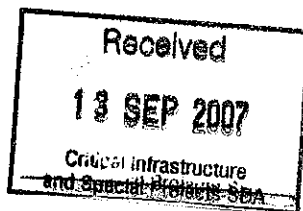




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11 September 2007

The Director General
Department of Planning
GPO Box 39
Sydney NSW 2001

Director-General:

Application for Approval of Concept Plan (s.75M of the EPA Act); Request for Director-General's environmental assessment requirements (s.75F)

On 17 July 2007 the Minister for Planning authorised the submission of a Concept Plan for the use and development of land within Precinct 1 of the Hunter Economic Zone (HEZ), associated precinct planning for Precinct 1 and associated infrastructure development in the HEZ (in particular the Pelaw Main By-Pass) (**Development**).

As noted in the Minister's Record of Authorisation, the Development was generally described in correspondence from HEZ Nominees Pty Limited dated 28 March 2007. A copy of the Minister's authorisation and our letter of 28 March 2007 is attached for your reference.

This application seeks the Minister's approval of a concept plan for the use and development of land within Precinct 1 of the HEZ for the manufacture of wall and floor panels, the detailed precinct planning for Precinct 1 and associated infrastructure and the Pelaw Main By-Pass referred to in the Minister's section 75M(1) authorisation (**Concept Plan**).

A concurrent Major Projects Application for the use and development of land within Precinct 1 of the HEZ for the manufacture of wall and floor panels (described in the Record of Minister's opinion for the purposes of clause 6(1) of SEPP (Major Projects) 2005) has also been made as permitted by Clause 75E (4) of the EPA Act 1979.

1 APPLICATION FOR APPROVAL OF CONCEPT PLAN

Project Description

The Concept Plan incorporates:

- The development of a facility for the manufacture of wall and floor panels;
- Proposed and existing lot layouts;
- Conservation buffers;
- Bushfire protection planning measures;
- Habitat retention measures;
- The Pelaw Main by-pass road; and
- Associated infrastructure.



The lots proposed to be created will be developed for a range of Industrial and Employment generating uses including:

- Bulk Storage;
- Generating works;
- Industry and light industry;
- Liquid fuel depots;
- Manufacturing;
- Material and produce processing;
- Warehousing and distribution;

The Concept Plan yields approximately 94ha of developable industrial land currently zoned 4(h) Hunter Employment Zone under Cessnock LEP 1989.

The proposed subdivision layout proposed in this Concept Plan has been prepared in response to existing data sets and strategies that have previously been prepared for the site. These baseline studies include:

- The Ecological Constraints Masterplan (ECMP) (Feb 2004) prepared by Harper Somers O'Sullivan;
- The Public Environment Report (August 2006) and Supplement to the Public Environment Report (August 2006) prepared by Harper Somers O'Sullivan;
- Test Excavation Report for Aboriginal Archaeology retrieval Excavation - December 2003 prepared by ERM;
- Aeolian Sands by Chinamans Hollow Creek Geomorphological Report – October 2004 prepared by ERM; and
- The Bushfire Management Strategy prepared by Harper Somers O'Sullivan.

The Concept Plan Application provides a clear framework for the establishment of parcels of land for future industrial development and employment generating use and the basis for subsequent Project Applications. The Concept Plan has included appropriate asset protection measures and interface between the industrial lands and the conservation lands which will be clearly demonstrated and justified through the environmental assessment process.

It is anticipated that any Concept Plan approved will be supported by a Statement of Commitments which will provide for environmental management and mitigation measures relating to Precinct 1 of the HEZ. Those commitments will address the environmental management and mitigation measures required in respect of the HEZ by the Department of Environment and Climate Change, arising from the baseline studies referred to above. In accordance with the approval issued by the Minister for the Environment and Water Resources for the development of the HEZ pursuant to the Commonwealth *Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act)*, the Statement of Commitments will also include commitments relating to the environmental management and mitigation measures arising from Conservation Management Plans attached to that EPBC Act approval.

This Statement of Commitments is also intended to support directions by the Minister made under section 75P of the EPA Act that:

- any determination of development consent made under Part 4 of the EPA Act for a stage of the project described under the Concept Plan must be generally consistent with the terms of the Minister's concept plan approval;
- development that forms part of the project described under the Concept Plan which requires assessment under Part 4 of the EPA Act 1979 may not be refused despite any provision of the Cessnock LEP 1989 which may restrict or prohibit the carrying out of such development;



- approvals granted under Part 3A and development consents granted under Part 4 of the EPA Act 1979 for development described in the Concept Plan must include conditions requiring the implementation of any relevant requirements of the Conservation Management Plans forming part of the Commonwealth *Environment Protection and Biodiversity Conservation Act 1999* approval for the HEZ lands; and
- future elements or stages of the development described in the Concept Plan are not integrated development for the purposes of Part 4 of the EPA Act 1979.

2 REQUEST FOR DIRECTOR-GENERAL'S ENVIRONMENTAL ASSESSMENT REQUIREMENTS

As we have discussed with Mr Jeffries of the Department, this application for approval of the Concept Plan does not include an Environmental Assessment at this stage. We understand that before issuing the DGRs, the Department intends to carry out a review of this application and consultation with the relevant public authorities.

Accordingly, we now formally request that the Director-General notify HEZ Nominees Pty Limited of any environmental assessment requirements relevant to the Concept Plan in due course.

Yours sincerely

Michael Barrow
HEZ General Manager

Encl:

Precinct 1 Concept Plan
Pelaw Main By-pass design documentation
Pelaw Main By-pass environmental assessment documentation