

To the Fast-track Expert Panel.

Thank you for the opportunity to supply the Expert Panel with further comment and observations.

Clough and Associates

In their archaeological report Clough and Associates have been clear in their motivation not to consider the presence of waahi tapu on the National Green Steel Limited site. The discussion of the metaphysical is beyond their brief. However they did record as a matter of historical fact the presence of two maori graves near the corner of Hampton Downs Road and Clune Road, roughly 3 Kms northwest of the proposed smelter site.

Twenty five odd years ago Clough and Associates were engaged by the Corrections Department to provide an archaeological report in support of the resource consent applications for the Springhill Prison, Hampton Downs Road. As that consent process progressed the discovery of a urupa on the nearby adjacent property (*National Green Steel site*) came to light and was the subject of public interest and comment.

Clough was consulting for the Department of corrections at the time of this discovery so to claim that there is no evidence of archaeological finds on the applicant's site is beyond belief. The historical fact of this urupa's existence is strongly supported by the evidence supplied by Grant Clune to the Expert Panel.

The fact that the archaeological report recorded graves that are 3 km from site yet ignored multiple recorded human remains (*Known to Clough*) on the smelter site must bring the reports credibility and integrity into question.

If there are no recorded archaeological sites present according to ArchSite then this urupa must be included in that registry. A note should be included on the land title and with the Waikato District Council so that any future LIM report makes the urupa's presence clear.

It is with great interest that we read that Mr Clough and associates have now revisited the site and are firmly of the opinion that there are no sites of archaeological significance on the applicant's proposed smelter site.

As a consequence of the urapa's existence coming to light around the turn of the last century we were privileged to visit the site with a small group of locals. We were led by Mr Roy Millen's daughter to a steep slope on the south western corner of the subject property. This was the area from which she recalled that her father had recovered the partial skeletons more than twenty years earlier. The area is now covered in tall and largely impenetrable standing gorse. How Mr Clough was able to be so decisive in his conclusions given that he could not have gained access to relevant area is a conundrum.

Dr. Nigel Prickett's report from 2001

Dr Prickett's report was as a result of the discovery that the Auckland Museum was holding skeletal remains that had been removed from Mr Roy Millen's property, Great South Road, north of Te Kauwhata, (*Today the National Green Steel Ltd's site*). The discovery came to light as a result of the Department of Correction's proposal to establish a prison facility at an adjacent property at Hampton Downs.

In the report Dr Prickett describes access to the burial site as being from Hall Road to the south. This may have caused some confusion but probably was as a result of interaction with the Corrections Department as at the time the best access to the site would have been through their land at Hall Road.

Dr Prickett is quoted as saying that it was "*unlikely that any museum staff had participated in the recovery of the bones.*" This leads us to the conclusion that there has not been any official attempt to excavate and therefore quantify or map the burial site. In fact the bones that found their way to the museum did so as the result of Mr Roy Millen coming across them in his normal farming activities.

Auckland Museum records describe that the skeletal bone material from the site could indicate the presence of up to 11 individual human skeletons. They also note that it is not possible to check the precise number of individuals as the remains have been reburied at Taupiri Urapa.

However the Knowledge that these individual human skeletons where incomplete leads us to the inescapable conclusion that the balance of the skeletal remains are still on site. Furthermore, without a thorough, careful, archaeological excavation there can be no confidence that there are not more human remains at this site

Inadequate and inaccurate:

The panel must have become increasingly aware of and frustrated by incomplete, inadequate and inaccurate reports in support of the National Green Steel's smelter proposal. Furthermore, the project has now become fundamentally different to the proposal that gained the privilege of the Fast track process.

In essence a project must continue to align with the nature of its initial approval. Fundamental changes bypass the scrutiny applied during the original process and are not legally permissible without going through the appropriate review and approval mechanisms.

Fast-Track approval application flaws

1. District plan change required:

If this proposed steel smelter were to be established on the applicant's property it would require a planning zone change from Rural to Heavy Industrial. This is not an issue that the Expert Panel can address. That the Waikato District's Plan would need to be changed to favour this development would be problematic as Waikato District Council have already shown undue support for this proposal.

Documents in support of the Fast-track application have suggested that the area surrounding the proposed site is already industrialised. This is untrue! The adjacent land to the west is a special zone for a corrections facility (high number of residents) and to the north a special recreational zone (high number of visitors and a significant number of residents). The remaining land is rural.

2. Adverse effects:

In National Green Steel's original application for the use of the Fast-track process Mr Vipin Garg in response to the question: What are the anticipated and known adverse effects of the project on the environment? Answered, "*There are no adverse effects from the project*" and then signed the document as being true and correct. This is the document that was the basis for determining the merit of this proposal being awarded the privilege of a Fast-track application.

In the Shearer consulting document supporting the original Fast-track application no mention was made of the environmental impacts from the proposed development of large flock dumps on site. Other potential negative environmental

impacts from this proposal such as the accumulation of contamination in the surrounding environment were ignored completely.

