

# SENATE COMMITTEE INQUIRY INTO THE SELECTION PROCESS FOR A NATIONAL RADIOACTIVE WASTE MANAGEMENT FACILITY IN SOUTH AUSTRALIA

## SUBMISSION

### INTRODUCTION

This submission is made by Azark Project Pty Ltd (ACN 618 973 792) on behalf of itself and Shire of Leonora and Goldfields Carbon Group Pty Ltd as the joint participants in and proponents of what is known as the Azark Project.

The Azark Project relates to the nomination of a previously identified and examined area of land near Leonora in the Eastern Goldfields of Western Australia as the site for selection by the federal government for the national for a national radioactive waste management facility.

In addition the Azark Project includes the possible development at that site of an underground nuclear waste disposal facility as a commercial enterprise.

### TENOR OF SUBMISSION

It is submitted that the selection process adopted by the federal Department of Industry Innovation and Science and its responsible minister for the selection of a site for a national radioactive waste management facility at Kimba and Hawker in South Australia is completely inappropriate and lacks any proper and thorough investigation and assessment.

It seems that the selection of a site at Kimba is a predetermined decision by the federal government irrespective of the site suitability and the strong objections of a large community group which makes a complete mockery of the selection process.

Moreover the federal government has seemingly no regard to the financial aspects involved as it is intent on unnecessarily wasting taxpayers' money by literally buying the support of the community while failing to properly assess and consider the far cheaper and technically superior option and advantages of the Azark site at Leonora in Western Australia.

The events and reasons for that submission are more fully explained in the following notes on the respective nominations.

The overall submission is that the process by which the federal government is determining the site is neither appropriate nor thorough and fails to properly deal with the referred terms relating to financial compensation and the definition and determination of broad community support including indigenous support and consequently it is submitted that the process relevant to the Kimba and Hawker nominations has become a farcical exercise.

## MEANING OF EXPRESSIONS

For convenience and unless otherwise specifically stated the expressions in this submission mean:

*Azark Project* or *Project* refers to the project as described in the Introduction

*Azark* refers to the company of Azark Project Pty Ltd or the Azark Project in its various meanings depending on the context

*Azark site* means the land located some 16 kms west of Leonora in Western Australia which was nominated for possible selection by the federal government for a national radioactive waste management facility by a formal nomination dated 27 July 2017

*federal government* or *government* is the Australian Commonwealth Government

*enabling legislation* is the *National Radioactive Waste Management Act 2012* and all subsidiary or delegated legislation of any nature made under it or with its authority

*Department* is the Department of Industry Innovation and Science minister or responsible minister is the federal minister having responsibility for the nominations process under the enabling legislation and being currently Senator the Hon. Matt Canavan

*guidelines* are the guidelines for the nomination of land issued by the Department under the enabling legislation in November 2016 entitled *Nominations of land: Guidelines* November 2016

*Hawker* refers to the general locality of the nominated site at Wallerberdina Station at Barndioota near Hawker

*Shire* is the Shire of Leonora which is a Western Australian local authority

## ATTACHMENTS

1. Comparison summary of sites with Azark
2. AECOM characterisation
3. Azark comparison of AECOM
4. El Cabril facility photographs

## KIMBA NOMINATIONS

The two sites at Kimba in South Australia named Lyndhurst and Napandee were only nominated formally in March of last year by their respective owners at the initial suggestion of the Department after it was forced to withdraw two previous nominations from consideration for selection in late 2016.

It is understood the Department then looked at other possible locations within the Kimba region and suggested three separate sites for nomination but this was ultimately reduced to the two sites of Lyndhurst and Napandee - in other words it was effectively a nomination by the Department to itself.

Prior to these nominations the Department issued a rather long document entitled *Nominations of land: Guidelines* November 2016 to assist the fresh nominations of the sites at Lyndhurst and Napandee.

The guidelines created a new method of nomination and assessment of sites which could then be relied on by the Department to justify the nominations and subsequent advancement of the Kimba sites towards final selection.

The sites were suggested without any real knowledge or technical information as to their suitability or even specific dimensions for identification and were apparently described by farming paddocks to be the reasonable areas for nomination.

