

4<sup>th</sup> May 2011

The Director  
Major Projects  
Department of Planning  
GPO Box 39  
Sydney 2001

Attention Ms Haley Rich

Dear Haley,

**RE: Proposed Grinding Mill Facility (GMF), Outer Harbour Port Kembla, Your reference Major Project 10\_0102**

As you are aware, the Department of Planning has recently granted consent to the development of the Outer Harbour Concept Plan and Stage 1 approval (MP 08\_0249).

The Environmental Assessment (EA) that had been prepared for the Port Kembla Port Corporation (PKPC) always anticipated the location of a GMF within Stage 1. This EA was also clear in advising that the GMF would be the subject of a separate application. This is reflected in the Minister's consent issued on 3<sup>rd</sup> March 2011.

Cement Australia have now completed their investigations and lodged a project application for the Grinding Mill Facility (GMF). These investigations included a Traffic Impact Assessment (TIA) which includes a cumulative assessment of the impact of the GMF and Outer Harbour developments. We understand that discussions have occurred between the proponent and the RTA regarding raising the vehicle cap for the Outer Harbour. Further and subsequent discussions have occurred between PKPC and the RTA regarding this vehicle cap.

On 3<sup>rd</sup> May 2011, the RTA provided advice agreeing to a revised cap which incorporates the needs of the PKPC and the GMF. On the basis of this advice, an application for modification to the development consents issued for Stage 1 and the Concept Plan for the Outer Harbour is sought to allow a maximum of 70 vehicle movements per hour for Stage 1 and 121 vehicle movements per hour for the overall concept plan. The revised cap being sought is reproduced in the table below and a copy of the RTA's advice is enclosed for your information.

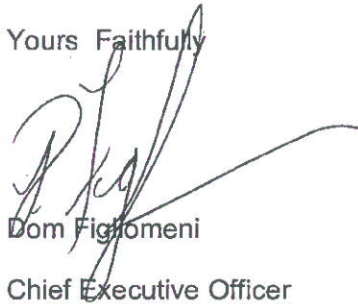
Stage		Stage1 Major Project	Overall Concept Plan
Existing Cap	Trucks	21	64
	Employee	8	20
	<b>Total</b>	<b>29</b>	<b>84</b>
Pro-Rata Reduction	Trucks	1.3	4.1
	Employee	0.5	1.3
	<b>Total</b>	<b>1.9</b>	<b>5.4</b>
CA Truck Movements	Trucks	42	42
<b>Modified Cap</b>	Trucks	62	102
	Employee	8	19
	<b>Total</b>	<b>70</b>	<b>121</b>

We also understand that the modification which is being sought will be considered as part of the GMF proposal and will be determined by the Manager – Industry, Mining & Industry Projects. Information regarding the cumulative impact of the GMF and Outer Harbour development was included in the recently exhibited EA for the GMF and as a consequence it is our understanding there will be no re-exhibition of the Outer Harbour proposal.

It is also our understanding that as this modification pertains to the operation of the Outer Harbour, PKPC is at liberty to act on the consent that has been granted with regards to construction of the Outer Harbour.

Accordingly, attached is an application to amend the cap for Stage 1 (MP 08\_0249P) and the Concept Plan (MP 08\_0249C) for the Outer Harbour.

Yours Faithfully



Dom Figliomeni

Chief Executive Officer