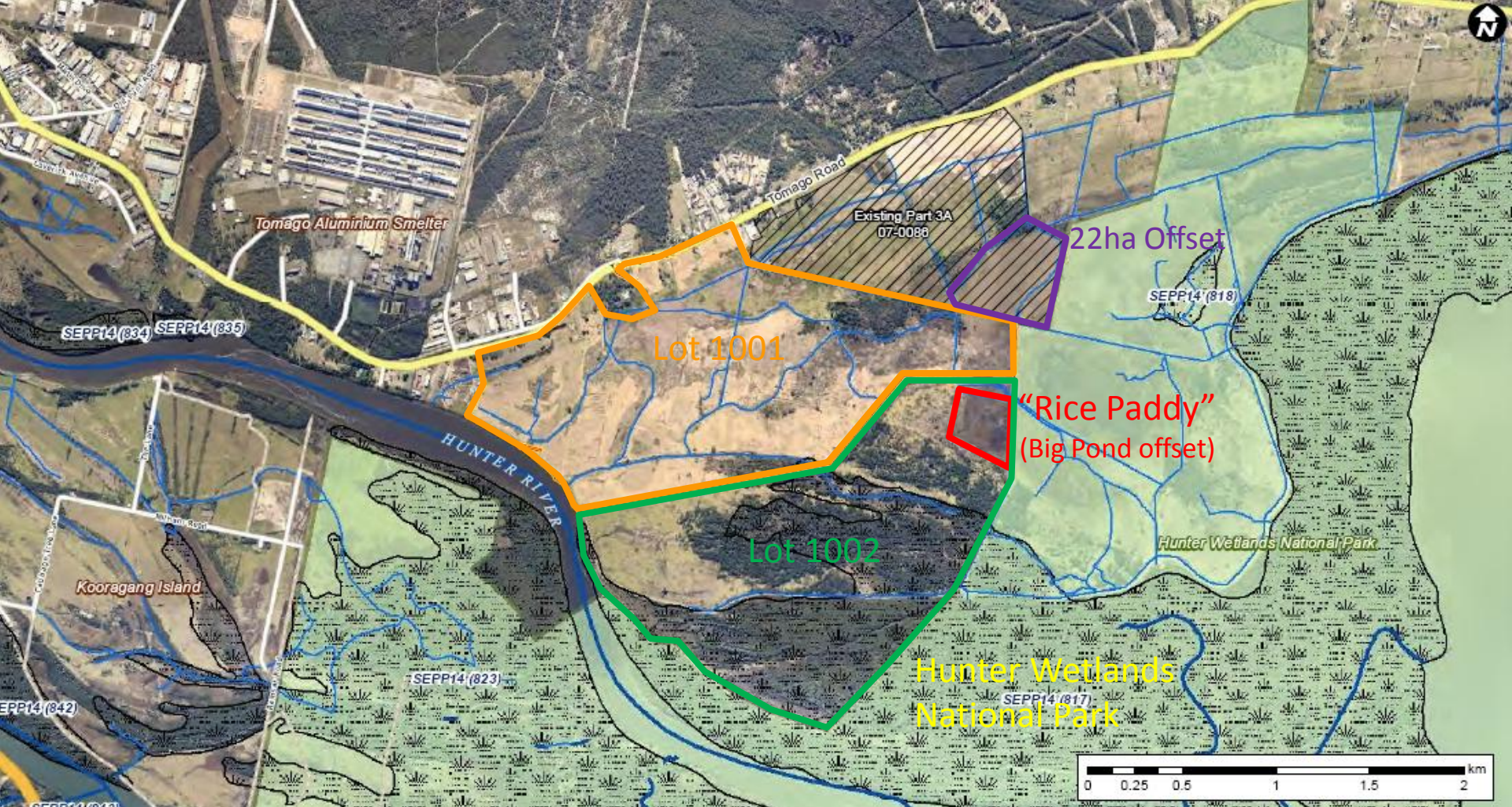
And so to summarise HBOC’s concerns and objections:

- The Tomago Aluminium Smelter Buffer Zone was not retained as a Buffer Zone between the smelter and the Hunter Wetlands National Park (Tomago site); part of it is in private ownership (Lot 1001) and part is for sale (Lot 1002).
- The 22 ha of saltmarsh has been used twice as an offset (Buffer Zone and as an offset for WesTrac) and is being linked with the removal of 18.5 ha of Hunter Wetlands National Park on Ash Island at Area E.
- The Rice Paddy was to be part of the offset for Big Pond, but it was not transferred to the National Park Estate as promised and is now for sale as part of Lot 1002.

HBOC’s concerns revolve around the lack of clarity about the offsets for industrial development in the Hunter Estuary. There seem to be serious deficiencies in the process of the identification of offsets, their suitability and of the maintenance of basic records – where, when, to whom and why offsets were granted. We therefore have no confidence that Lot 1002 will in the long term continue to be regarded as land for conservation purposes. We would ask you to particularly note that the proposed removal of 18.5 ha of land from the National Park Estate on Ash Island has nothing to do with previous additions to the Estate. We would further ask you to investigate the matters we have raised and we look forward to a reply from you.

Yours faithfully,

Ann Lindsey – Conservation Officer for the Hunter Bird Observers Club



Legend / Notes

- Study Area
- Perennial waterway
- Westrac Site
- Non-perennial waterway
- Coastal Wetlands (SEPP 14)
- NPWS Estate 2010 / Ramsar Site 24

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Lot 1001 – Previously part of Tomago Buffer Land, now owned by Northbank Hub Pty Ltd

“Rice Paddy” – offset for Big Pond

Lot 1002 – Previously part Tomago Buffer Land

22 ha Offset

Original base map from Ecobiological 2007 Fig.2