The lack of technical information and knowledge when the two Kimba sites were identified has been shown by the extent of testing and assessment required for the sites under the characterisation programmes by AECOM released by the Department on 22 February 2018.

It is also understood that the work involved in those characterisation programmes is being currently undertaken but has not necessarily demonstrated or proved the suitability of the sites.

In each instance the nominations were merely the printed forms as contained in attachment B to the guidelines and were completed in longhand with no supporting technical information.

It appears that the nominations were lodged with the Department on 2 February 2017 but as mentioned their formal receipt was announced by the Minister in March 2017 followed by a consultation period of 90 days ending on 21 June 2017

On 18 July 2017 the Department released a summary report on Kimba covering what it described as its phase 1 assessments under the guidelines but this report contained very little technical information and under no circumstances could the Department claim that it had carried out a proper assessment enabling both Kimba sites to be moved up to phase 2 of the guidelines.

This should be compared to the very full initial nomination of the Azark site which as explained contained extensive technical information which would have only been available for the Kimba sites after completion of the characterisation work.

On 18 June 2018 the Department released a concept design by Australian Nuclear Science and Technology Organisation of the aboveground proposed facility for the South Australian sites which is completely unsuitable and inappropriate for both Kimba and Hawker.

The storage part of the facility is a building made out of corrugated iron and steel on a concrete floor which has to last up to possibly 300 years as indicated by the Department but will be subject to rusting and erosion around the base and could not withstand storms and flooding as well as seismic events as have already been recorded in both regions.

The Department has just released a new factsheet describing the safety regulation measures and the proposed site characterisation studies to be carried out for the Kimba sites which shows the very early stages of the assessments process compared to the Azark nomination which already has the information expected to be gained from these studies.

Added to this the Department has arranged and held a workshop in Kimba for contractors and construction businesses for involvement in the proposed facility which is rather premature and would be unnecessary in Leonora due to all the wide range of services and amenities already available to cater for the mining and general resources industries in the region.

## HAWKER NOMINATION

Many of the events and information relating to the Kimba nominations applied to the Hawker nomination except that the nominated site lies in an area of significant seismic instability being in close proximity to the Flinders Ranges.

It also seems that the community at Hawker and the nearby town of Quorn are quite divided in their views of supporting or opposing the selection of the site of Wallerberdina Station at Barndioota near Hawker.

## AZARK NOMINATION

In early 2016 the Shire identified a suitable location for a nuclear waste disposal facility which became the Azark site as was subsequently nominated to the Department.

The Shire had for some 10 years previously been searching and investigating within its region for an appropriate and suitable site and

ultimately decided on the Azark site since it met all necessary attributes and requirements for the disposal facility.

In order to properly identify and test the site area the Shire obtained an exploration licence under the mining legislation of Western Australia covering the area which would give it extremely accurate boundaries and at the same time permit a full examination of the site.

In September 2016 the Shire obtained a very detailed geological assessment and report of the area comprising the site which report had initially been prepared in June 2016.

On 9 December 2016 the Shire wrote to the Department informing it of its identification and selection of the site for the proposed facility and explained that the site satisfied all the criteria for the facility.

However the Department did not respond in anyway to this letter so the Shire together with the other participants in the Azark Project continued with its advancement in all respects for the ultimate selection and establishment of a disposal facility.

In May 2017 the Department had contact with the Hon. Albert Jacob who was the former Minister for the Environment in the Western Australian government and was part of the Azark Project.

This led to a lengthy telephone conference on 18 May 2017 by him and Mr Peter Remta with Mr Michael Sheldrick and other members of the Department during which many issues were canvassed including the commercial proposal of the Azark Project to establish an underground facility for the burial of nuclear waste.

In that telephone conference the Department invited a formal nomination within the guidelines of the site as it is pointed out that several existing nominations were unacceptable due to lack of community support and technical suitability.

On 28 June 2017 the Shire wrote to the Department confirming the that the formal nomination would shortly be made by the holder of the pastoral lease comprising the Azark site and also covered the social licence and suitability of the Azark Project.

The formal nomination by Goldfields Carbon Group Pty Ltd dated 27 July 2017 was lodged shortly after that date with the Department.

