

Coal Assessment Hub PO Box 3679 Red Hill Qld 4701

Via email: CoalHub@resources.qld.gov.au

7 February 2025

Dear Chief Executive

RE: Submission on the amendment application for South Walker Creek EPML00712313, Surface Area Application for ML4750, and Environmental Authority A-EA-AMD-100729271

Thank you for the opportunity to make this submission in response to the public notification of the proposed amendment to the South Walker Creek EPML00712313 to increase surface area for ML4750 and amend Environmental Authority A-EA-AMD-100729271 (the Project) by Stanmore SMC Pty Ltd (the Proponent).

The Project relates to a proposed approval of a network of gas extraction wells to source coal seam gas (**CSG**) for a CSG gas power plant and to contribute to the pre-drainage of the open cut South Walker Creek coal mine.

EnvA recommends that this application be refused on the basis of the Project's contributions to greenhouse gas (**GHG**) emissions and consequent climate impacts, the negative impacts of the Project on biodiversity, groundwater and surface water and the unreasonable limitation on human rights that would result from approval of the Project.

ABOUT ENVIRONMENTAL ADVOCACY IN CENTRAL QUEENSLAND

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 and expanding coal and gas projects:

- is contrary to meeting Australia's emission targets and Queensland's emission targets,
- 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.



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PROJECT SUMMARY

The South Walker Creek Coal Mine is located approximately 40km west of Nebo in the northern section of the Bowen Basin. The mine has been operating since 1996 producing Pulverised Coal Injection (PCI) and coking coal within ML4750 and ML70131.

The proposed Project seeks approval to:

- conduct further exploration in areas outside of the currently authorised disturbance area, and
- develop a gas field on ML4750 for the purposes of establishing a gas fired power station and contributing to pre-draining gas for potential future coal extraction.

Exploration Program Components

The impact area required for the multi-year exploration program encompasses approximately 97.2 ha and includes:

- exploration drill pads (generally measuring 35 m x 35 m), and
- associated access tracks.

The total extent of the impact area for the exploration component of the project encompasses approximately 140.1 ha.

Gas Drainage Project Components

The impact area required to facilitate the necessary infrastructure of the Gas Drainage Project will remain throughout the life of project, facilitating the supply of gas to the power station and the transmission of power to the grid. This area covers approximately 42.8 ha and includes:

- a 2.2 km powerline corridor,
- installation of gas well pads, and
- · associated access tracks, and
- installation of pipework and single/dual layout lines across the gas field, with some sections being drilled underground to minimise the extent of surface impacts).

The proponent advises that a development application for a proposed gas fired power station to be located on ML4750 has been submitted and is being assessed under a separate process for planning permission and environmental authorisation.

CONCERNS RELATED TO THE ASSESSMENT PROCESS

EnvA believes that this Project should have been subject to an Environmental Impact Assessment rather than a major amendment to the current Environmental Authority (EA) which was based on the extraction of coal. Introducing a CSG proposal under the same EA is a stretch, particularly as it is associated with a gas fired power station and not just pre-draining for expanded coal mining.

We are also concerned that there was minimal information on the gas fired power station (**GFPS**), in particular the associated GHG emissions and the anticipated power generation from the station. The proponent notes that the GFPS will provide sufficient electricity to operate the South Walker Creek Coal Mine, with surplus energy to be provided to the grid. It is our view that these projects are integral and without the details of the GFPS, we are limited in our ability to understand and assess the impacts of the proposed Project.

IMPACTS OF THE PROJECT

Contribution to climate change through greenhouse gas emissions (GHG) emissions

The accretion of GHGs in the atmosphere as a result of human activities has already caused changes in the climate system with tangible impacts, including in Queensland which is increasingly experiencing extreme weather patterns and climate related disasters¹.

Of particular concern to EnvA, Central Queensland is already experiencing adverse climate change impacts including:

- increased frequency and severity of coral bleaching,
- severe storms,
- prolonged and extreme heat waves,
- unprecedented wildfires, and
- an increase in the number of endangered species and ecosystems.

If warming increases to 1.5°C and above, these impacts will increase in severity. Globally, a 1.5 degree aligned future means no new fossil fuel projects can be approved².

Given the need to urgently curb GHG emissions, the Project should be refused as any further GHG emissions will exacerbate already high levels of dangerous climate.

The Proponent has estimated that the Project will result in 26,282 tonnes CO2-e of scope 1 emissions and 28,687 tonnes CO2-e of Scope 3 emissions over the 15-year term of the project³.

