

1. Introduction

1.1 The Project

The Clermont Coal Mine Project (the “Project”) involves the development and operation of an open cut coal mine producing 10 to 15 million tonnes per annum (Mtpa) of thermal coal for the export market.

The Project is located 10 kilometres (km) north of the township of Clermont, and approximately 15 km east of the existing Blair Athol Mine (BAM) in Central Queensland (**Figure 1-1**). The mine is located 300 km west-north-west of Rockhampton and 234 km south-west of Mackay.

1.2 Project Description

The main elements of the Project are:

- a coal mine, including:
 - an open pit up to approximately 290 m deep and up to 2 km wide, producing between 10 to 15 Mtpa;
 - waste rock dumps to the north-west and south-west of the pit;
 - a mine water management system involving various water management dams; and
 - an advanced dewatering borefield to drawdown groundwater ahead of mining;
- a heavy vehicle workshop and mine administration buildings;
- a Coal Preparation Plant (CPP) for washing higher ash coal and a Coal Washery Waste Disposal Area;
- a 13 km long overland conveyor – to transport the product coal from the mine to existing coal handling facilities at the BAM;
- an 8.5 km long channel diverting Gowrie Creek to the east of the pit;
- a temporary 350 bed Site Construction Village;
- a 14 km long road realignment, diverting the Gregory Highway and Peak Downs Highway to the west and north of the mine; and
- a 7.5 km long section of electricity transmission line on an existing powerline easement to provide the coal mine with power.

The current mine plan is based on a nominal production rate of 12 Mtpa, although actual production may vary between 10 and 15 Mtpa. A production rate of 12 Mtpa would give a mine life of approximately 17 years of coal production.

The Project consists of the Clermont Mining Leases MLs (ML 1884 and ML 1904), and the Cement Hill MLs (ML 1787, ML 1788, ML 1995 and ML 2355). Cement Hill is approximately 3 km to the north of the Clermont MLs. The Cement Hill MLs contain an old mining void that may be used as a balancing water storage for the Project’s water management system. The Clermont MLs and the Cement Hill MLs are all held by the Clermont Coal Joint Venture (CCJV) and managed by Rio Tinto Coal Australia Pty Limited (RTCA).

It is planned to make use of existing BAM product stockpiles, stacker reclaimers and train loadout facilities. Coal will be transported to the BAM facilities by a 13 km long, 3000 tonne per hour (tph) overland conveyor. Product will be railed 280 km via the existing BAM spur line to ship loading facilities at the Dalrymple Bay Coal Terminal (DBCT) near Mackay.

