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9 July 2014

Agriculture, Resources and Environment Committee
Queensland Parliament
George Street
Brisbane, QLD, 4000

By email: AREC@parliament.qld.gov.au

Dear Committee Members

Submission to Mineral and Energy Resources (Common Provisions) Bill 2014

Thank you for the opportunity to provide a submission on *the Mineral and Energy Resources (Common Provisions) Bill 2014* (the Bill).

QCoal is the only independent, Queensland owned mining company actively developing new coal projects in Queensland. QCoal has extensive experience in the areas of environmental law, strategic planning, exploration and mine development.

Our submission to the enquiry predominately relates to Chapter 4 Overlapping coal and petroleum resource authorities and Chapter 7 Savings and transitional provisions.

Issue 1:

With respect to the transitional provisions, where consent (whether the consent was obtained prior to the Mining Lease (ML) application or during negotiations) with an overlapping ATP holder has been given, then those ML applications should proceed to grant and operate under the pre-amended Mineral Resources Act (MRA) provisions. The ATP holder at the time of an existing lodgement gave consent or entered an agreement with full knowledge of the commercial consequences of that decision and it is unreasonable for an ML applicant to start a whole new overlap process again in those circumstances. The rights of the ATP are therefore not affected by this change and it also protects the rights of the ML applicant at time of application.

In the circumstance of one of QCoal's major projects that is in the last stage of Mining Lease approval, the Bill as it stands will lead to significant and unnecessary delays to the "proposed mining commencement date" (section 113 of the Bill). The flow on effect from this is that royalties and local and regional economic benefits will also be delayed.

Issue 2:

The Bill should clearly state that it does not seek to change the rights of production tenure holders at the time of application, i.e. as of the date of the ML application/PL application

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the MRA provisions of the time should apply. For example, if at the time of an ML application there were no ATP holders and an ATP holder was granted prior to ML grant, then the subsequent ATP holder should gain no additional rights from the commencement of this Bill.

Solution for Issue 1 and 2:

Redraft sections 223 and 224 of the Bill that relate to transitional provisions to ensure that:

1. Where consent has been provided from an exploration tenure holder to a production tenure applicant then these consent or agreements are grandfathered and do not have to be revisited (i.e. continue under the pre-amended version of the MRA).
2. The commencement of the Bill does not affect the rights at the time of a production tenure applicant (i.e. continue to grant and operate under the pre-amended version of the MRA).
3. At the very least, if solution #1 and #2 cannot be fully implemented then grandfathering provisions should be included that any current Project that is a Coordinated Project or has an approved EIS should proceed to grant and operate under the pre-amended MRA provisions.

Issue 3:

Section 127 of the Bill states the requirements for a Joint Development Plan (JDP). At the time of agreeing the JDP the ML tenure holder must identify the initial mining area (IMA) and each rolling mining area (RMA). The IMA is for 10 years and each RMA can only be for 1 subsequent year. It is unreasonable for a ML tenure holder to predict yearly mine plans, and therefore RMAs, in excess of 10 years in the future.

The RMAs and therefore the JDP will continually be amended to reflect current mine planning status, which introduces a significant layer of red tape. This will result in significant administrative impacts and costs on the mining and petroleum parties and also the State.

Solution for Issue 3:

Provide a mechanism outside the JDP to identify and update RMAs.

Issue 4:

Section 113(2)(b) of the Bill states that where an application for a Mining Lease is over an existing Petroleum Lease then the proposed mining commencement date is at least 11 years after the date of the advanced notice. This will sterilise vast areas of coal resources as 11 years is manifestly long and unworkable.

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Solution for Issue 4:

Reduce the period under section 113(2)(b) of the Bill to 18 months as per section 113(2)(a).

If it would assist the committee, we would be willing to appear in person at a date of your choosing. Please contact Hayden Leary on [REDACTED] or email [REDACTED] with any queries.

Yours sincerely,



Hayden Leary
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QCoal Group