We acknowledge that the emissions related to the operation of the gas power station have been considered in the GHG Assessment prepared for the power station, but we consider that these emissions are integral in the assessment of the GHG emissions associated with the proposed Project and need to be considered.

Extracting gas to burn to produce electricity for use at the coal mine does eliminate the scope 2 emissions at the coal mine, it but it also leads to even greater Scope 3 emissions overall with the extraction and burning of additional gas and coal.

We also note that the Proponent intends to "extract natural gas via development and operation of a gas drainage field, which will supply a gas fired power station. The power generated will be enough to meet the South Walker Creek's electricity demand and allow export of the remaining power to the grid".

Not withstanding our argument that the GHG emissions from the gas fired electricity generation must be considered within the current Project, there is also a strong argument that there are Scope 3 emissions from the export of electricity to the grid that are not identified or included in the GHG emissions assessment.

Risks to groundwater and surface water

The Project falls within the Isaac sub-catchment area of the Fitzroy Basin catchment area. Bee Creek is the main watercourse in the vicinity of the Project area and is an ephemeral watercourse. Hail Creek mine is the only current existing mine upstream of the Project in the Bee Creek Catchment, which us authorised to release mine-affected waters into the catchment.

Just this week, the Hail Creek has released mine-affected waters close to the limit of their EA

¹ Ian Cresswell, Terri Janke and Emma Johnston, *Australia State of the Environment Report 2021: Overview* (2021) 82-93. https://apo.org.au/node/318651

² IEA (2021) Net Zero by 2050 https://www.iea.org/reports/net-zero-by-2050

³ Stanmore SMC Pty Ltd (2024) <u>Appendix G South Walker Creek Mine Multi-Year Exploration Program and Gas Drainage Project - Greenhouse Gas Assessment</u>

conditions. EnvA considers that further releases from the expanding South Walker Creek coal mine will further impact on the water quality of Bee Creek. The cumulative impacts of mine-affected water into catchments leading to the Great Barrier Reef have a significant potential to contaminate local waterways and impact on the Reef.

Conventional gas mining and CSG activities poses risks to both groundwater and surface water in a range of ways. These include the following activities associated with the Project:

- infrastructure construction (earthworks activities) and clearing,
- drilling and hydraulic stimulation/fracturing activities,
- well control or well head equipment failure,
- well integrity failure,
- spills or leaks of fuels, chemicals or other produced fuels,
- loss of containment and seepage,
- storage and disposal of general waste, chemical and process wastes,
- vehicle and plant movements,
- floods or other natural events.

These sources of risk may result in the following harms to surface and groundwater:

- contamination of groundwater resources,
- crossflow, aquifer contamination or reduction in pressure in aquifers,
- disturbances to natural drainage patterns,
- reduction in surface and groundwater quantity and availability for other users and uses,
 and
- impacts to surface and groundwater dependent ecosystems.

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.

Given the potential direct and indirect impacts of the Project on groundwater and surface water, and pursuant to the precautionary principle, the Application should not be approved.

Adverse impacts to biodiversity

The area proposed to be directly disturbed by the Project is 140.1ha, which will result in significant impacts on the terrestrial ecology of the site through a combination of direct impacts, and indirect impacts such as habitat fragmentation, loss of habitat quality, changes to the water table and the contribution of GHG emissions leading to climate change impacts on species and communities.

The Proponent has identified direct impacts within the Project area including:

- 135.6 ha of regulated vegetation
- 1.5 ha of brigalow
- 1.14 ha of Poplar box threatened ecological community (TEC)
- 11.5 ha of Solanum elachophyllum
- 112.7ha of koala (Phascolarctos cinereus) habitat
- 6.6 ha of greater glider (*Petauroides volans*) habitat
- 135.6 ha of squatter pigeon (Geophaps scripta scripta) habitat
- 12.0 ha of ornamental snake (*Denisonia maculata*) habitat.

EnvA notes that the areas for a number of these threatened species differs between the Matters of State Environmental Significance (MSES) and the Matters of National Environmental Significance (MNES) reports supporting the Project application.

The Bowen Basin has a highly cleared and fragmented environment. The pre-clearing cover for the Isaac-Comet Downs subregion is estimated at approximately 2,693,397 ha compared to 574,501 ha of remnant vegetation (Accad *et al.* 2021). 78.7% of vegetation cover has already been cleared in this Brigalow Belt subregion which means that any habitat clearing and disturbance is highly likely to impact on threatened species and ecosystems.