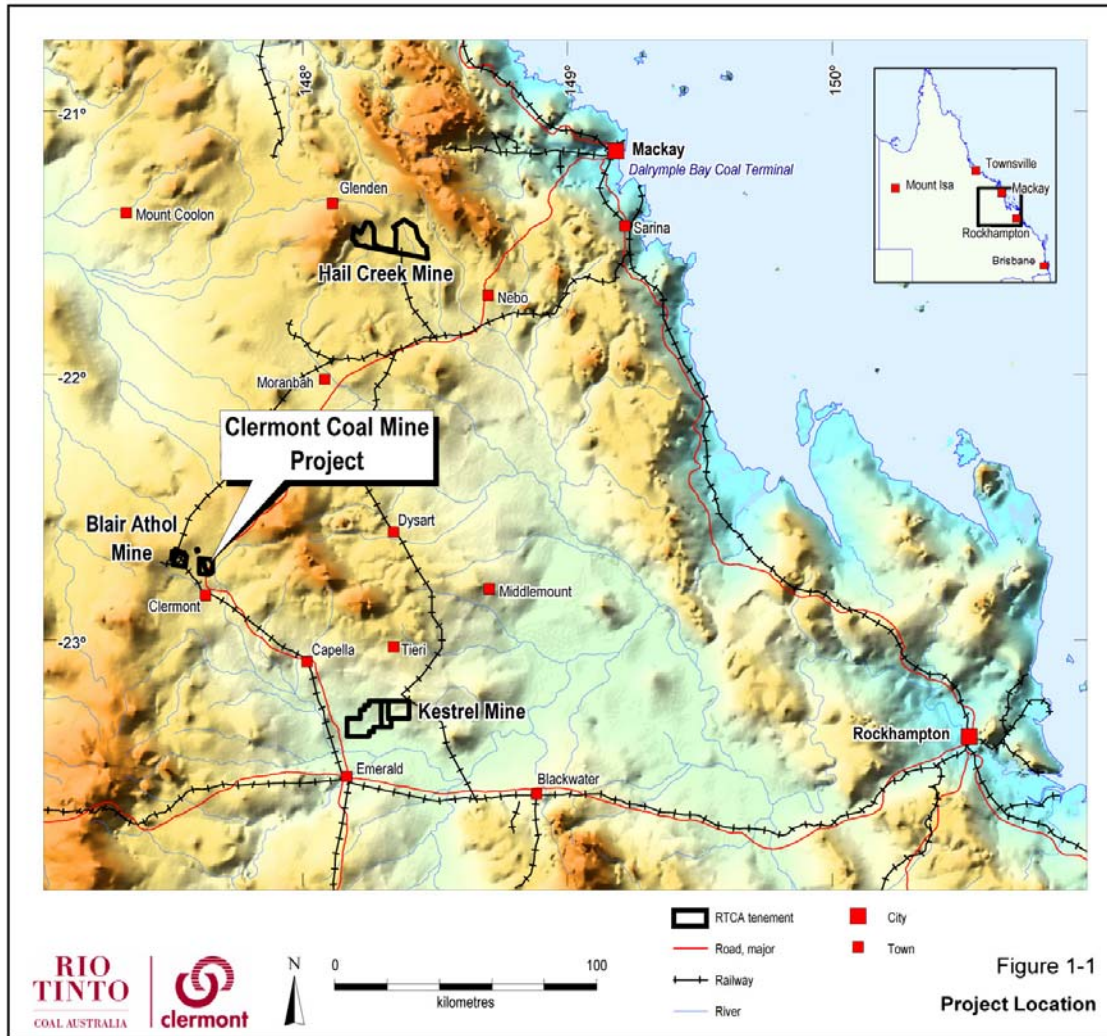


Figure 1-1 Clermont Coal Mine Project Location

It is proposed that operations will commence with the development of a box-cut at the north of the mine resource, with the pit being extended progressively to the south. Waste rock will initially be located in the North West Waste Dump external to the mine pit. From about Production Year 3 onwards, in-pit and out-of-pit dumps will be used. An external waste rock dump will be established south-west of the pit in about Production Year 4.

Coarse coal rejects will be co-disposed with tailings from the CPP in a Coal Washery Waste Disposal Area to the west of the CPP.

Topsoil will be salvaged for later use in mine rehabilitation. Mine rehabilitation strategies will be developed, aimed at ensuring a stable final landform.

It is expected that the mine will be self-sufficient in terms of water supply. While the BAM is in production, water will continue to be supplied to the BAM from the Clermont MLs via an existing 350 mm diameter pipeline. There are no other pipelines in the vicinity of the Project. The Project will not interfere with existing electricity transmission lines. Parts of the Peak Downs Highway and Gregory Highway will require relocation. Stock routes aligned with the roads will also require relocation. Sections of a fibre-optic cable located along the western boundary of the Clermont MLs will require minor relocation.

The current mine plan for the BAM has production ceasing in 2009. As the BAM production winds down, capacity in the BAM product stockpiles, stacker reclaimers and train loadout facilities will

become available for use in the Project. Current plans provide for production at the Project to commence in 2008 and build up to full production as production from the BAM winds down.

1.3 Project Proponent

The Project Proponent is the (CCJV), which comprises Queensland Coal Pty Limited (50.1%), Mitsubishi Development Pty Limited (34.9%) and EPDC Australia Pty Limited (15%). The Project manager is RTCA. Both Queensland Coal and RTCA are fully owned subsidiaries of Rio Tinto Limited.

RTCA, formerly Pacific Coal, is one of Australia's leading mining organisations with a highly successful record in the development and management of world-class open cut and underground coal operations. In Queensland, RTCA manages the Blair Athol, Tarong, Hail Creek and Kestrel mines. In New South Wales, RTCA manages Coal & Allied's operations at Bengalla, Mt Thorley/Warkworth and Hunter Valley mines. RTCA is Queensland's largest producer of thermal coal, with total annual production in 2003 of 23 million tonnes.

Mitsubishi Development Pty Limited is wholly owned by the Mitsubishi Corporation. It is engaged in the production and sale of coal through joint ventures in New South Wales and Queensland (including the BHP Billiton Mitsubishi Alliance).

EPDC Australia Pty Limited is a wholly owned Australian subsidiary of J Power, which is a major Japanese electricity generator, and is also one of the joint venture partners for the BAM.

Further information concerning the Clermont Coal Mine Project can be obtained from:

Manager Environmental Services

Rio Tinto Coal Australia

Telephone (07) 3361 4215

Email alan.irving@rtca.riotinto.com.au

Further information about RTCA can be obtained from: www.riotintocoalaustralia.com.au

The BAM is operated by a different joint venture to the Clermont Coal Mine Project. The BAM is a joint venture between Queensland Coal Pty Limited (57.2 per cent), Leichhardt Coal Pty Limited (31.4 per cent, which is a company owned by UniSuper, Queensland Coal and the Electric Power Development Co Ltd of Japan), and the Japanese power utilities EPDC (Australia) Pty Ltd (8 per cent) and JCD Australia Pty Ltd (3.4 per cent). Like the Clermont Coal Mine Project, the BAM is managed by RTCA.

