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PULP MILL TECHNOLOGY WILL MEET APPROVAL REQUIREMENTS

Gunns Limited Chairman John Gay today said hydrodynamic modelling requirements approved by the Federal Government would be achieved by the technology being adopted by the Bell Bay mill.

"The Gunns board has met today for the first time since Environment Minister Peter Garrett approved federal construction modules for the mill on 5 January," Mr Gay said.

"The board is pleased to announce that, after a comprehensive review of the approvals received from the Minister and consideration of further advice sought by Gunns on the approval decision, the company is now in a very strong position to continue to move forward with the project.

"The board especially considered the issue of future hydrodynamic modelling requirements needed to finalise operational approvals.

"The board believes that the mill will clearly operate within the effluent trigger levels approved by the Federal Minister in Module L, following advice from the CSIRO and the Independent Expert Group (IEG)."

Mr Gay said the trigger levels superseded those used in a preliminary study conducted for the IEG by Dr Mike Herzfeld from CSIRO more than 12 months ago, which raised concerns about effluent dispersion in Bass Strait, in particular in relation to the dilution of chlorate.

The CSIRO and the IEG have now scientifically reviewed the relevant trigger levels to ensure marine water quality objectives in Bass Strait are not compromised and these have been comprehensively implemented within the module approvals.

"Finalised and complete information from the CSIRO, the Independent Expert Group, and approved by the Federal Environment Minister in Module L, has determined appropriate trigger value inputs which lead to the Herzfeld Report to the IEG being superseded," Mr Gay said.

"The CSIRO and the IEG determined that earlier trigger level inputs were based on old studies from the Baltic Sea and were not scientifically appropriate for Bass Strait.

"It shows that our concerns about the release of this report prior to all information coming to hand were valid.

"A copy of the Herzfeld Report, along with Module L, which details the new scientific findings on page 56 and 57, can be found from the following web link, www.gunnspulpmill.com.au/permits/epbc.php.

"We are very pleased that this advice confirms our previous extensive studies that effluent from the project will not have any impact on matters of national environmental significance.

"This new information indicates that we will be able to meet the remaining requirements of the operational modules.

"Further hydrodynamic studies will be completed by Gunns as detailed within our approval requirements, but we are now very confident that we will meet all future requirements of the Federal Government with this project and that there is no risk for our stakeholders in proceeding with this project.

"International designers of the effluent treatment plant and the ocean outfall diffuser will be visiting Australia in coming weeks to finalise advice to the company in relation to guarantees for the equipment to enable the company to proceed quickly with the mill project.

"The designers of the mill, the treatment plant, and the ocean outfall diffuser are all confirming to us that we will meet all operating requirements in the future and this is certainly positive for us in moving forward now with the project.

"The company has no concerns in meeting all operating requirements for the mill given that the technology selected for the project has been comprehensively proven in modern international mills, where in many cases effluent is discharged into freshwater river environments with no impact to the environment or communities that source water downstream from the outfall.

"We will now be continuing with the project as quickly as possible and looking to move forward with the overall financing structure."

Further information:-

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