

THE WAITOMO DISTRICT COUNCIL

UNDER	the Resource Management Act 1991 ('the Act')
IN THE MATTER OF	Proposed Waitomo District Plan
SUBMITTER	Graymont (NZ) Limited

**STATEMENT OF COMPANY EVIDENCE OF BENJAMIN JAMES MURRAY ON BEHALF OF GRAYMONT (NZ)
LIMITED**

21 June 2024

INTRODUCTION

1. My name is Benjamin James Murray. I am the Corporate Affairs & Health Safety and Environment ('CA & HSE') Manager for Graymont (NZ) Limited ('Graymont' or 'the Company'), with responsibility for the Asia Pacific Southern region which includes four sites in New Zealand. I am accountable for supporting the Company to continuously improve outcomes in health, safety and environmental areas, as well as leading key environmental permitting projects and have been employed by Graymont, or its predecessor companies for the past thirteen years.
2. In terms of my quarry operations experience, I first worked at McDonald's Lime (a predecessor company to Graymont) based in Otorohanga, initially as an Environmental Advisor, from 2012 to 2013, prior to being made a Senior Environmental Advisor in 2013. These roles also included supporting Holcim aggregates quarries with their environmental compliance. Subsequently, I became the Operations Technical Manager for McDonald's Lime in 2014, prior to being employed as the Operations Technical Manager at Graymont in Hamilton in 2015. I have been in my present role as CA & HSE Manager, in Graymont's Hamilton Office for the past five years. This role includes supporting four sites in New Zealand, as well as five in Australia along with general support to other functional groups in the region.¹
3. Graymont is the wholly owned subsidiary of Graymont Limited, a global operation associated with the manufacture and supply of lime and limestone products. The Company currently operates plant in four locations across New Zealand, with three of these situated within the Waikato Region, being the Oparure quarry together with lime kilns in both Otorohanga and Te Kuiti. Graymont also operates the Makareao plant and quarry within North Otago.² Graymont supplies quality lime and limestone products to the Agricultural, Animal Health, Construction, Water Treatment, Environmental and Industrial markets of New Zealand and the Asia Pacific regions. Graymont's products have proven to be essential for mitigating a multitude of natural and man-made environmental impacts, while at the same time remaining indispensable for vital industrial processes. Consistency of supply of quality product is critical to a number of Graymont's customers, including, but not limited to, those that require product for drinking water and wastewater treatment and for pollution mitigation / remediation. As a Company, we place great importance on our ability to manage production and logistics to accommodate our customer's requirements in an environmentally aware and sustainable manner.
4. The value of retaining local supply became even clearer during the Covid-19 pandemic, within which Graymont continued to operate as an essential service provider in every jurisdiction that it is present. With the disruption of supply chains globally, having local supply of lime products to provide for clean drinking water, environmental water treatment, construction products and tissue paper (amongst other things) was, and continues to be essential.
5. More recently, the Coalition Government has outlined its priorities for this term. These include both rebuilding the economy and prioritising strategic infrastructure, so as to improve the resilience of heavy infrastructure in New Zealand. Graymont's Oparure Quarry and Te Kuiti kiln are well placed to support this direction by supplying product to strategically important industry, including steel, pulp and paper, mining, fertiliser and

¹ One in Otago, three in Waikato, two in Victoria, two in South Australia, one in Tasmania. Advising on HSE matters for sales and logistics teams including compliance with relevant regulations and providing information relevant to customers.

² Formerly Taylor's Lime.

agricultural processing plants. Further, as already highlighted, Graymont provides lime products that are essential to produce clean drinking water and treating wastewater, and products needed for road construction (such as the Roads of National Significance). We note that the ongoing provision of roading products will be critical to the success of this Government policy.

