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Dear Grant

On behalf of North Queensland Conservation Council, I provide the following comments in response to the Preliminary Documentation prepared for the Terminal 3 (T3) Project at the Port of Abbot Point under the Environmental Protection and Biodiversity Conservation Act 1999.

1. Coverage

Under the EPBC Act the Minister is required to promote ecologically sustainable development, with this being interpreted as including 'short-term economic, environmental, social and equitable considerations'.

The Preliminary Documentation contains no information on the economic, social or equitable aspects of the proposal and therefore provides insufficient information on which the Minister could base his decision.

Requisite economic information would include, for example, explicit evaluation of all monetary and non-monetary (including but not limited to non-tangible, residual and non-user costs and benefits, including of externalities associated with the development and all direct, indirect and cumulative) costs and benefits, and an assessment of the distribution of costs and benefits.

Given the nature of this particular proposal, the analysis should extend to international (ie cross-international-border) costs and benefits, and quantify the costs and benefits over the lifetime of both the proposal and the MNES that are likely to be affected. For example, if foreign income earned is seen as a benefit, then the impact of carbon emissions arising from the project would need to be seen as a cost.

All assumptions made in the cost benefit analysis (CBA) would need to be stated in order to render the analysis fully transparent. Sensitivity analysis to test the impact of assumptions would be required.

The guidelines for conducting CBA prepared by the Department of Finance (DoF) would be an appropriate starting place for detailing the CBA required. These guidelines are provided in DoF's 2006 *Handbook for Cost Benefit Analysis*, which 'is intended for use by those officers involved in appraising and evaluating projects and programmes that carry major resources implications'. They are reproduced in Appendix 6 to the Federal Government's 2010 *Best Practice Regulation Handbook*. These guidelines would need to be augmented by the use of environmental accounting techniques, such as those referred to in the Australian Bureau of Statistics' publication *Completing the Picture - Environmental Accounting in Practice*.

Given that industry operates entirely on the basis of cost/benefit analysis, such a requirement would not be onerous, especially given that much of the data required will be collated to meet other requirements of the guidelines.

It is only when costs and benefits are compared that decisions about whether or not to allow damage to World Heritage and National Heritage assets and to matters of national environmental significance can be made by the public and decision-makers.

2. Offsets

NQCC does not support the concept of offsets.

Despite the claim (E3), "Where adverse impacts are unavoidable, they will be addressed under an offsets strategy, so no overall loss of environmental resources is encountered", the concept of offsets does not result in a 'zero sum game' – at the end there is always a net negative impact on the environment; part of the environment has been damaged.

NQCC is of the view that, if damage cannot go ahead or cannot be adequately mitigated, the design of the project needs to be changed.

The concept of 'offsetting' damage to a protected endangered area with already protected areas is nonsensical. This point was made by UNESCO in relation the offsets for Curtis Island. "The World Heritage Centre and IUCN notes that conserving an area that is already part of the property does not compensate for the potential negative impacts on the property".
(whc.unesco.org/archive/2011/whc11-35com-7B.Adde.pdf, p.21)

Similarly, the offset proposal included in the Preliminary Documentation for T3 is unacceptable in that it proposes to make up for damage to an area by 'protecting' and already protected area.

3. Baselines

- (a) Under the Significant Impact Guidelines, factors to consider in determining significance under the EPBC Act include 'the sensitivity of the receiving environment' (see, for example, the SA Law Handbook). By measuring impacts of the proposed development as variations from baselines

measured after the establishment of T1 (and other developments and/or impacts) effectively ignores the extant level of environmental degradation.

- (b) It is essential that 'the baseline studies required to inform the synthesis of cumulative impacts were' (p.10.4) are available for public scrutiny (as well as peer review), rather than being 'determined through a series of workshops involving the relevant proponents in consultation with SEWPaC'. This is particularly so when the Preliminary Documentation blithely states that '[cumulative] impacts could be managed' even in 'the worst case scenario' (p.10.14).
- (c) It is unclear what 'a flexible and responsive approach has been taken by proponents to... baseline studies' (p.10.13) means. It could have very negative implications for the environment and so needs to be fully and transparently explained.

4. Cumulative Impact Assessment Framework

NQCC notes a number of concerns about the proposed CIA Framework.

- (a) See above re the selection of baselines. By assessing the cumulative impact of multiple without acknowledging the degraded state of the existing environment, ignores the real impact of the proposal, as impacts may well be exponential and trigger points for irreparable damage need to be taken into account..
- (b) Too much of the information (for example, dredge spoil disposal method, likelihood of encountering shallow groundwater, likelihood of PASS, used in the CIA Framework is 'unknown'. Any useful CIA will need to be based on full information – or employ the precautionary principle as established in the ESD in the EPBC Act.
- (c) It is essential that the public (rather than the community, which may mean a select group) is fully involved in any Joint Management Framework.

5. Lack of Cumulative Impact Assessment for T3

The T3 project has cumulative impacts in its own right. As noted in Chapter 10 of the Preliminary Documentation, there are two types of cumulative impacts – those associated with each type of impact, and those associated with impacts across types (e.g. groundwater + noise + dust). This second type of impact needs to be evaluated for T3 regardless of any other potential port developments.

6. Level of uncertainty

Despite purporting to deliver a rigorous assessment of potential impacts on MNES as listed under the EPBC Act during the construction, operation and decommissioning of the T3 Project, the Preliminary Documentation refers to a number of issues that are still unknown or uncertain. Examples are: 'Construction activities will only occur during daytime, however some night time works may be required...".

It is unclear how '[T]he precautionary principle has been considered throughout this document where potential impacts are unable to be determined or in the absence of significant scientific certainty on a matter of national environmental significance'

7. Adequacy of sediment ponds

The Preliminary Documentation notes that 'Sediment ponds are designed to contain up to the 1 in 10 year rain event (see also Section 5). In a larger rain event, sediment laden water may be released to the Caley Valley wetland and the coastal marine environment adjacent to the site. Storm surge across the site during early construction may also mobilise sediment from exposed surfaces and this may also be transported into the marine environment adjacent to the site, and possibly the Caley Valley wetland. '

Catering for a mere one in ten year event – particularly in the light of the implications of such an event, provides scant protection against rain events.

I request that the above comments be taken into consideration.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Wendy Tubman', with a stylized flourish at the end.

Wendy Tubman

26 July 2012