In contradiction to these documents it is well understood and documented that Electric Arc Furnaces cause pollution. The process would release harmful substances like heavy metals (lead, zinc, and chromium), particulate matter (dust), dioxins, furans and gases (CO, SO_x, NO_x) in to the air, impacting surrounding communities and ecosystems.

The principal issues with pollution from this proposed activity are heavy metals from scrap and particulate matter both of which pose significant risks for workers, the surrounding community and all agricultural activity in the vicinity. When you consider the projected life span of this proposal and the fact that the applicant plans is to operate 24/7, the issue of environmental accumulation must be confronted.

Consents that aim to mitigate discharges to air by dilution and diffusion can be seen to be nothing more than subterfuge. Over time toxins that were diluted and diffused will inevitably become concentrated and collect in the surrounding area.

3. Car flock dumps:

The applicant now proposes to dump toxic car flock on a daily bases at the applicant's Hampton Downs site. This dumping would be on going for as long as National Green Steel Limited is in operation. Effectively they are seeking approval to operate substantial private landfills with all the associated negative environmental effects and risks.

The recently circulated landfill advice prepared for the panel by GHD consultants highlights the environmental risks associated with this activity. To quote this report, *“A key component of the project is the management of floc waste generated during the shredding of ELV which will be produced at approximately 36,000 tonnes p.a.”*

This key component of the proposal and potentially a significantly source of negative environmental impacts was omitted from the original application.

There was no mention of car flock production or indeed disposal of car flock in their original Fast-track application. This is a fundamental change as an addition to the original application.

4. The Benefits test:

To be included in the Fast-track process the original application needed to show that it could deliver significant economic benefits at regional or national level and support climate change mitigation, including the reduction or removal of greenhouse gas emissions. Only projects with meaningful public value are to be advanced through the streamlined substantive approval process.

The meaningful value from this proposed smelter would accrue to its private owners. The evolved proposal shows that the purported environmental benefit, (the use of electricity that has a higher proportion of renewable generation) would in-fact only be of benefit to the global environment.

The Fast-track legislation does not mention global benefits, but is clear that the benefits of a proposal must be significant at a regional or national level.

At the regional and national level the applicant's current proposal can be seen to add to our greenhouse gas emissions (*burning gas and peak load fossil fuelled electricity*) and reduce the renewable energy available to all other electricity users, thereby increasing our national dependence on fossil fuelled electricity generation in times of peak demand or low rainfall. This is not of regional or national benefit.

5. Reuse of Steel:

The developer in their application stated that, "*Currently NZ dose not reuse steel as all scrap is exported.*" This statement has ignored the fact that the Glenbrook Steel Mill has been undergoing a major government funded upgrade to be able to use EAF technology for steel recycling using a very similar process to the applicant and will be operational from 2026.

6. Electricity Generation:

The applicant presented a plan that they would have a solar farm at their Hampton Downs site in order to power the EAF technology no fewer than 5 times in the fast-track application. Presumably the enthusiasm for solar power in the application was to create the impression of a sustainable activity, at the same time limiting the impact on the national grid electricity supply.

However now they have abandoned the plan of their own solar farm and would

rely solely on New Zealand's national grid for the bulk of their energy. This is a significant change from the original application, having impacts on the overall sustainability of the project and an obvious negative impact on the electricity supply available at both regional and national levels.

7. The Quantum of electricity:

The applicant has implied in the fast-track application that the proposal would have an electricity requirement of some 20MW and in the Shearer Consulting application 35MW. However, more recent estimates have the process power requirement closer to 60MW. As this power is to be drawn from the national grid this increase would have a significantly negative impact on every other New Zealand power user and can not be considered sustainable. The use of national grid electricity at this volume can be seen to be a negative at regional and national levels. It is a fundamentally different proposal to the one portrayed in the original application.

8. Electricity potentially available to National Grid:

The original application makes reference to a potential for the proposed solar farm to feed electricity back to the national grid.

Because the development's electricity requirement is substantially greater than the solar farm's potential generation capacity and the fact that the smelter would run 24 hours per day, 7 days a week, these references are disingenuous. In reality the developer now accepts that they will not be developing a solar farm on the site. Again this is a significant departure from the original Fast-track application.

Furthermore after originally promoting the proposal on the principle that only renewably generated electricity would be used, the developer now refuses to accept any condition that would attempt to make 100% renewable electricity sourcing a reality.

9. New Zealand's looming energy crisis:

Given that the applicant has dismissed electricity and gas supply as being commercial considerations and not of concern to the panel we would like to point out that New Zealand already has a peak demand energy crisis.

It is the supply available at peak demand that determines the viability of our national electricity supply. To allow this development to monopolise a significant

volume of our nation's electricity generation on a 24 hour per day and 7 day per week basis is to push other power users closer to electricity deficit resulting in black outs and brown outs.

A recent RNZ report by investigative journalist Kristy Johnston titled, "Lost in transition" outlines some of the issues that now confront the New Zealand energy sector. She quotes a report by Boston Consulting Group prepared for the four main gentailers titled "Energy to Grow."

"New Zealand's gas supply has fallen around 45% in six years. Domestic production now sits below the underlying demand."