6. Graymont's Oparure Quarry, which is located within the Waikato Region, and within the Waitomo District, just north of Te Kuiti, is New Zealand's largest single limestone quarry. Supplied with limestone from Oparure Quarry, Graymont's Te Kuiti site operates a vertical gas fired Maerz Kiln to produce hydrated lime and quicklime. In this regard, limestone is taken from the Oparure Quarry, fed into the Kiln at the Te Kuiti site, where it is calcinated at extreme temperatures to produce hydrated lime and quicklime.³
7. In October 2022, in order to maximise the quarry's economic life, a suite of resource consent applications were lodged for the expansion of the Oparure Quarry. Those resource consent applications were lodged with both the Waikato Regional Council ('WRC' or the 'Regional Council') and the Waitomo District Council ('WDC' or the 'District Council') and relate to the establishment of a second quarry pit (the 'Western Pit' Application). This application, if granted, will enable the quarrying of limestone to continue for a further 70 years.
8. Given the location of Graymont's Oparure Quarry, quarry expansion and its Te Kuiti Kiln, the Proposed Waitomo District Plan (hereafter referred to as 'pWDP' or the 'proposed Plan'), is of particular relevance to the Company and our ongoing operations.
9. Graymont lodged submissions⁴ and further submissions to the proposed Plan.⁵
10. For completeness, I confirm that I am authorised to present this evidence on behalf of Graymont. I am not presenting technical expert evidence, and as such, this brief should be read as 'Company evidence' expressing the position of Graymont.

SCOPE OF MY EVIDENCE

11. In my evidence, in order to provide context to the key submission points and relief sought by Graymont, I:
 - a. set out a background to the Company, its operations and initiatives; and
 - b. highlight the importance of, and the need to, explicitly provide for Graymont's operations.
 - c. I note that Ms Terry Calmeyer will present evidence addressing planning matters on behalf of the Company.

BACKGROUND: THE COMPANY

³ Hydrated lime and quicklime are both calcium compounds manufactured from limestone. After calcination, limestone forms calcium oxide or quicklime, which in its hydrated state is known as calcium hydroxide.

⁴ Submission #43, lodged with the District Council on the 22nd of December 2022.

⁵ Graymont's lodged ten further submissions with the District Council on the 28th of July 2023.

12. As discussed in the preceding paragraphs, Graymont's operations, which commenced in 1865 as McDonald's Lime and Taylor's Lime, are associated with the manufacture and supply of quality lime and limestone products.
13. Graymont's Waitomo based operations include the Oparure quarry (together with the proposed expansion of the same) and the associated Te Kuiti Kiln.
14. Graymont both prides itself on, and is committed to, operating in a sustainable manner. As a Company, we are proud that our products are part of the solution in terms of addressing many of today's environmental challenges. For example, our products are used for treating historic pollution sources including mining operations and adjusting dairy factory wash water to allow this to be used as irrigation rather than waste. Lime originating from the Oparure Quarry is used to produce low-leachate fertiliser (already in production in the North Island), and Graymont is actively investigating opportunities for low-carbon cementitious materials in New Zealand.
15. Graymont aims to consistently meet or exceed its regulatory and resource consent or permit obligations, while working to minimise the environmental impact of its operations. Graymont has six environmental standards that establish periodic site led goal setting for environmental improvement. To fulfil our commitment, we integrate environmental accountability into our strategic planning and take a systems approach to our practices with respect to environmental impacts, carefully monitoring environmental compliance and conducting a regular comprehensive audit programme, which includes both internal and external auditing being undertaken, so as to ensure that our consenting requirements are respected and achieved.
16. In addition, and with regard to environmental sustainability, Graymont is determined to become an industry leader with its utilisation of the materials and the reuse of resources involved with its operations. To this end, the Company is seeking to reduce its environmental footprint through continuous operational improvements.

SIGNIFICANCE OF GRAYMONT'S OPARURE QUARRY AND TE KUITI KILN

17. Graymont is an international leader in the extraction of limestone and the production of lime products, with the Company also being the largest lime producer in New Zealand.
18. As highlighted above, Graymont's Oparure Quarry is New Zealand's largest single limestone quarry. It is 67 hectares in size and located on top of rich Waitomo strata. The Oparure Quarry provides rich sources of high-grade limestone, a feed stock for lime and limestone products necessary for ongoing regional and national economic and societal benefit. Approximately \$70 million has been invested in assets and equipment associated with the quarry and the quarry has annual production rates of up to 1 Megatonne ('Mt') of limestone, putting the quarry amongst the largest in New Zealand. Indeed, Lime has been recognised as a product that is fundamental to the New Zealand economy.
19. Supplied with limestone from Oparure Quarry, Graymont's Te Kuiti site operates a unique vertical gas fired Maerz Kiln to produce quicklime. Given its specialised nature, the Te Kuiti site employs highly trained and specialised staff, to run the state of the art facility and produce high-quality quicklime. The Te Kuiti plant is particularly important as it produces product that is required across a range of different industries and needs,

including steel making, production of clean drinking water, reduction of nutrient runoff in pasture, construction (for soil stabilisation for infrastructure and subdivision), sewerage sludge treatment and environmental water treatment. The benefits associated with these products are experienced at a regional and national scale.

