

Hon Meaghan Scanlon
Minister for the Environment
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Brisbane Qld 4000

environment@ministerial.qld.gov.au

6 April 2023

Dear Minister

RE: Serious concerns about the assessment process for Blue Energy gas and the Vulcan Coal Complex

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

We have seen first-hand here in Central Queensland an increase in bushfire intensity, floods, storms, record-breaking heatwaves and multiple mass coral bleaching events. It is time to take serious action to properly assess the local environmental impacts of new and expanding coal and gas operations, and also properly consider the impacts of greenhouse gas emissions on our environment and the ability to meet Queensland's emission reduction targets.

We acknowledge and welcome the work of the Queensland government to tackle the significant emissions from Australia's fossil fuel and industrial sectors through the development of a Decarbonisation Strategy and the Jobs and Energy Plan. However, we are concerned that neither of these initiatives will result in genuine emissions cuts to halt the environmental decline of many special natural places, species and habitats.

We bring to your attention two recent proposals which we believe have not adequately been assessed with approvals granted without the requirement for a thorough assessment of the impacts through an Environmental Impact Statement (EIS) or proper consideration of impacts to matters of National and State Environmental Significance.

Blue Energy

In late 2022, Blue Energy Limited (Blue Energy) on behalf of titleholder Eureka Petroleum Pty Ltd applied for an Environmental Authority related to a greenfield coal seam gas (CSG) project (the Project) in the Moranbah/Glenden region of central Queensland.

The project is to be carried out under three petroleum leases, PL1034 (Sapphire Block), PL1038 (Central Block) and PL1045 (Lancewood).

The Application sought approval for CSG activities over a 20-year development period at 530



well pad locations. Wells will be drilled vertically, horizontally and laterally to a maximum estimated depth of 1,130m. The Project will also involve the installation of over 700kms of gas and water gathering lines. The maximum disturbance for the Project is 1,046 ha. Permanent infrastructure which will be left *in situ* on completion of the Project include decommissioned gas wells sealed with cement plugs and buried pipelines.

EnvA provided a submission on the application with our key concerns including:

- Blue Energy recognised that ‘emissions of CH₄ and CO₂ are of a concern due to their potential to contribute to the greenhouse effect and thus climate change’. However, Blue Energy only addresses emissions from the Project in terms of the potential impact on local air quality.
- Blue Energy has not quantified contributions of the Project to scope 1, 2 and 3 emissions. However, the Project is modelled to access 363 petajoules of reserves and 1,278 petajoules of contingent resources. The Project and the resultant burning of the gas produced will amount to a significant contribution to GHG emissions. Blue Energy therefore failed to provide any assessment of GHG emissions in relation to their contribution to climate change.
- The risks of the Project to groundwater and surface water are of particular concern given the Project’s location in proximity of other extractive industry projects, the compound impacts of which pose increased threats to ground and surface waters.
- Blue Energy identified numerous threatened ecological communities, flora species, fauna species and migratory species within or near to the Project area which may be impacted by the Project. We noted that the assessment of the potential impacts on biodiversity was based on a desk-top assessment and rapid field assessments with just one targeted survey in the Sapphire Block. Blue Energy noted that more detailed and targeted surveys are being undertaken which will provide a more thorough understanding of the habitats and species using the Project site and that the project may need to be referred under the EPBC Act.

EnvA is deeply disappointed in the decision to grant an Environmental Authority (EA) before due consideration of the environmental outcomes of what will be the first export gas facility in the Bowen Basin. The project must be referred for consideration under the EPBC Act and the Department of Environment and Science must require proponents to complete a thorough Environmental Impact Statement before providing approvals for significant projects which will significantly impact on the local and world environmental assets.

EnvA is also concerned that without the thorough process required under an EIS process that the community is limited in its ability to contribute to decisions that affect us directly, both in the limited opportunities to have input into the assessment process and being denied the necessary information required for meaningful input.

Vulcan South

This is a coal proposal which is evidently using the loopholes in the Queensland assessment processes to avoid proper environmental scrutiny.

Vitrinite, the proponent, is progressively expanding the Vulcan Coal Complex in steps which the Department of Environment and Science (DES) has decided do not meet the Queensland government guidelines to require an EIS based on the triggers listed in Appendix B to the [Criteria for environmental impact statements for resource projects under the Environmental Protection Act 1994](#).

The project has been separated into three separate projects:

Vulcan Coal Mine

In 2021, the Queensland Government granted a mining lease to Vulcan Coal Mine to produce 1.95mtpa of coal, without requiring an EIS. This mine was referred and assessed under the EPBC Act and was approved with conditions by the former government's Environment Minister Sussan Ley. It was also granted an EA by the Queensland government and did not undergo an EIS, because it was under the threshold of extracting more than 2 million tonnes of coal each year.

Minister Ley [published a statement of reasons](#) for making her decision to approve the project. The statement of reasons says the project will result in the clearance of over 200 hectares of koala habitat and adversely affect habitat critical to the survival of the species. Habitat fragmentation, direct mortality and vehicle collisions were identified as impacts.

Minister Ley approved the project on the condition that Vitrinite make a payment of \$35,000 to fund a Bowen Basin Koala conservation program. Other conditions put in place to mitigate impacts on koalas prohibit Queensland Coking Coal Pty Ltd (QCC) from clearing outside of the project area and require the establishment of a koala habitat offset area. These conditions are unlikely to contribute any meaningful conservation outcomes for the species that would balance the loss of habitat from the coal mine.