This nomination comprised 33 pages including as attachments copies of relevant official documents identifying the site and its features and is regarded as a very comprehensively informative and professionally prepared document as it was completed after extensive research and confirmation of the correctness and veracity of its content.

An addendum to the nomination dated 17 August 2017 was lodged with the Department and covered the normal provisions as to conflicts and disclosures together with warranties as to conduct of the nominator.

The Department responded to the nomination by letter dated 15 September 2017 and requested further information by way of clarification as to the identification of the site and other aspects of the nomination despite the detailed and well researched content of the nomination.

As a result of this a further telephone conference was held on 13 September 2017 by Mr James Epis as the chief executive officer of the Shire with [REDACTED] and other members of the Department.

Due to the extent and depth of the additional information sought by the Department the Shire by its letter dated 26 September 2017 informed the Department that it would assist in obtaining that information.

As a result more detailed searches and requests for information were undertaken on behalf of the Azark Project from a number of Western Australian government departments and authorities at even ministerial

level as well as from the consultants and potential contractors for the Project.

A large part of the requested information was provided by the Shire to the Department by its letter of 17 November 2017 and this was followed up by a further letter of 11 January 2018 which in essence answered all of the Department's requirements.

Both of those letters were very lengthy and comprehensive as to their contained information and various enclosures covering in detail such issues as chain of title including the exploration licence, land contaminations, petroleum pipelines, heritage and community engagement and civic amenities and benefits.

The Department again wrote on 9 February 2018 to outline and confirm the selection arrangements and ask whether the commercial proposal was conditional on the the Azark site nomination.

The Shire responded by letter of 20 February 2018 confirming that the nomination of the Azark site was to be completely separate from the commercial proposal which is outside of the ambit of the enabling legislation for the nomination and selection process.

That letter also described what additional work had been undertaken with regard to the commercial proposal for an underground facility and additional community consultations.

From all of the information that had been given to the Department the proponents of the Azark Project considered that the Project had in its own right well and truly satisfied phase 1 of the guidelines and probably most of phase 2 and they expected the appropriate ministerial declarations and confirmation under the enabling legislation of progression of the Azark site nomination to phase 2 of the guidelines.

As there was no advice or even contact from the Department in that regard the Shire by its letter of 3 May 2018 asked the Department what was the position as to the Azark Project nomination having regard to the number of reports and announcements by the Department and Senator the Hon. Matt Canavan as the responsible minister with regard to the Kimba and Hawker site nominations.

As there was no response whatever from the Department and at the same time more releases by it and the responsible minister regarding the relatively quick progress of the Kimba and Hawker nominations to phase 2 attempts were made to contact [REDACTED] [REDACTED] [REDACTED] [REDACTED] members of the Department by telephone and through various federal parliamentarians without any proper explanation.

Ultimately [REDACTED] [REDACTED] [REDACTED] [REDACTED] the Department informed the Hon. George Gear as chairman of Azark Project Pty Ltd that it was only the responsible minister who could advise or comment on the progress of the Azark nomination.

On 4 June 2018 (which was a public holiday in Western Australia) the Shire received by email an undated letter from Minister Canavan advising that he did not intend to consider the Azark nomination because of the advanced stage of assessment of the other sites and the resources committed to establish their suitability.

This was a completely unsatisfactory and inexplicable result having regard to the progressive requests for additional information by the Department and the overall impression conveyed by its members that it was pursuing the Azark nomination with the belief that it would be successful because of all the available information known to the Department confirming the overwhelming suitability and superiority of the the Leonora site by world standards.

As a result of subsequent contact with Minister Canavan he arranged a meeting in Perth on 13 June 2018 with Mr Gear and Mr Remta which

was also attended by Mr Bruce Wilson as head of the taskforce at the Department responsible for the nomination and selection process.

Regrettably this meeting proved somewhat unsatisfactory and was the subject of separate letters from Mr Remta to Minister Canavan and Mr Wilson dated 15 June 2018 and 18 June 2018 respectively.

The purpose of these letters was to correct certain contentions by Minister Canavan and Mr Wilson and to point out inconsistencies in their arguments for pursuing the Kimba and Hawker sites in preference to the Azark site at Leonora.

Minister Canavan responded to Mr Remta by letter dated 11 July 2018 in which he basically reiterated what had said at the meeting but did not really answer or address some of the pertinent issues raised by Mr Remta in his letter.