1.4 Study Team

RTCA compiled the Environmental Impact Statement (EIS) with the assistance of Sinclair Knight Merz (SKM). SKM also completed some of the engineering feasibility studies, many of the technical studies supporting the EIS, and prepared the Environmental Management Overview Strategy (EMOS). Other consultants to RTCA that prepared substantial parts of the EIS were:

- Environmental Geochemistry International - Part of **Section 3** (Waste Characterisation);
- Matrix+ Consulting Pty Ltd - Part of **Section 4** (Groundwater);
- FRC-Environmental - Part of **Section 5** (Aquatic Ecology);
- Pacific Air and Environment - **Section 6** (Air Quality);
- Bassett Acoustics - **Section 7** (Noise and Vibration);
- Central Queensland Cultural Heritage Management– **Section 8** (Indigenous Cultural Heritage);
- Parsons Brinckerhoff - **Section 12** (Community Consultation and Engagement);
- Parsons Brinckerhoff - **Section 13** (Social Impacts); and
- Parsons Brinckerhoff - **Section 14** (Economic Impacts).

Additional details of the Study Team are provided in **Appendix E**.

1.5 Project Objectives and Scope

The Project involves the development and operation of an open cut mine producing 10 to 15 Mtpa of thermal coal. The Project will be a conventional truck and shovel operation, with a life of approximately 17 years (based on a production rate of 12 Mtpa). The estimated capital cost of the Project is \$440 million.

The Project aims to produce low ash, medium calorific value thermal coal for the export market. Coal exports provide a significant contribution to the Queensland economy. The relatively low sulfur content of Queensland coals helps to ensure that sulfur dioxide emissions are minimised in combustion processes. The key objectives of the proposed development are to:

- establish and operate a sustainable and profitable coal mine;
- construct and operate a processing plant and mining operation that minimises adverse impacts on the surrounding physical and social environments;
- construct and operate a mine that complies with all relevant statutory obligations and continues to improve operations to ensure best practice environmental management;
- construct, design and operate a mine in a way that allows for future expansion that does not compromise environmental and social indicators and standards;
- make efficient use of current infrastructure and reduce costs by utilising existing BAM product stockpiles, stacker reclaimers and train loadout facilities. Given the similar tonnages of coal involved, impacts of the proposed operation of those facilities should be similar in scale to those from the BAM;
- reduce the disturbance of the environment by minimising the requirements for road and rail construction and by the use of areas already disturbed for storage and handling facilities. A total area of approximately 1535 ha will be disturbed over the mine life;
- maintain output from the area as the BAM resources are depleted; and
- use similar proven strategies to those adopted at existing mines in the region to minimise impacts, e.g. salvage and stockpiling of topsoil, early and progressive rehabilitation of disturbed areas, protection of water quality by appropriate management systems, adoption of appropriate landform designs to ensure sustainability and planning for a nominated final land use.

The Clermont resource has been extensively tested by way of drilling, geophysical logging, ground geophysics, geotechnical, hydrogeological and geochemical investigations since its discovery in 1978. Six drilling programs have been undertaken on the Clermont deposit since 1978, including two drilling programs undertaken by RTCA in 1996 and 2001. This has led to a reasonably high level of resource knowledge. RTCA, as Manager of the CCJV, has carried out pre-feasibility studies on the Project between 2001 and 2003. Other activities carried out on the Project area include baseline flora, fauna, soils, water quality, air quality and noise investigations.

The key alternative considered was a stand alone project rather than making use of the existing BAM product stockpiles and train loadout facilities. Project alternatives are detailed in further in **Section 16**.

1.6 The Environmental Impact Assessment Process

1.6.1 Purpose of the EIS

This EIS has been prepared to inform decision-makers, affected parties, interest groups and the public about potential environmental issues relating to the development and operation of the Project, and how these issues would be managed. The content of the EIS reflects issues contained in the Terms of Reference (ToR) issued by the Queensland Department of State Development and Innovation (DSDI).

This document will be made publicly available for comment, and submissions will be sought from individuals and organisations. After consideration of this report and submissions received, the DSDI will review the Project to identify any uncertainties or omissions. A 'Supplementary Report' will be prepared to cover those additional matters and a final decision on the overall acceptability of the Project will be made on the basis of the information provided in the EIS and Supplementary Report.

The Environmental Impact Assessment (EIA) Process allows for community consultation and ensures environmental protection by comprehensive consideration of potential impacts and management strategies. The DSDI is responsible for coordinating the impact assessment process for this Project, under the auspices of the Queensland Coordinator-General (CoG).