Vulcan Coal Mine Matilda Pit and ancillary infrastructure

The proposed project is to add a coal handling and preparation plant, train load-out facility, dedicated rail loop, a small open pit on ML700060. Ancillary infrastructure will also be required, which includes product stockpiles, updated water management infrastructure, access roads and several minor amendments to existing infrastructure layouts.

This proposed mine extension footprint will cover approximately 93 ha of the 407.46 ha mining lease area. QCC acknowledges that this mine expansion may change the magnitude of impacts to Matters of National Environmental Significance (MNES), specifically identifying listed threatened species and communities and hence has referred the project for assessment under the EPBC Act.

The Department of Climate Change, Energy the Environment and Water (DCCEEW) is currently assessing this project as a controlled action by preliminary documentation with further information required.

At this same time, the Queensland government is assessing the amendment of the Environmental Authority (EA0002912) and the Progressive Rehabilitation and Closure Plan (PRCP) for the Vulcan Coal Mine to accommodate the infrastructure proposal.

Vulcan South Coal mine

In 2022, a mining lease application (MLA 700073) and EA (A-EA-NEW-100265025) for the Vulcan South coal mine was lodged. QCC plans to produce 13.5 million tonnes of ROM coal at a rate of 1.95 million tonnes per annum. The DES made the decision that this mine was not required to produce an EIS.

[Supporting information for the EA application](#) states that over 1000ha of koala habitat and over 70ha of greater glider habitat will be cleared. Other threatened species that either occur or are likely to occur on the site include the ornamental snake, squatter pigeon, short-beaked echidna, northern quoll, white-throated needletail and rufous fantail will be impacted. In addition, the glossy black cockatoo was recorded despite the species not being flagged as present in the region.

DES requested further information from the proponent including an explanation on the degree to which the Vulcan South Project (VSP) and the Vulcan Complex Project (VCP) are integrated [also referred to as the Vulcan Coal Mine]. A greater description of the relatedness and integration of the VSP and VCP was requested. Further, the justification is required as to why the applicant considered the VSP and VCP as separate projects, requiring separate environmental authorities.

The [response from the proponent](#) was that “Vulcan South (VS) and Vulcan Coal Mine (VCM) are independent projects, approximately 10km apart. VS construction is planned to be completed at a similar time to the cessation of activities at VCM. If there is an opportunity to commence the highwall trial during the VS construction period, ROM coal extracted from the trial may be handled through the VCM infrastructure. Dependant on timing, personnel, plant and equipment, may be transferred from VCM to VS”.

This project has not yet been referred for assessment under the EPBC Act which is essential given that the first two components of the project have been referred, and this third component impacting on a far greater area of threatened ecosystems and species as identified in the request for further information response.

The Vulcan Complex as a whole

To the Queensland government, Vitrinite/QCC presents these as three separate resource projects, despite Vitrinite presenting them as a single Vulcan Complex project on their [website](#). This results in the avoidance of an EIS because of the manner in which DES applies the EIS thresholds in the EP Act.

Sections 143 and 228 of the EP Act describe the circumstances under which a resource activity must or may be assessed by EIS. The EP Act requires that the standard criteria must be considered when making this decision about whether to require an EIS. The Guideline then seeks to provide assistance to the decision makers in discharging that duty.

The Guideline expressly states that the triggers (or the EIS thresholds set at 2 million tonnes of coal per year) at Appendix B should not be treated as the determining factor when making decisions about whether an EIS should be required.

The Guideline also states that “Any application for a resource project that appears to be seeking to avoid an EIS through a staged development would be closely examined and, consistent with the standard criteria (Appendix A), an EIS may be required for the entire project, even though none of the individual stages would trigger an EIS by themselves.”

It is clear to EnvA that Vitrinite is using loopholes in the Queensland Government’s assessment process. It is also clear that the Queensland government is not appropriately considering the standard criteria when making decisions about whether an EIS is required. The DES could require an EIS for the entire project, however the DES has chosen not to apply a basic level of environmental scrutiny and instead allowed Vitrine / QCC to avoid scrutiny through its staged development of the project. We urge you to require DES to reconsider their approach and require an EIS for the entire project.

Concluding comments

Queensland desperately needs to improve their assessment processes and genuinely assess fossil fuel project proposals on social, environmental and economic grounds. The Queensland Government must require that all fossil fuel projects be required to go through an EIS process. Without this, the community has a significantly reduced opportunity to provide public comment of proposals and decisions are made on limited environmental information or proponents using loopholes in the guideline to escape scrutiny despite the legislation requiring this scrutiny.

Both of these proposals (Blue Energy and Vulcan Coal) must also be referred under EPBC legislation as they both will have significant impacts on MNES and the Queensland government should refrain from providing approvals without the projects being firstly referred and a determination on any requirements for a bilateral assessment process.

Our regional community is [interested in having a voice on proposals](#) that will impact us and our environment, but the EA process is not user-friendly, it is difficult to locate the relevant documents and usually does not provide the opportunity to seek clarification or more information within the timeframe provided for comment.

We look forward to hearing from you on these matters.

Kind regards

A handwritten signature in blue ink, appearing to read 'Coral Rowston', is positioned above the printed name.

Dr Coral Rowston

Director

Environmental Advocacy in Central Queensland