In the last few years, the koala and greater glider have been reclassified from vulnerable to endangered, largely due to the loss and fragmentation of habitat, and the impacts of climate change and the consequent severe weather and fire events. With less than 574,500 hectares of fragmented remnant vegetation in the Isaac-Comet Downs subregion, along with the contribution of this Project to greenhouse gas emissions (see GHG emissions section above), EnvA considers that an assessment of the cumulative impacts is required before even more of our Queensland ecosystems and species are added to the endangered list, or worse, they make the extinct list.

Impacts on human rights

The administering authority as a public entity must not act or make a decision in a way that is not compatible with human rights.⁴

The adverse impacts of the Project caused by its contribution to climate change, negative impacts on biodiversity and risks to ground and surface waters will limit, beyond the extent that is reasonable and demonstrably justifiable in accordance with section 13 of the HR Act, the following rights of people in Queensland protected under that Act:

- right to recognition and equality before the law (s 15),
- right to life (s 16),
- deprivation of property (s 24(2)),
- right to privacy and home (s 25(a)),
- protection of children (s 26(2)), and
- cultural rights of Aboriginal and Torres Strait Islander Peoples (s 28).

In the recent decision of the Queensland Land Court of Waratah Coal Pty Ltd v Youth Verdict Ltd & Ors (No 6) [2022] QLC 21, President Kingham found that the link between the approval of Projects which contribute to climate change and the impact of that harm on human rights is sufficiently connected so as to enliven consideration of the HR Act.⁵

Approval of the Application by the administering authority would on the balance unreasonably limit those human rights and should be refused.

Justification for the project

There is an insufficient justification for this project provided in the application.

The coal product is mostly PCI metallurgical coal which is considered a low-grade and lower value metallurgical coal. BHP divested its investment in the South Walker Creek Coal mine due to the mine's "lower quality" coal resources.⁶, and PCI coal is likely to be the first metallurgical coal grade to be replaced by hydrogen.⁷ Following the brief increase in PCI prices in 2022, there was a fall in 2023 which resulted in Bowen Coking Coal placing its Bluff Coal mine into care and maintenance.⁸

⁴ Human Rights Act 2019 (Qld), s 58.

⁵ Waratah Coal Pty Ltd v Youth Verdict Ltd & Ors (No 6) [2022] QLC 21 (25 November 2022)

⁶ Australian Financial Review (2022) <u>BHP sold this Qld mine because it didn't have a future</u>

⁷ IEEFA (2022) <u>The First Metallurgical Coal Grade To Be Impacted by Decarbonisation Replacement of</u> Pulverised Coal Injection With Hydrogen Likely To Accelerate.

⁸ Bowen to put Australian coal mine on care and maintenance

It would appear that this project is based on the Queensland Government approving funds from the Low Emissions Investment Partnership⁹ to meet the Proponent's emission reductions requirements for the South Walker Creek coal mine operations, while transferring the increased emissions to a separate gas fired power station project with an estimated life of just 15 years.

EnvA considers that the impacts to the environment, particularly the cumulative impacts, are significant, and that the likely overall increase in GHG emissions (again without access to any information about the gas fired power station to be able to make an informed comment) will further impact on the environment and Queensland communities.

CONCLUSSION

EnvA recommends that this Project is refused as it is inconsistent with:

- 1. The standard criteria under Schedule 4 of the *Environmental Protection Act 1994* (Qld) (**EP Act**), particularly the following criteria:
 - (a) the precautionary principle,
 - (b) intergenerational equity,
 - (c) the conservation of biological diversity and ecological integrity,
 - (d) any Commonwealth or State government plans, standards, agreements or requirements about environmental protection or ecologically sustainable development,
 - (e) the character, resilience and value of the receiving environment; and
 - (f) the public interest.
- 2. The protection of human rights under the *Human Rights Act 2019* (Qld) (**HR Act**). This is due to the following inappropriate impacts posed by the Project:
 - (a) contribution to climate change through greenhouse gas emissions,
 - (b) risks to groundwater and surface water,
 - (c) adverse impacts to biodiversity, and
 - (d) impacts on human rights due to these environmental impacts.

In the alternative, the Project must be referred for consideration under the *Environment Protection and Biodiversity Conservation Act 1999* due to the potential impacts on MNES

Thank you again for the opportunity to make comment on this proposal.

Yours sincerely,

Dr Coral Rowston

Director

Environmental Advocacy in Central Queensland Inc.

⁹ Stanmore Resources to LEIP into Queensland-first gas to electricity project