



VICTORIAN DESALINATION PROJECT

16 June 2010

Background Paper – Acid Sulphate Soils, Desalination Plant Site

As identified in the EES, and discussed at the Victorian Desalination Project (VDP) Community Liaison Group meeting last month, there are significant quantities of acid sulphate soils (ASS) on the desalination plant site.

ASS is a natural occurrence and is very common along the east coast of Australia and many large projects have had to deal with such soils.

The issue is readily managed with the application of lime, a common, natural garden and farm compound. This neutralises the acid.

The EPA has issued AquaSure with a pollution abatement notice (PAN) in relation to this matter and AquaSure has taken positive steps to address the issues on site. The notice is a proactive, preventative action, and there has not been any pollution incident on site.

AquaSure has been in discussion with the EPA on this matter and has fully complied with the requirements of the abatement notice issued.

Chris Herbert, AquaSure CEO, said the company was committed to ensuring that the project met high environmental standards and was working closely with the EPA to ensure these matters were appropriately managed.

"We are confident that the management plan that we have put into place will prevent any pollution incident from occurring," he said.

"We appreciate the assistance the EPA has provided on this matter and will be working closely with them over the coming months, and years, to ensure that the desalination project continues to meet strong environmental standards," said Mr Herbert.

It is important to manage water run-off from such soils as the acid water could affect other surface water and harm ecosystems. AquaSure has done this on site by containing all groundwater and surface water in the sediment ponds. These ponds are regularly tested and treated with lime where necessary to ensure correct pH balance in accordance with EPA requirements. There is bunding in place to ensure that site surface water cannot flow into the drains that lead off site or to the Lower Powlett River until it has been treated.

These activities are all carried out in accordance with the Environmental Management Plan for the project.

As conditions on site are currently quite wet, it would do too much damage to treat the soils that have been stockpiled right now. This will be done when conditions are more favourable. In the meantime, these stockpiles are being progressively capped with clay to reduce any leaching.

It is intended to re-use the neutralised soil on-site for dune construction.

Work on site continues to be on schedule.