This gap is set to worsen rapidly over 2026 and 2027 with subsequent issues of lack of availability and rapidly increasing cost.

"In a dry year, the picture is worse. Gas-fired power stations need more fuel to back up hydro lakes, soaking up any spare supply that might otherwise go to industry."

"Earlier advice to ministers from the Ministry of business, Innovation and Employment and the Electricity Authority underlines how tight it has become. In July, officials were asked by Resources Minister Shane Jones whether New Zealand could burn more coal at Huntly so gas could be diverted to struggling factories"

The Government have recently released their response to the review of the performance of the electricity markets by Frontier Economics. The Government have created an action plan to address New Zealand's looming energy crisis. The headline proposal is to launch a procurement process for an LNG terminal or terminals as an attempt at sourcing additional fuel to cover dry year risk. The costs associated with this gas importation are likely to be in the order of twice the cost of domestically supplied gas. Imported LNG appears to be a very costly form of back up generation even before considering carbon issues.

The applicant has purported an ample supply of renewably sourced energy in New Zealand, this is clearly not the case. Both gas and electricity are in shortage at peak demand.

10. Energy supply and storage:

The original documents supplied by the applicant in support of the use of the Fast-Track process failed to address the issue of gas supply and the on-site storage of that gas. There was also no discussion of the significant reticulation and transformer yards that would be required to handle the substantial electricity requirements of this proposal. Both of these installations would have their own environmental impacts and associated risks. They should have been highlighted in the initial, original application. Comments to the effect that these fundamental plains could be developed later should not have satisfied the Fast-Track decision makers.

11. The novel nature of the proposal:

In the original Fast-track application statements have been made about the proposal being novel technology and new to New Zealand. Given that Glenbrook Steel Mill will be using the same EAF technology for recycling steel long before National Green Steel could hope to be established, they would not be a novel development.

Furthermore, it can be seen that Glenbrook having benefited from strong government support (\$140 million) and being already established will be in a position to out compete National Green Steel. There is no need for New Zealand to have two, large competing smelters in such close proximity. By omitting to mention the Glenbrook development the applicant has suggested that they would be novel and necessary, therefore of regional and national benefit. This is not the reality.

12. The Economic benefits:

The original application proposed the availability of electricity to the national grid generated on the site as an economic benefit of national significance. However, the development no longer includes a solar farm.

Another economic benefit stated in the application is that the project would provide around 200 jobs. It can be seen that if this proposed smelter were to be economically successful it may in fact remove a similar number of jobs from elsewhere in the steel industry. How many of these proposed jobs could be filled by staff displaced from National Steels South Auckland plant?

13. Local residents:

The developer in the original Fast-track application made statements to the effect that there were few dwellings close by, thereby minimising the concerns of local residents. However, they must have over looked the fact that one of the nearby dwellings is a large one, with up to 1,200 people resident within meters of the sites boundary (Springhill Corrections Facility). This Corrections facility was intentionally developed in a rural environment for the wellbeing of these incarcerated residents and staff.

14. Conflict of interest Waikato District Council:

The application states that the Waikato District *“Council has been very supportive of the project and initially provided assistance in locating potential sites for the project.”*

As the establishment of this proposed smelter and associated flock dumps would require a district plan change to rezone the site from General Rural to Heavy or General Industrial Zone the Waikato District Council have already created a situation where they can be shown to be partial, demonstrating a conflict of interest.

15. Conflict of interest - Mr Mike Peters:

Mr Mike Peters, the vendor of the subject property has fully supported the application for the Fast-track process. The developer has made it clear that Mike Peters is also in support of the proposed development.

Being adjacent neighbours we understand that National Green Steel has contracted to pay Mr Peters a substantial premium for his property. Without having access to the sale and purchase agreement we can only assume that there will be a clause subjecting this premium price to the proposed development going ahead. If this is the case, then any support that Mr Peters gives this proposal can be seen to be largely driven by his desire to achieve a lucrative sale of his property.

Furthermore, Mr Peters in addition to supporting the Fast-track application has commented further in the substantive application. He has provided supporting evidence with regard to the potential supply of water to the proposed smelter.

In his capacity as Chairman of the local Meremere drainage district he has also given evidence in support of the proposal regarding drainage issues. We accept that Mr Peters is qualified to make these comments, however, his motivation must be understood in order to establish the credibility of the evidence given.

16. In Conclusion:

- The evolved application has resulted in a fundamentally different proposal to the original Fast-track application.
- The supporting reports have been inadequate and inaccurate.
- There is clearly no significant benefit from this proposal at regional or national level.
- New Zealand is already in a peak demand energy crisis for both electricity and gas. New Zealand cannot sustain the substantial additional load on our national energy supplies.
- The applicant's proposal is not novel in New Zealand, nor is it necessary in New Zealand as Glenbrook Steel Mill will be in a position to perform the same activity.
- The adverse environmental impacts of this proposal would directly affect the adjacent captive population (1,200 people) at the Springhill Corrections Facility.
- The applicant's assertions of a sustainable activity cannot survive scrutiny.

Thank you of your attention.

Regards,
David and Wendy Saxton.