1.6.2 Objectives of the EIS

The objective of the impact assessment process is to ensure that all impacts, direct and indirect, particularly environmental, social and economic impacts are fully examined and addressed. The EIS aims to be a self-contained and comprehensive document that provides:

- for interested bodies and persons, a basis for understanding the Project, alternatives and preferred solutions, the existing environment that would be affected, both on and off the site, the impacts that may occur and the measures to be taken to mitigate all adverse impacts;
- for the CoG and the Advisory Agencies, a framework for assessing the impacts of the Project, in view of legislative and policy provisions; and
- for the Proponent, a definitive statement of measures or actions to be undertaken to mitigate any adverse impacts during and following the implementation of the Project. A draft EMOS is included in the EIS (**Section 16**), describing potential impacts and environmental management strategies designed to meet agreed performance criteria.

The EIS aims to present sufficient detail to enable readers to judge the potential impacts of the Project on the environment and how those impacts might be managed. The EIS relates to the entire life of the Project including construction, operation, maintenance, and decommissioning. The EIS enables reasonable economic and technically achievable conditions to be developed to ensure that the impact of the Project is reduced to acceptable levels. The level of analysis and detail in the EIS reflects the level of significance of particular impacts.

1.6.3 Structure of the EIS

This EIS is structured as follows:

- **Section 1** provides an Introduction, and summarises applicable legislation, approvals and objectives for the Project;
- **Section 2** provides a detailed Project Description;
- **Sections 3 – 15** cover the various elements of the environment, describing the existing environment, addressing the potential impacts of the Project and the mitigation strategies proposed to limit the impacts to acceptable levels;
- **Section 16** presents a draft EMOS for the mine that describes management strategies to achieve acceptable environmental conditions and makes commitments about how impacts will be managed; and
- additional sections of the EIS contain a glossary, references and appendices.

1.7 Public Consultation Process and Submissions

Copies of the EIS have been submitted to DSDI. DSDI have distributed the EIS for public and Advisory Agency review and comment for a 42 day public and Advisory Agency comment period. The document will be placed on public display and copies will be made available to interested persons. The document will also be made available to Advisory Agencies for their consideration. Copies of the document will be on display at the Belyando Shire Council Office and Library in Clermont.

The EIS can also be viewed and downloaded from the Department of State Development and Innovation website at: www.sdi.qld.gov.au/EIS

Any person, group or organisation can make a written submission about the EIS to the DSDI. Such submissions do not have to relate to the whole of the EIS and may relate to any aspect. Persons making a submission do not have to be an expert in any of the issues assessed in the EIS. EIS

comments and submissions must be made in writing and sent to DSDI within the 42 day period. All submissions, comments and enquiries regarding this EIS should be addressed to:

Project Manager, Clermont Coal Mine Project
Department of State Development and Innovation
PO Box 168
Brisbane Albert Street Queensland 4002 Australia

Telephone: 07 3224 2911

Facsimile: 07 3225 8282

Email: Fergus.FitzGerald@sd.qld.gov.au

Public submissions will be considered by the CoG and Advisory Agencies in making decisions in relation to the Project. DSDI will co-ordinate the consultation process between CCJV, the Advisory Agencies and the public and collate and review all comments received on the EIS. The Proponent will then prepare a Supplementary Report addressing the comments submitted by the Advisory Agencies and the public. At the conclusion of this process, the CoG evaluates the EIS, Supplementary Report, all submissions on the EIS and any other relevant material and prepares a report on his findings (CoG Report).

During the production of this EIS, members of the public and other interested parties have been encouraged to participate in the planning process by providing input into public consultation programs. Advertisements providing information about the Project and promoting communication with the EIS team have been placed in local media. Responses from all parties have been collated and considered in the design of environmental and social plans and strategies.

1.8 Project Approvals and Legislative Framework

The DSDI will be responsible for the coordination of the impact assessment process. It is expected that the EIS will be on public display during August 2004. At the end of the process, the CoG will issue the 'CoG Report' evaluating the process and commenting on the environmental acceptability of the Project or otherwise. It is expected that the CoG Report will be available by the end of 2004.

Key approvals required for the Project are summarised in **Table 1-1** and **Appendix A**.

1.8.1 State Development and Public Works Organisation Act 1971

The Project was declared a "significant project" by the CoG under Section 26 of the *State Development and Public Works Organisation Act 1971* (SDPWO Act). An EIS is required for a significant project. Matters considered by the CoG in making this declaration included the level of investment necessary for the Project, employment opportunities provided by the Project, potential impact on the environment, potential effect on relevant infrastructure and significance of the Project to the region and State.

