

Weather clogs coal exports

Tony Grant-Taylor

RAIN is playing havoc in Queensland's coalfields with a queue of 42 ships standing off the Dalrymple Bay Coal Terminal near Mackay yesterday.

Delays could slash exports of coal by hundreds of millions of dollars in the six months to the end of March.

A string of coal companies have already told their customers they cannot deliver as the stockpiles miners build to protect them from wet season disruptions to their mining operations have been exhausted.

Dalrymple Bay Coal Terminal shipped its last coal a couple of days ago, leaving its stockpiles depleted.

The coal railway, run by now publicly listed QR National, is also out of action after a derailment of a Pacific National train on Christmas Eve.

QRN said yesterday that wet weather was hampering efforts to repair the damage. DBCT

Courier Mail 30 Dec 2010 P7

Authorities play down risk from discharged waters

Robert MacDonald

THE State Government and the mining industry joined forces yesterday to allay pollution fears related to the release of water into central Queensland waterways by waterlogged mining operations.

Ten coal mines and two coal seam gas operations have released water outside their Environmental Authority conditions so far this month.

The Government and the Queensland Resources Council yesterday said the risk of environmental harm "is low".

"Ongoing monitoring by the Department of Environment and Resource

Management shows that water quality in the Fitzroy system remains high and is expected to continue to do so with the torrential rain flowing into the system," acting Climate Change and Sustainability Minister Andrew Fraser said.

QRC chief executive Michael Roche supported Mr Fraser in a separate media release in which he said some mines and gas operations had "discharged water safely into strongly flowing local watercourses where it was not possible to manage such water on site", in full consultation with DERM.

"We are talking about dilution factors akin to adding a thimbleful of water into a

swimming pool," he said. However, the water releases were sharply criticised by Professor John Cole, a former State Environmental Protection agency senior bureaucrat and now the director of the University of Southern Queensland's Centre for Sustainable Business and Development.

"Mr Roche seems to think that a 1950s approach to pollution control, namely 'dilution is the solution', is acceptable when bigger than expected flooding occurs," Prof Cole said.

"That is not acceptable environmental management and should not be condoned by the State Government."

operations manager Greg Smith said he understood it could be Saturday before the derailment was cleared.

Eight loaded trains are banked behind the derailed one. "So we should be able to resume loading operations pretty quickly," he said.

But there remain significant doubts on how quickly Queensland's 30-odd Bowen Basin mines, which have suffered various levels of disruption, will be able to resume normal output of about 160 million tonnes a year. The Bureau of Meteorology suggests the

unusually heavy rain may continue through the first three months of next year.

Mines from the northern Bowen Basin - where Xstrata has its Newlands operation, that ships through Abbot Point near Bowen - to the basin's southern extremities - where

Xstrata, Rio Tinto and the BHP Billiton Mitsubishi Alliance all operate, shipping through Gladstone - have all been disrupted to some extent.

Macarthur Coal's Coppabella and Moorvale operations, west of Mackay, have also fallen foul of the weather, with Macarthur

recently acknowledging the disruptions would affect its December half profit and perhaps also upset returns expected in the March quarter of 2011.

A Rio Tinto spokesman said yesterday, "Significant rainfall has continued to disrupt production at our operations.

"We're continuing to assess the impact on production levels into the first quarter of 2011.

"This is obviously also dependent on the impact of further expected rainfall in the coming weeks and months."

BMA has not commented, although there were suggestions recently that one of its giant draglines, at its Saraji mine, had been flooded after it failed to move quickly enough to higher ground.

CommSec chief economist Craig James said the floods had resulted in some temporary reduction in coal production, but losses would more than likely be made up over the year.

QRN applies brakes >> P48