In addition Minister Canavan met in Kalgoorlie on 14 June 2018 with the Shire of Leonora president Mr Peter Craig and Mr Epis as the chief executive officer.

At this meeting it was agreed by Mr Craig and Mr Epis that the Shire and the other proponents of the Azark Project would undertake further community consultations despite the already existing high level of community support but there was no change of heart by the Minister as to the consideration of the Project nomination.

In both meetings Minister Canavan expressed rather curt scepticism of the fact that there is extremely strong support and approval by the most of the Leonora community including Aboriginal peoples for the Azark Project.

From all of this it is quite clear that the Department and its responsible minister had decided quite some time ago that one of the South Australian nominations would be selected for the facility site without

any proper consideration and examination of the Azark nomination and associated commercial proposal for an underground facility.

Members of the Department and even the minister have informed the Kimba community that one of their sites will be selected after the assessments by AECOM despite the fairly strong community opposition.

When the members of the opposition group questioned Mr Wilson and others from the Department regarding the progress of the Leonora nomination they were told that this was of no consequence as it was a completely different concept of a private nature and had nothing to do with the nomination process.

The information provided by the Azark Project to the Department by the nomination and subsequent correspondence and telephone conversations would more than adequately cover phase 1 of the guidelines and probably satisfy most if not all components of phase 2.

## SUBMISSION

It is submitted that the selection process adopted by the Department and its responsible minister for the selection of a site for a national radioactive waste management facility at Kimba and Hawker in South Australia is completely inappropriate and lacks any proper and thorough investigation and assessment and is a farce having regard to the events and proffered information already described in this submission.

The specific matters that demonstrate this are as follows:

1. The Department on behalf of the federal government has obviously decided quite some time ago and before assessments or consideration of other nominations that the selected site would be in South Australia and probably in Kimba

2. The Department has completely stage managed the initial identification and nomination of the current sites at Kimba and all the accompanying procedures for the Kimba community before the nominations were made
3. It has similarly staged managed all subsequent aspects of the nominations including such things as selecting and effectively running the various community advisory groups including preparing meeting agenda and minutes
4. Kimba was very quickly granted money for various local projects without any apparent justification with the obvious intention of getting greater community support which has been described as being no more than “buying votes” or even “bribery”
5. It would not have been possible for the Department to assess the two sites at Kimba and the site at Hawker even by way of a desktop study which rather conveniently was only introduced as an assessment method under the guidelines when they were issued in November 2016
6. The Department hastily opened a permanent and staffed office in Kimba for pursuing the nominations of the two sites
7. The seeming desperation by the federal government to justify its choice of the South Australian sites and particularly Napandee at Kimba and get greater community support has included numerous published reports and media releases by the Department and the minister as well as other government agencies to try to paint the selection process in the best and most positive light possible
8. These reports and releases in some instances include somewhat irrelevant or unnecessary information but fail to properly and fully cover or explain any disadvantages or detrimental effects or

- address other possibilities or options regarding the selection and location of the facility
9. In fact some of these reports and releases contain incorrect and even misleading information
  10. The same criticism can be levelled in much stronger terms with regard to the information provided verbally by the members of the Department as in some cases it has been shown to be deliberately untrue
  11. The number of releases and their content with regard to Kimba are far greater than for Hawker and their prevalence has substantially increased over the past six or seven months
  12. Even though the government has arranged fully paid trips for some of the Kimba residents and most recently even very young children to visit the Lucas Heights nuclear reactor to get their support it has only in the past few days engaged two academics from Queensland for a further community study and assessment to particularly ascertain the effect on a farming community
  13. The Department has failed to answer some important technical questions particularly as to the intermediate level waste which can only be stored above the ground on a very temporary basis
  14. In particular the Department does not want to deal with the possibility of leaks and spillages from that waste claiming this could never occur when similar storage facilities in other parts of the world have had significant problems with leaks and resulting safety concerns
  15. The federal government appears not have taken any measures to contain the costs involved with both the selection process and the construction and operation of its intended model of the facility