The key elements of the impact assessment processes are:

- preparation of an Initial Advice Statement by RTCA; submitted to the Coordinator-General on 11 August 2003 seeking consideration of declaration as a 'significant project'. The IAS provides information on the scale of the proposal and potential for impacts;
- development of a Draft Terms of Reference (ToR) by DSDI; released to government agencies and the public for review and comment from 27 September to 27 October 2003;
- preparation of the Final ToR issued by the CoG on 12 December 2003, after consideration of the agency and public comments on the Draft ToR. The Final ToR set out the matters to be addressed in the EIS. A copy of the Final ToR and a table of cross references to where each item is found in this document are provided in **Appendix B1** and **B2** respectively;
- submission of this EIS to the DSDI and Advisory Agencies and public display of the EIS following advertisement of its availability, seeking for submissions on the EIS;

- preparation of a 'Supplementary Report' addressing issues raised in submissions on the EIS provided to DSDI, Advisory Agencies and all others who made a submission on the EIS; and
- preparation of the CoG Report, which is made publicly-available. The Report evaluates the EIS and may state conditions that must attach to subsequent statutory approvals necessary for the development, or may state that any such application for approvals must be rejected.

Table 1-1 Key Approvals required for the Project

Legislation	Relevant Authority	Action/ Approval
<i>State Development and Public Works Organisation Act 1971</i>	Coordinator-General (Department of State Development and Innovation)	Coordinator-General approval of the EIS.
<i>Environment Protection and Biodiversity Conservation Act 1999</i>	Commonwealth Minister for the Environment and Heritage	Approval of the Controlled Action.
<i>Environmental Protection Act 1994</i>	Environmental Protection Agency (EPA)	Issue of an Environmental Authority (Mining Lease).
<i>Mineral Resources Act 1989</i>	Department of Natural Resources, Mines and Energy (DNRME)	Issue of a Mining Lease for mining purposes; issue of a Mining Lease for infrastructure purposes; part surrender of a Mining Lease; amendment to the conditions of a Mining Lease.
<i>Nature Conservation Act 1992</i>	EPA	Interference with species listed under the <i>Nature Conservation (Wildlife) Regulation 1994</i> .
<i>Integrated Planning Act 1997</i>	Belyando Shire Council	Development Permit for off-lease activities, e.g. possible water pipeline to Cement Hill, township accommodation. Permits for construction of dewatering bores.
<i>Civil Aviation Act (1988)</i>	Belyando Shire Council	Approval for height of waste rock dumps near licensed aerodrome.
<i>Building Act 1975</i>	Belyando Shire Council	Permit to store flammable and combustible liquids.
<i>Transport Infrastructure Act 1994</i>	Department of Main Roads	Road Closure, realignment.
<i>Water Act 2000</i>	DNRME	Licence to take groundwater. Licence to divert Gowrie Creek.
<i>Land Act 1994</i>	DNRME	Road closures by DNRME
<i>Vegetation Management Act 1999</i>	DNRME	Permit to clear vegetation on freehold land outside the mining leases.

1.8.2 Mineral Resources Act 1989

The *Mineral Resources Act 1989* (MRA) is an Act to provide for the assessment, development and utilisation of mineral resources to the maximum extent practicable consistent with sound economic and land use management. Amongst the principal objectives of this Act are to encourage and facilitate mining of minerals and encourage environmental responsibility in mining.

Amongst other things, the Act provides that the Governor in Council may grant a mining lease for all or any of the following purposes:

- to mine the mineral or minerals specified in the lease and for all purposes necessary to effectually carry on that mining;
- such purposes, other than mining, as are specified in the mining lease and that are associated with, arising from, or promoting the activity of mining.

The Act provides for the advertisement of an application for the grant of a mining lease, seeking any objections to the grant of the lease. At least 28 days is provided for the lodgement of objections.

Valid objections may be heard in the Land and Resources Tribunal. The Act also provides for the surrender of mining leases, and for the amendment of conditions of a mining lease.

ML 1884 and ML 1904 were both granted in 1983. ML 1884 is for the purposes of mining. ML 1904 is for the dumping of waste rock (it does not allow mining) and certain mine infrastructure (excluding coal washing and rejects disposal). The current pit design encroaches on ML 1904. It is proposed that the majority of ML 1904 will be conditionally surrendered and an application made for a new ML for mining purposes, thus allowing the use of the resource to be maximised and the location of mine facilities to be optimised. Part of ML 1904 in the south-east would remain.

In addition, an application will be made for a ML for infrastructure purposes over the proposed conveyor route that is outside of the current MLs. An amendment will also be required to the BAM ML 1881 conditions to allow for the handling of coal from the Clermont Coal Mine Project.

