



Australian Government

Department of Finance

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Senator Dean Smith
Committee Chair
Parliamentary Standing Committee on Public Works
PO Box 6021
Parliament House
CANBERRA ACT 2600

Dear Chair

Cox Peninsula Remediation Project, Northern Territory

At the Parliamentary Standing Committee on Public Works' public hearing into the proposed Cox Peninsula Remediation Project in Darwin on 22 April 2015, a question on notice was taken by the Department of Finance (Finance).

The question from Senator Gallacher was:

“If you get public evidence like that-and he did indicate he had a background of some experience in that area-I just think you should be able to rebut his advice or at least not put the containment cell on top of the most prospective water source on the Cox Peninsula. That area has been constrained in development because of a lack of proper access to water, so it just seems to me that you would need to answer that somehow or other. Perhaps you could provide a note to the committee about whatever you have investigated.”

Finance referred the question to the Northern Territory Department of Land Resource Management for comment. A copy of its response which supports the proposed location of the containment cell and the works in general is attached for your information. Finance concurs with the contents of the attached response.

Yours sincerely

John Edge
Acting Deputy Secretary
Business, Procurement and Asset Management

8 May 2015

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Mr John Edge
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Dear Mr Edge



RE: Containment cell on s.34 – Cox Peninsula, Northern Territory

I refer to the issue raised at the hearing of the Parliamentary Standing Committee on Public Works' on 22 April 2015 in relation to the proposed containment cell on s.34 on the Cox Peninsula as part of the remediation works and the potential risk of contamination to the nearby aquifer.

Firstly, the Northern Territory acknowledges the considerable work that has been undertaken by your department to complete the detailed business case for the remediation of the three contaminated sites; s.32, s.34 and s.41, on Cox Peninsula and to set aside \$31.5 million for the completion of this work. I would also like to acknowledge the inclusiveness and thoroughness of your department's consultations with key stakeholders, including a number of Northern Territory government departments. Your department's project team has demonstrated a welcome commitment to expediting the remediation of the contamination on Cox Peninsula in order to finalise the Kenbi land grant for the benefit of the traditional owners and the broader Larrakia community.

Although the Northern Territory has not played an active role in the preparation of the scoping works and business case, or conducted an independent technical assessment of the options to remediate the three contaminated sites, we are satisfied that the study has been extensive and thorough and qualified consultants have been engaged by the Commonwealth throughout this project.

It is my observation that, as part of the remediation project planning phase, a thorough consultation process has been undertaken by the Department of Finance with all regulatory and natural resource agencies within the Northern Territory on the scope of works, approvals, land transfer, permits and risk mitigation strategies. To my

knowledge, no relevant concerns have been raised by these parties throughout the consultations.

A key element of the remediation project is the proposed location of the containment cell on s.34, close to the most significant groundwater resource on the Cox Peninsula. I am advised by technical experts from my department that water in this area is held in a Cretaceous aged sandstone, some 20 metres below surface, and somewhat confined by a deepening sequence of weathered to poorly mudstone. This means it has low recharge potential from the proposed site which reduces the risk for any leachate from the containment cell to impact on the water resource.

Although all risks can never be fully mitigated or foreseeable, the proposed strategies to mitigate, manage and address potential leaching risks on s.34 are noted, including:

- only treated and non-leachable material will be placed in the containment cell;
- the containment cell is designed to be covered with an impervious layer and hardstand to reduce the potential for surface water infiltration;
- at least ten groundwater wells on s.34 will be located around the containment cell for the ongoing monitoring and testing of the aquifer;
- all leachates will be removed from the site and disposed of;
- remediation will not be complete until there is independent site auditor sign off; and
- 20 years of regular post-project monitoring and testing will be conducted to observe water quality.

I reiterate the Northern Territory's comments to date supporting the scope of works, and the proposed risk mitigation strategies that will ensure the environment is protected and enhanced through the remediation activities.

Yours sincerely

ALASTAIR SHIELDS

/ May 2015