

Appendix 4

Waratah Coal's Galilee Coal Project

Overview of project¹

Introduction

4.1 Waratah Coal's Galilee coal project includes two open cut mining pits and four underground coal mines in the Galilee Basin. The mines are expected to produce over 40 million tonnes per annum over a 30 year period. The mines are to be linked by a 453 km rail line to Abbot Point State Development Area (APSDA). In order for the development to proceed, 16,520ha of vegetation for the mine and 1,731ha for the rail corridor is to be cleared. In addition, it is estimated that 25,598ha will be impacted by subsidence associated with underground mining.²

Impact of the project

4.2 The proposed was determined to be a controlled action under the EPBC Act on 20 March 2009 based on the potential significant impacts on World Heritage properties, National Heritage places, listed threatened species and communities, listed migratory species and the Commonwealth marine environment. On 24 October 2013, it was determined that water resources, in relation to coal seam gas development and large coal mining development was also a controlling provision for the project.

4.3 In particular, the key impacts of the project are on:

- listed threatened species and communities through the clearance of remnant vegetation, including: 3,628ha of primary habitat for the endangered Black-throated Finch, 3,590ha of primary habitat for the vulnerable Squatter Pigeon, and 42ha of the endangered ecological community *Acacia harpophylla* (dominant and co-dominant);
- water resources due to drawdown for mine operation; changes to surface and groundwater hydrology; the potential for inter-aquifer connectivity impacting on formations within the Great Artesian Basin; increased surface-groundwater connectivity through subsidence; and cumulative impacts on surface and groundwater resources from coal mine projects proposed in the Galilee Basin; and
- subsidence-related impacts on an estimated 25,598ha, including ponding, surface cracking and impacts to habitat for EPBC Act listed threatened species and communities.

1 The following overview of the project is based on information provided by the Department of the Environment, *Submission 79*, Attachment A, pp 5–8 and also EPBC Referral 2009/4737, http://www.environment.gov.au/cgi-bin/epbc/epbc_ap.pl?name=current_referral_detail&propos al_id=4737 (accessed 18 June 2014).

2 Department of the Environment, *Submission 79*, Attachment A, p. 5.

Assessment of the proposal

4.4 It was determined that the project would be assessed through an Environmental Impact Statement (EIS), in parallel with the Queensland Government. The Queensland Coordinator-General completed his Assessment Report for the proposal on 9 August 2013, concluding the Environment Impact Assessment process at the state level.

4.5 On 25 June 2013, the project was varied to excise the port component at Abbot Port and coal port facilities within the APSDA, a reduction in length of the railway line from 495km to 453km, and termination of the railway line at the boundary of the APSDA. Given the variation, the assessment of the impacts of the proposed action on matters protected under the EPBC Act were limited to where the rail line intercepts the boundary of the APSDA and its surrounds.

4.6 The EIS was made available for public comment between 26 September 2011 and 19 December 2011 with 1842 submissions received by Waratah Pty Ltd, the vast majority from individuals. The proponent addressed matters raised in public submissions in the finalised EIS, which was submitted to the department on 3 September 2013.

4.7 The proponent undertook avoidance and mitigation strategies for the project including:

- re-alignment of the proponent corridor to address cross drainage issues;
- commitment to implementing environmental management systems to protect receiving waters; and
- redesign of the creek diversions associated with the mine component to minimise impacts to Malcolm Creek.

4.8 The Commonwealth Minister for the Environment approved the project on 19 December 2013, subject to a number of conditions, including those relating to offsets.

Offset requirements

4.9 The offsets package required under the conditions of approval³ included requirements:

- for direct land based offsets for impacted listed threatened species and communities consisting of:
 - 10,000ha for the Black-throated Finch;
 - 6000ha for the Squatter Pigeon;
 - 383ha for the Red Goshawk;
 - 500ha for the Northern Quoll;
 - 5800ha for the Yakka Skink,

3 See further <http://www.environment.gov.au/epbc/notices/assessments/2009/4737/2009-4737-approval-decision.pdf>

- 270ha for the Ornamental Snake;
- 72ha for the Dunmall's Snake; and
- 199ha for the 'Brigalow (*Acacia harpophylla* dominant and co-dominant)' ecological community;
- to prepare and implement an approved offset management plan for all the offset areas consistent with the Galilee Basin Offset Strategy and include commitments that demonstrate how the offsets areas required will be met;
- that the offsets management plan be approved by the Minister within 12 months of the commencement of Project Stage 2;
- that the offsets detailed in the offsets management plan must be legally secured within three years of commencement of Project Stage 2 or as required under Queensland legislation, whichever is earlier; and
- to make a contribution of \$100,000 each year for ten years to a strategic fund (with other proponents of Galilee Basin mines) for the better protection of listed threatened species and communities and to improve the understanding of matters of national environmental significance in the remote Galilee Basin.

