

Before the Waikato District Plan Review Independent Hearings Panel

Submitter No. 827; FS 1319

UNDER the Resource Management Act 1991
IN THE MATTER of the Proposed Waikato District Plan
REGARDING Hearing 1 – Chapter 1 Introduction

**PRIMARY STATEMENT OF EVIDENCE OF GRANT HUGGINS
MANAGER MINING AND SERVICES
on behalf of New Zealand Steel Holdings Limited
23 September 2019**

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INTRODUCTION

- 1 My name is Grant Huggins. My role is Manager Mining and Services at New Zealand Steel.
- 2 I have been employed by New Zealand Steel Holdings Limited (NZ Steel) since 2015. I am responsible for Engineering and Central Maintenance, Environment, the Waikato North Head (WNH) Mine and the SteelServ businesses.
- 3 Prior to joining NZ Steel, I led various mining and resource development projects, including mineral, iron sands and gold extraction projects.

PURPOSE AND SCOPE OF EVIDENCE

- 4 The purpose of my evidence is to provide some brief overall context for NZ Steel's submission and for the expert planning evidence to be provided by Ms Sarah McCarter in relation to the submission points being addressed at this hearing. On this basis, I will give an initial introduction to NZ Steel's operations in the Auckland and Waikato regions, and specifically in the Waikato district, together with some brief comments regarding the contribution made by NZ Steel to the wellbeing of New Zealanders. NZ Steel intends to present more detailed corporate evidence at subsequent hearings where the key aspects of NZ Steel's submission are addressed.
- 5 Therefore, my evidence deals with the following matters:
 - a An overview of NZ Steel's operations; and
 - b The contribution made by NZ Steel to the wellbeing of New Zealanders.

OVERVIEW OF NEW ZEALAND STEEL'S OPERATIONS

- 6 NZ Steel has been producing steel at Glenbrook for over 50 years and is New Zealand's sole producer of flat, rolled steel and long products for the building, construction, manufacturing and agricultural industries.
- 7 NZ Steel was incorporated by the New Zealand Government in 1965, as part of a plan to utilise local natural resources – namely ironsand, coal and limestone - to expand New Zealand's industrial base and ensure the country was not reliant on importing overseas steel. After extensive trials, the Glenbrook Steel mill opened in 1970 using pioneering New Zealand-developed technology for the conversion of iron sand into metallic iron.

- 8 Iron sand is mined locally at the Waikato North Head ('WNH') mine site at the mouth of the Waikato River, with millions of tonnes of estimated reserves making it the largest such deposit in New Zealand.
- 9 The mining operation primarily supplies Primary Concentrate ('PC') to the Glenbrook Steel Mill for iron and steel production. Currently, the excavated iron sand is processed via a gravitational and magnetic separation process, which uses river water. The PC is then mixed with river water to form a slurry, which is pumped via a material slurry pipeline to the Glenbrook Steel Mill.
- 10 NZ Steel holds a Mining Licence for the WNH iron sand mine, which is operative until 2066.
- 11 The mining operation at WNH includes administration offices, workshops, stores areas, process plant, mine areas and tailings disposal locations, and associated activities and infrastructure. Waste tailings (sand, clays and slimes) from the sand mining process are deposited on the mine site, within the footprint of previously mined areas. The areas being actively mined shift progressively around the mine site.
- 12 There is a water supply storage lagoon adjacent to the Waikato River, which has an intake structure for drawing water from the Waikato River and structures for conveying water to the mine site. The lagoon is a structure that was formed in the 1960's by excavation of a low lying area of ground adjacent to the Waikato River. Gates control the flow of water in and out of the lagoon.
- 13 The Glenbrook Steel Mill also sources some of its water from the Waikato River, with the intake located to the north of the WNH mine site at an area known as 'the Elbow'. The water is transported via pipeline and discharges into a watercourse at the Glenbrook Steel Mill.
- 14 NZ Steel's operations within the Waikato District therefore include the WNH mine site, the material slurry pipeline (and associated intake ponds and booster pumps) and the water supply pipeline from the Waikato River (Elbow) running to the Glenbrook Steel Mill site (both of which cross several watercourses). NZ Steel also operates two pump stations in the Waikato District. The pump station at Storey Road (property owned by NZS) is associated with the slurry pipeline, and the pump station at Allcock Road (property leased by NZ Steel) is associated with the water supply pipeline.

OUR CONTRIBUTION TO THE WELLBEING OF NEW ZEALANDERS

- 15 NZ Steel has a critical role in the key industry sectors (housing, construction, infrastructure and farming) which support the growth and development of New Zealand and the wellbeing of New Zealanders.
- 16 As a building material, in most cases there is no substitute for steel. It is extremely ductile meaning it does not buckle, distort, warp or splinter. These properties make it an essential component in earthquake prone areas of New Zealand.
- 17 More specifically, NZ Steel makes a substantial contribution to the lives and wellbeing of New Zealanders. NZ Steel contributes \$600 million per annum to the New Zealand economy. It is also a significant employer in South Auckland, with more than 1,400 people employed directly in high-skilled, well-paid jobs. In addition, NZ Steel's operations result in the indirect employment of some 2,500 people. As a consequence, NZ Steel is a significant contributor to higher living standards for New Zealanders because of its broad contributions through manufacturing and employment.

CONCLUSION

- 18 Given the existing longstanding sand mining operations at the site, NZ Steel wishes to see the Proposed Waikato District Plan ('the Plan') appropriately provide for its activities at the site. In particular, NZ Steel is concerned that the Plan communicates a clear understanding of existing activities to readers of the Plan.

Grant Huggins

23 September 2019