

Project Manager – Valeria Project
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20 October 2022

Dear Coordinator-General

RE: Valeria Coal Project – Draft Terms of Reference

Thank you for the opportunity to make this submission in response to Draft Terms of Reference for Valeria Coal Holdings Pty Ltd's **(the Proponent)** Valeria Project **(the Project)**.

Environmental Advocacy in Central Queensland (**EnvA**) is a Central Queensland association concerned about the risks associated with coal mining, coal seam gas and climate change.

EnvA believes that opening new or expanding existing coal and gas projects:

- is contrary to meeting Australia's emission targets and Queensland's emission targets – both are far too low to prevent continued harm to our environment,
- is likely to result in irreparable damage to our local landscape and result in stranded assets,
- will put our local community at further risk of extreme weather such as increasing the intensity and frequency of storms, floods, droughts and bushfires,
- will damage our significant coastal resources including our beaches and the Great Barrier Reef through storm surge and increased coral bleaching events,
- will further degrade wildlife habitats of state and national significance through both habitat loss and climate change, and
- rarely take into consideration the views of Traditional Owners and local communities who are concerned about protecting their land from fossil fuel development.

The Valeria Project

The Project is a proposed greenfield open-cut thermal and metallurgical coal mine consisting of:

1. An approximately 29,500 hectare (ha) mine site area including:
 - six open cut pits, a workers accommodation village, mine access road and initial sections of the rail line, water supply pipeline, powerline and communications infrastructure
 - a mine infrastructure area (MIA) consisting of a coal handling and preparation plant (CHPP), tailings storage facilities, mine water management dams, waste rock dumps, storage facilities, sewage treatment plant, office buildings and amenities.
2. Approximately 70km of rail line infrastructure between the mine site and the Aurizon Goonyella Coal Chain.
3. Water supply pipeline infrastructure from the mine site to the Oaky Creek Coal Mine.
4. Communication infrastructure from the mine site to the Gregory Highway.
5. Powerline infrastructure from the mine site to the Ergon Powerline.



The proposed Project is located within the Bowen Basin, approximately 27 km north-west of Emerald, eight km south-west of Capella and 270 km west of Rockhampton. It will extract up to 16 million tonnes per annum (mtpa) of product coal for 37 years, with the majority of this being thermal coal for energy production.

The Project has been gazetted as a coordinated project under the *State Development and Public Works Organisation Act 1971* (Qld) (**SDPWO**). The Project is also a controlled action under the *Environmental Protection and Biodiversity Conservation Act 1999* (Cth) (**EPBC Act**) which will be assessed by accredited assessment under the SDPWO Act as five separate controlled actions (as listed above). The relevant Matters of National Environmental Significance are:

- listed threatened species and communities (EPBC Act, sections 18 and 18A), and
- a water resource, in relation to coal seam gas development and large coal mining development (sections 24D and 24E).

The draft terms of reference (**ToR**) for an environmental impact statement (**EIS**) were released for public consultation on 27 August 2022. The draft ToR sets out the matters Valeria must address when preparing the EIS.

EnvA's comments on the draft TOR

EnvA is strongly opposed to the Project and recommends the following revisions to ensure that the impacts of the Project can be appropriately addressed:

Matters of National Environmental Significance

Background

As the Project is a controlled action under the EPBC Act and will be assessed by accredited assessment under the SDPWO Act, the EIS will contain a stand-alone chapter addressing the cumulative impacts of the Project on listed threatened species and communities (EPBC Act ss18 & 18A) and water resources (EPBC Act ss24D & 24E).

EnvA is very concerned about the cumulative impacts of land clearing and the impacts of climate change due to the establishment or expansion of coal mines on threatened species and ecosystems. We have investigated and made comments on many new or expanding coal mines in the Central Queensland and the vast majority have a similar list of species and ecosystems. Some of these species (i.e. koala and greater glider) are declining significantly to the extent that they have recently been reclassified from vulnerable to endangered in Queensland.

While the draft TOR requires that cumulative impacts for a range of matters including Matters of National Environmental Significance (**MNES**), EnvA is concerned that there is no specific guidance on the methodology for measuring cumulative impacts or assessment of the significance of the cumulative impacts. The recent release of the State of the Environment Report and the bold aim of the Australian Government to prevent any further extinctions in the [Threatened Species Action Plan 2022-2032](#) will require all new coal and gas projects to better assess and document direct, cumulative and indirect impacts on threatened species and communities.