1.8.3 Environmental Protection Act 1994

Overview

The *Environmental Protection Act 1994* (EP Act), administered by the Queensland Environmental Protection Agency (EPA), was established "to protect Queensland's environment, while allowing for development that improves the total quality of life, both now and in the future, in a way that maintains the ecological processes on which life depends".

The EP Act utilises a number of mechanisms to achieve its objectives. These include:

- granting of development permits for material change of use in relation to Environmentally Relevant Activities (ERAs);
- licensing or approving all ERAs;
- allowing for improvement through Environmental Management Programs (EMPs);
- issuing Environmental Protection Policies (EPPs);
- regulations; and
- creating a general environmental duty.

1.8.3.1 Environmentally Relevant Activities

ERAs are defined in the *Environmental Protection Regulations 1998* (EP Regulation) as those activities that have the potential to impact negatively on the environment. An Environmental Authority is required to undertake an ERA.

The Project requires an Environmental Authority (mining activities). The term "mining activities" is defined in Section 147 of the *Environmental Protection Act 1994*. This Project will involve the following types of mining activities defined in that section:

- mining under the *Mineral Resources Act 1989*;
- processing mined materials (i.e. coal);
- a number of activities directly associated with, or facilitating or supporting, the mining and processing activities (which, if they were not mining activities, would have been ERAs listed in the EP Regulation);
- rehabilitation / remediation; and
- actions taken to prevent environmental harm.

Under Section 201 of the EP Act, an EMOS must be submitted to the administering authority with the application for an Environmental Authority (mining lease). The purpose of the EMOS is to propose environmental protection commitments to help the administering authority prepare the draft Environmental Authority for the application. The EPA has prepared a Guideline (Number 8) for applicants about the format and content of an EMOS.

In deciding whether to grant or refuse an application for an Environmental Authority or development permit the administering authority must consider (amongst other things) the Standard Criteria (as defined in Schedule 3 of the EP Act).

1.8.3.2 Environmental Protection Policies

Environmental Protection Policies (EPPs) are the means by which the State government declares and implements its objectives in relation to environmental protection – Section 25(1) of the EP Act. EPPs may include:

- background environmental quality standards;
- emissions standards; and
- monitoring procedures and requirements.

The EPPs provide a policy framework for the determination of appropriate conditions for development permits for material change of use and/or environmental authorities. EPPs are legally enforceable (EP Act Section 25(3)). Where relevant to particular environmental impacts, the matters required to be considered or procedures to be followed under the EPPs have been complied with in the preparation of this EIS.

The following EPPs have been released to date:

- Environmental Protection (Water) Policy 1997;
- Environmental Protection (Noise) Policy 1997;
- Environmental Protection (Air) Policy 1997; and
- Environmental Protection (Waste Management) Policy 2000.

1.8.3.3 Environmental Protection (Water) Policy 1997

The purpose of this policy is to achieve ecological sustainable development in relation to Queensland waters. It sets a framework for managing environmental impacts on water, the identification of environmental values and the guidelines needed to protect the water environment. The Australian and New Zealand Water Quality Guidelines (ANZECC 2000) are an example of guidelines which may be used to assess water quality in the existing environment and assist in the setting of environmental values and water quality objectives.

1.8.3.4 Environmental Protection (Noise) Policy 1997

The purpose of this policy is to protect the quality of Queensland's acoustic environment. The EPP achieves this by:

- identifying environmental values that need to be protected;
- setting noise management goals;
- promoting good environmental management;
- educating the community about noise management; and
- implementing a flexible yet defined process for noise control.

1.8.3.5 Environmental Protection (Air) Policy 1997

The purpose of this policy is to achieve the objectives of the EP Act in relation to Queensland's air environment by:

- identifying environmental values that need to be enhanced or protected;
- specifying air quality indicators and goals to protect environmental values; and

- providing a framework for:
 - making consistent and fair decisions about the management of the air environment; and
 - involving the community to achieve air quality goals that best protect Queensland's air environment.

1.8.3.6 Environmental Protection (Waste Management) Policy 2000

The Policy provides a strategic framework for managing waste in Queensland and provides the requirements for handling specific waste streams. The Policy outlines the preferred waste management hierarchy and principles for achieving good waste management. The Waste EPP is based on principles of:

- polluter pays: all costs associated with waste management should be borne by the waste generator;
- user pays: all costs associated with the use of a resource should be included in the price of goods and services developed from that resource; and
- product stewardship: the producer or importer of a product should take all reasonable steps to minimise environmental harm from the production, use and disposal of the product.

1.8.3.7 Environmental Protection (Waste Management) Regulation 2000

The Waste Management Regulation includes:

- offences for littering, waste dumping, unlawful disposal of hypodermic needles and unlawful activities at waste facilities;
- a waste tracking system that tracks the movement of specific waste to ensure correct disposal;
- clinical and related waste management planning including segregation, storage and disposal;
- requirements for managing polychlorinated biphenyls (PCBs); and
- design rules for waste equipment.