16. Over the past four years the government has spent or committed \$40 million as disclosed in parliament on the selection process but will not provide the annual breakdown of this amount or any other cost details particularly whether it includes the generous payments made to the Kimba and Hawker communities
17. The financial irresponsibility of the government extends to a reported sum of In excess of \$300 million in establishing its proposed above ground facility in South Australia which will still be quite limited in providing permanent storage
18. These financial aspects must be and are extremely important in considering the choice of an appropriate site and must also be a major and intrinsic part of the selection process
19. The other major part of the selection process is the seeming disregard of the community's views and opposition to the possible hosting of the facility in Kimba or Hawker
20. It is obvious that the federal government is using substantial and very costly means to overcome any opposition to its selection of a site which becomes part of the rather erroneous and in some instances quite deliberately misleading information provided to the respective communities
21. On the other hand the government has consistently failed to properly and fully provide the community with information about the detrimental and effects of the establishment of its proposed facility at Kimba or Hawker
22. The Department has particularly in the past year spent a considerable amount of resources and money on what can best be described as heavy and slanted promotion and advertising to convince the communities to support the proposed facility in their respective regions

23. Besides being somewhat misleading and lacking balance in their nature the promotional activities of the government in various guises should not be adopted being quite inappropriate for the selection process as contemplated by the enabling legislation
24. Despite the government having stated on many occasions that it will not impose the disposal facility on an unwilling community it is heading with incredible haste and without taking account of all the contentions of the opposition towards selecting the site while claiming the selection process to be appropriate and thorough in all respects
25. The opposition to hosting of the facility will not be overcome by the further ballot in August for the Kimba community as it seems that the government is working on the misconceived view that the more times you have a vote the greater the chances of getting ultimate approval
26. It is quite obvious that the results of previous voting and canvassing at both Kimba and Hawker are far from what has been described or touted as “broad community support”
27. The Department is carrying out a costly and rather emotive advertising programme by way of glossy and colourful presentations with little real information and explanations in order to convince the community members opposing the facility being located at one of the South Australian sites to change their minds

While the referred terms do not specifically include the financial aspects of the nomination process for the South Australian sites it is submitted that this is an important part of the process and should be considered by the federal government as ultimately it will be a further drain of taxpayers' funds.

As explained the government has already spent and committed some \$40 million over the past four years without still having decided on the site and it is understood that in excess of \$300 million will be incurred in the establishment of the facility as an above ground operation.

These amounts apparently do not include the so-called “community benefit payments” of \$2 million and \$10 million with the Kimba community already demanding \$40 million alone instead of the prescribed sum of \$10 million.

As against this the Azark Project at Leonora can construct and commission a proper and highly efficient underground facility for less than \$40 million with the advantages as to the suitability of the location and general features and that the facility would provide permanent and completely safe disposal of all levels of nuclear waste.

It should also be obvious that the storage of nuclear waste in a mining community rather than an agricultural one is the most sensible and complete solution to the present storage problems.

As already explained the site at Leonora is remote where nothing can grow or live and the labour required to build and work at the facility live locally with a resulting and substantial reduction in the construction costs.

These factors have not been considered by the Department in its selection process which further demonstrates the lack of a thorough examination of all readily available information and hence makes the process inappropriate.

It also appears that despite its claims to the contrary the federal government has failed to plan in a proper and appropriate manner the future design and proposed operations of its nuclear waste disposal facility as even at this late and advanced stage of the selection process it still appears to have no positive and realistic method or

solution for the permanent disposal of what it describes as intermediate level waste.

Moreover its proposals so far are completely devoid of commercial and economic reality as shown by the lack of disclosure or possibly even knowledge in many parts of its planning for the future disposal of nuclear waste on a permanent basis.

## CONCLUSION

It is again submitted that the selection process the subject of the terms referred to the Committee are wholly unfair and inappropriate and is devoid of thoroughness particularly in having regard to the community and financial considerations.

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PETER REMTA

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Hon. GEORGE GEAR

17 July 2018

## CONTACT DETAILS:

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This submission is made in our capacity as directors of Azark Project Pty Ltd which together with Shire of Leonora and Goldfields Carbon Group Pty Ltd are the proponents of the Azark Project and the nomination of its site under the provisions of the *National Radioactive Waste Management Act 2012* (Commonwealth)