There is [substantial evidence](#) that climate change is a significant threat to an overwhelming number of listed threatened species and communities. The Project with a yield of up to 16 million tonnes per annum of product coal for approximately 35 years resulting in at least 1,344 million tonnes of greenhouse gas emissions over the life of the mine.¹

The EIS must describe and assess all relevant impacts. Impact is defined in [s527E of the EPBC Act](#).

¹ Determined using an estimate of total product volume of coal x 2.4.

The proposed actions of Proponent of operating the Project to extract and supply coal (the primary action) to other parties (the secondary person) who will burn the coal (secondary action) will have a consequential impact on the MNES through climate change.

The greenhouse gas emissions of secondary persons are commonly referred to as scope 3 emissions. Scope 3 emissions are a relevant impact per s527E(1)(b) and must be included in the ToR and EIS.

Recommendations

1. That “(including scope 1, 2 and 3 emissions)” be inserted at 16.10, after greenhouse gas emissions.
2. That Appendix 1 – MNES listed threatened species and communities (sections 18 and 18A) be updated to include all MNES threatened species and communities threatened by climate change as identified in the database available at <https://livingwonders.org.au/search-the-evidence/>.
3. That further direction in measuring and assessing cumulative impacts are incorporated into the TOR (based on expert scientific advice).

Decarbonisation Plan requirements

Background

EnvA is concerned about the listed requirements for a decarbonisation plan, particularly:

- 15.213(b) which provides the opportunity for measures to reduce emissions from other projects or across other tenures held by the proponent in Queensland to be used to show how the projects cumulatively contribute to Queensland and Australia’s published emissions targets, and
- 15.213(d) (ii and v) which provide for other carbon offsetting for emissions which can’t be reduced (including but not limited to carbon offset vegetation management).

The Proponent should not be allowed to rely on its other operations to offset emissions from this mine. The decarbonisation plan should be required to set out exactly which measures the Proponent will take to reduce the emissions impact of the mine, and how big a reduction those measures are expected to lead to.

Glencore (the Proponent), in a [media statement](#) in December 2021 in relation to the Valeria Project, outlined plans to close and rehabilitate three of its Australian mines within the next five years. If the Proponent is allowed to use these closures as a mechanism to not take significant steps to decarbonising the Project, there will be no real decarbonisation of the Valeria Project. Indeed, just the scope 1 emissions are estimated at 13.6 million tonnes of carbon dioxide equivalent greenhouse gas pollution. At the same time over 10,000 ha of endangered species habitat and high value farmland will be lost, and local water resources will be significantly impacted.

The use of carbon offsets is considered by EnvA to be ‘greenwashing’ when it relates to the fossil fuel industry and do not effectively replace the need to reduce emissions. Decarbonisation plans that use offsets cannot replace needed emissions reductions and fossil fuel phase-outs which are required if Australia and Queensland are to meet their already very low emissions targets.

Recommendations

Given that the Department of Environment and Science have not finalised the Industry Decarbonisation Plan Policy, and may differ from the Queensland Resources Industry Development Plan, EnvA recommends:

1. That clauses 15.213(b), 15.213(d) (ii) and 15.213(d) (v) are removed from the final TOR.

Cultural heritage assessment

First Nations Peoples are the primary custodians and knowledge holders of their cultural heritage. The principles of free, prior and informed consent and self-determination must be at the core of any assessment of the impact of the Project on cultural heritage.

To that end, it is imperative that all First Nations People whose cultural heritage may be impacted by the Project be included the assessment of cultural heritage impacts. It must be recognised that some relevant First Nations People are not recognised in the Native Title system, but may have cultural interests that will be directly or indirectly impacted by the Project (i.e. song-lines or totem animals).

Impacts on cultural heritage are not limited to the physical landscape or restricted solely to 'sacred sites' and any assessment of impacts on cultural heritage must also include impacts on cultural knowledge, beliefs and practices.

Recommendations

1. That "(and other First Nations Peoples with cultural heritage interests)" be inserted at 15.189, after Traditional Owners.
2. That "Identify First Nations Peoples cultural heritage outside the project area that may be affected by the Project" be inserted between 15.189 and 15.190.
3. That ", and cultural knowledge, beliefs and practices" be inserted at the end of 15.190.

Thank you again for the opportunity to make comment on the Draft Terms of Reference for the Valeria Project.

Kind regards



Dr Coral Rowston

Director

Environmental Advocacy in Central Queensland