1.8.3.8 Dams Containing Hazardous Waste

The *Water Act 2000* transferred responsibility for the environmental regulation of dams containing hazardous waste to the EPA. These dams are now regulated under the EP Act.

Hazardous waste is defined in the '*Code of Environmental Compliance for Environmental Authorities for High Hazard Dams Containing Hazardous Waste*' as "any substance, whether liquid, solid or gaseous, derived by or resulting from, the processing of minerals that tends to destroy life or impair or endanger health". A dam contains hazardous waste if the contents exceed any of the criteria specified in an EPA Information Sheet entitled "*Determining dams containing hazardous waste*".

Dams containing hazardous waste must then be determined as either a 'low hazard dam' or a 'high hazard dam'. The differentiation is based on a range of factors including proximity to water supplies and dam surface area.

The holder of an Environmental Authority (mining activities) will be required to comply with specific conditions in the Environmental Authority and the requirements of the '*Code of Environmental Compliance for Environmental Authorities for High Hazard Dams Containing Hazardous Waste*' if the operation includes a hazardous dam containing high hazard waste.

1.8.3.9 General Environmental Duty

Section 319 of the EP Act establishes a duty for a person to take all reasonable and practicable measures to prevent or minimise environmental harm when carrying out an activity. The general environmental duty places a clear onus on operators of industrial sites to develop and implement measures for preventing or minimising environmental harm in relation to all activities, not just those classified as Environmentally Relevant Activities.

The EIS process seeks to ensure all environmental matters relating to the development are adequately addressed to minimise environmental harm.

1.8.4 Integrated Planning Act 1997

The purpose of the *Integrated Planning Act 1997* (IPA) is “to seek to achieve ecological sustainability by:

- coordinating and integrating planning at the local, regional and State levels;
- managing the process by which development occurs; and
- managing the effects of development on the environment (including managing the use of premises).

IPA establishes the framework for planning and development assessment in Queensland. The Act also established the Integrated Development Assessment System (IDAS) that calls up other related environmental and natural resource management legislation where appropriate.

The Proponent will submit Development Applications to Belyando Shire Council for relevant offsite activities. The Development Applications will be supported by this EIS and other information required to be provided with each application. An EIS prepared under the requirements of the SDPWO Act fulfils the information referral and notification requirements under IDAS and the CoG Report serves as a Concurrence Agency Report for the purpose of subsequent approvals.

Belyando Shire Council must then make a decision to approve, approve subject to specific conditions, or refuse the Development Applications. If the Development Applications are approved, these will be subject to conditions set in the CoG Report on the EIS and other conditions deemed appropriate by Belyando Shire Council but not inconsistent with those set by the CoG.

Approvals from the Belyando Shire Council will also be required for any works in local road reserves and the Stock Trucking Reserve.

1.8.5 Water Act 2000

The *Water Act 2000* requires that a licence to take water be obtained if water is to be taken from sub-artesian aquifers (for other than stock or domestic purposes). The construction of groundwater bores is assessable development under Schedule 8 of the IPA. A licence is required under the *Water Act 2000* for works that interfere with the flow of water, such as a stream diversion. Dams that are more than 8 m high and meet certain storage capacity criteria require a failure impact assessment under the *Water Act 2000*. If a dam has a category 1 or 2 failure impact rating, the dam is classified as a referable dam and is assessable development under Schedule 8 of the IPA.

1.8.6 Aboriginal Cultural Heritage Act 2003

The *Aboriginal Cultural Heritage Act 2003* (ACH Act) aims to provide recognition and protection of Aboriginal cultural heritage. The ACH Act replaces the repealed *Cultural Record (Landscapes Queensland and Queensland Estate) Act 1987*, which previously addressed cultural heritage issues.

Under the ACH Act, Aboriginal cultural heritage is protected through a duty of care for all persons to take reasonable and practical measures to avoid harming cultural heritage. Duty of care guidelines have been gazetted under the ACH Act, which sets out reasonable and practical measures for ensuring that the duty of care established under the ACH Act is met.

The ACH Act gives respect and empowerment to traditional owners to be directly involved in the assessment and management of their own cultural heritage. Traditional owners are able to register significant cultural heritage places, such as sacred sites, on a cultural heritage register administered by the Cultural Heritage Coordination Unit within the Department of Natural Resources, Mines and Energy.

Major aspects of the ACH Act are:

- blanket protection of areas and objects of traditional and customary significance, as well as areas of archaeological significance;
- recognition of the key role of traditional owners in cultural heritage matters;
- establishment of practical and flexible processes to address cultural heritage in a timely and cost efficient manner;
- the replacement of cultural heritage permitting arrangements with the duty of care, the cultural heritage management planning process and other agreement based mechanisms under the legislation; and
- increased penalties for harming Aboriginal and Torres Strait Islander cultural heritage.