4.10 The department commented that the proposed offset areas were identified by the proponent as containing the necessary vegetation communities and biodiversity values to acquit the offset requirements of the project. Preference was given to properties located as close as possible to the impact areas, larger properties that allow for the co-location of offset values and the achievement of strategic conservation outcomes, as identified in the Galilee Basin Offset Strategy. The department added:

During the assessment process, the department reviewed the proposed offsets provided in the Biodiversity Offset Proposal against the requirements of the Department's EPBC Act offsets assessment guide and determined that the proposed offsets provide 90 per cent or greater required for each threatened species and community, where residual impacts had been determined in the assessment process.⁴

4.11 In addition, the proponent has committed to:

- offsetting the conservation values of the Bimblebox Nature Refuge, so that within three years of the commencement of breaking ground, the proposed offset areas must be secured under Queensland legislation which will provide protection from clearing and development activities, mediating the major threats to listed threatened species and communities in the Galilee Basin; and
- developing and implementing species-specific management approaches and targeting key conservation and recovery actions for threatened species and communities. For example, maintaining populations of Red Goshawk across their range and implementing key management measures to promote recovery of the species through survey, monitoring and habitat protection, vegetation

4 Department of the Environment, *Submission 79*, Attachment A, p 7.

management, weed, pest and fire management, and implementing appropriate grazing regimes.

4.12 The Queensland Coordinator-General imposed a condition requiring that the proponent compensate the State for the loss of biodiversity, conservation and educational values from the Bimblebox Nature Refuge as a result of the proposed action. The proponent has identified a 36,000ha property within the Galilee Basin Offset Strategy to offset for the loss of State identified conservation values associated with the Bimblebox Nature Refuge. The proposed offset property will be considered as part of the package of offsets proposed to meet the EPBC Act requirements.

Issues with the proposed offsets

4.13 As noted in Chapter 6, the committee does not intend to comment on particular projects. However, the committee notes that submitters and witnesses raised a number of issues in relation to the offsets conditions for this project. These included:

- development of area protected under a conservation agreement forming part of the National Reserve System;⁵
- lack of recognition in the approval or offset conditions of the impact of development on the representation of a bioregion as provided for in the *National Reserve System Strategy 2009–2030*;⁶
- lack of protection of offsets 'in perpetuity';⁷
- whether the offset can be considered 'like for like'. For example, the Wildlife Preservation Society of Queensland – Sunshine Coast & Hinterland commented that:

...to select offset land many kilometres away would negate totally the proposed value and effectiveness of any offset. The Reserve contains threatened species of both flora and fauna, and suitable land must be found as an offset, in close proximity, in order for threatened flora to be transplanted and to which the fauna may safely move;⁸
- whether there has been sufficient consideration of the cumulative impact of developments given that in addition to the Waratah mine, three other coal mining projects already approved for construction in the Galilee Basin, which also require offsets of habitat for the Black-throated finch;⁹

5 See, for example, Ms Paola Cassoni, Co-owner, Bimblebox Nature Refuge, *Committee Hansard*, 7 May 2014, p. 22; Interdisciplinary Conservation Science Research Group, *Submission 34*, p. 4; Dr Yung En Chee, *Submission 57*, p. 11; Mr Peter Boulot and Mr Ross Parisi, *Submission 62*, p. 2; Bimblebox Nature Refuge, *Submission 87*, p. 5.

6 Interdisciplinary Conservation Science Research Group, *Submission 34*, p. 4.

7 Interdisciplinary Conservation Science Research Group, *Submission 34*, p. 4; Dr Yung En Chee, *Submission 57*, p. 11; Mackay Conservation Group, *Submission 75*, p. 3.

8 Wildlife Preservation Society of Queensland–Sunshine Coast & Hinterland, *Submission 42*, p. 2.

9 Lock the Gate Alliance, *Submission 20*, p. 14.

- timing issues in that the offsets are not required to be in place prior to the commencement of the project;¹⁰ and
- transparency issues in relation to the suitability of the proposed offsets.¹¹

10 Lock the Gate Alliance, *Submission 20*, p. 14; ANEDO, *Submission 60*, p. 19.

11 Mackay Conservation Group, *Submission 75*, p. 4.