20. Graymont's Oparure Quarry is defined as a Significant Mineral Resource within Schedule 1 to the Rural Production Zone Chapter. Having reviewed the Section 42A Report for the Rural Production Zone, prepared by Ms Cathy O'Callaghan, we accept Ms O'Callaghan's explanation that the proposed Plan accords both 'Regionally Significant Industry' and 'Significant Mineral Resources' the same status, both being considered 'Regionally Significant', however, the Company believes that further clarification of this needs to be provided within the proposed Plan. Ms Calmeyer will address this further in her evidence.
21. We understand that the Waikato Regional Policy Statement, and in turn the proposed Plan, define '*Regionally Significant Industry*' to mean "*...an economic activity based on the use of natural and physical resources in the region and is identified in regional or district plans, which has been shown to have benefits that are significant at a regional or national scale. These may include social, economic or cultural benefits*".
22. With regard to our Te Kuiti Kiln site, Ms O'Callaghan records⁶ that the proposed Plan only identifies industries of regional significance on stand-alone sites in the General Rural Zone where reverse sensitivity effects are particularly problematic due to surrounding land uses. She goes on to note that within the Industrial Zone, reverse sensitivity tends to be less of an issue in the Waitomo District, and that the Industrial Zone makes sufficient provision for regionally significant activities and therefore, that the provisions of the Waikato Regional Policy Statement are achieved. Given these factors, she records that there is no provision in the proposed Plan for Graymont's Te Kuiti Kiln site to be classified as a 'Regionally Significant Industry' unless it is rezoned as Rural Production Zone. Ms O'Callaghan records that is not appropriate to rezone the site as Rural Production Zone because the site is contiguous with the Industrial Zone, and it meets the criteria for the Industrial Zone under the National Planning Standards more fully than it meets the criteria for Rural Production Zone. As such, she does not recommend that Graymont's Te Kuiti Kiln site is afforded 'Regionally Significant Industry' status.
23. We note that the proposed Plan provided for some new areas of 'Natural Open Space Zone' alongside the stream that runs through our Te Kuiti Kiln site and that there was also a land parcel adjacent to the site, partially rezoned as 'General Rural Zone' (noting that the existing part of the parcel was already zoned General Rural Zone). Graymont remains concerned to ensure any zoning changes within the vicinity of its Te Kuiti Kiln site do not affect production methods, have reverse sensitivity effects or other implications for its on-site activities, which could in turn have flow on effects to its operations and ultimately, the product it is able to supply to its customers. It is the Company's view that the inclusion of the proposed Natural Open Space Zone adjacent to the stream that runs through the Te Kuiti Kiln site does not provide the scale of protection that is envisaged by the Regional Policy Statement for a site of such regional importance. An amendment to the Plan to specifically recognise the regional significance of the Te Kuiti site will go some way towards addressing this.

⁶ Within the Section 42A Report for the Rural Production Zone, paragraphs 27 and 28.

CONCLUSION

26. Graymont is an important stakeholder in the Waitomo District, in that it undertakes specialist activities that are reliant on the natural resources of the District. Given the significance of having a sustained supply of minerals and aggregate within the Waitomo District and wider Waikato Region, the Company sought amendments to the proposed Plan to specifically promote and provide for regional significance at its Oparure Quarry and associated Te Kuiti Kiln site.
27. While the Company's Oparure Quarry has been afforded regionally significant status in that it is scheduled as a 'Significant Mineral Resource', its associated processing site (the Te Kuiti Kiln site) has not. Graymont remains concerned that its Te Kuiti site can continue to operate without reverse sensitivity effects, undue restrictions or other implications without the appropriate regionally significant status afforded to it.
28. I thank the Hearing Panel for their consideration of this statement of evidence.



Benjamin James Murray

Asia Pacific South Corporate Affairs & Health Safety and Environment Manager, Graymont (NZ) Limited

21st of June 2024