1.8.7 Nature Conservation Act 1992

The *Nature Conservation Act 1992* and the *Nature Conservation (Wildlife) Regulation 1994* prohibit the taking or destruction, without authorisation, of certain listed flora and fauna species.

1.8.8 Land Act 1994

The *Land Act 1994* regulates the opening and closing of road reserves and stock routes and land dealings relating to changes in land tenure.

1.8.9 Vegetation Management Act 1999

The *Vegetation Management Act 1999* (VM Act) regulates the clearing of vegetation on freehold and leasehold tenure in Queensland, except for exemptions under the *Nature Conservation Act 1992*, the *Land Act 1994*, and the *Forestry Act 1959*.

A permit to clear vegetation under the VM Act would be required for clearing of vegetation outside the mining lease boundaries. Specifically this would apply to clearing associated with realignment of the Gregory Highway to the west of ML1904 on an area outside ML1904 and on freehold land owned by the CCJV.

1.8.10 Transport Infrastructure Act 1994

The *Transport Infrastructure Act 1994* (TIA) provides for the management of the national and State road network. A permit under the TIA is required to work in, or interfere with, a State-controlled road. The new road reserves for the Peak Downs Highway and Gregory Highway will have to be declared as State-controlled roads under the TIA. Approvals from the Department of Main Roads (DMR) will be required for the part closure and diversion of these roads.

1.8.11 Forestry Act 1959

A permit to extract quarry material will be required under the *Forestry Act 1959* if such material is to be used to construct the road diversions. A permit is not required, however, if material is extracted from a Mining Lease and used to construct roads on a Mining Lease.

1.8.12 Civil Aviation Act 1988

The Proponent has been advised by the Civil Aviation Safety Authority that the licensed aerodrome operator (Belyando Shire Council) is required to assess the potential for obstruction of aviation activities by waste rock dumps.

The Proponent has written to the Belyando Shire Council requesting appropriate approval. Preliminary advice has been received very recently from Council, and indicates that part of the height of the South West Waste Dump may need to be reduced from 330 m RL to 315 m RL.

The current design of the South West Waste Dump will be changed during the feasibility study to incorporate this modification. The effect of the reduced height is likely to lead to an expansion of the footprint of the South West Waste Dump of up to 45 ha, on the western side of the dump.

1.8.13 Environment Protection and Biodiversity Conservation Act 1999

The *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) prescribes the Commonwealth's role in environmental assessment, biodiversity conservation and the management of protected areas. The Act identifies six matters of national environmental significance. The Act requires assessment and approval for any activity that has, or is likely to have, a significant impact on a matter of national environmental significance. Such an activity is deemed to be a 'Controlled Action'. It is an offence to undertake a 'Controlled Action' without the approval of the Commonwealth Minister for Environment and Heritage.

The Proponent referred the Project to the Commonwealth Minister for the Environment and Heritage with a recommendation that the Project was a 'controlled action', because of its potential impact on a matter of 'national environmental significance'. On 17 September 2003 the Minister determined that the Project is a 'controlled action'; the controlling provisions being Section 18A, 'listed threatened species and communities'.

As a consequence of this decision, the Project triggered the impact assessment provisions of the EPBC Act. The Commonwealth has accredited the EIS process under the SDPWOA (and the *State Development and Public Works Organisation Regulation 1999*), pursuant to Section 87(1)(a) of the EPBC Act. This will enable the EIS to meet the impact assessment requirements under both the Commonwealth and State legislation.

Consequently, this EIS satisfies the impact assessment requirements of all relevant State and Commonwealth statutes for this Project (that include, but are not limited to, the SDPWOA, EP Act, MRA, IPA, TIA and EPBC Act).

1.9 Project Need

RTCA currently exports over 12 Mtpa of thermal coal from the BAM, which is nearing the end of its productive life. Coal from the Clermont deposit is similar in character and suited to the same markets that have traditionally been supplied by the BAM. As the BAM operations wind down and production ceases in 2009, Clermont Coal Mine production will ramp up, utilizing the BAM product stockpiles, stacker reclaimers and train loadout facilities.

The coal is required for export to continue to meet the expanding demands of the power generation industry in North-east Asia and elsewhere.

Without the Project, the Proponent would lose profitability and also the opportunity to gain the BAM's market share as its production winds down. The Government would lose revenue due to royalties, freight charges and taxes. Workers and support contractors would lose employment and income. Secondary support industries and service suppliers would also suffer from a reduction in demand for their services and a resulting reduction in income. Further comment on Project Need and Alternatives is provided in **Section 2 – Project Description**.