

Cougar Energy story on ABC Southern Qld 8.30 news July 16 2010

Gas trial shut down over chemical concerns

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- [Map: Kingaroy 4610](#)

The viability of underground gas production is being questioned with a pilot project in Queensland's South Burnett region ordered to shut down.

Cougar Energy is testing whether it can extract gas by burning coal seams underground at a plant near Kingaroy.

But the Environment and Resource Management Department says the company has reported traces of carcinogenic chemicals in tests on monitoring bores.

Department director-general John Bradley says farmers near the site are being asked not to use bores until further tests prove there is no more contamination.

"There is no risk to Kingaroy's town drinking water supply," he said.

Mr Bradley says contaminated water leaked into a creek at Carbon Energy's trial site in Chinchilla, while Linc Energy has reported high salt levels in water near their site on the Western Downs region.

All three companies have been ordered to review the environmental impact of trials.

8.30 News with Fidelis Rego

The State Govt has ordered 3 companies review their trials of UCG. DERM says traces of carcinogenic chemicals have been found in bores at Cougar. Contaminated water and high levels of salt have been found at trial sites on the Darling Downs. Govt was to make decision in 2011 and 2012 if plants permitted to go into commercial basis but a short term decision made be made now.

Interviewee: John Bradley

Brian Tessman says residents will feel vindicated by decision but the Govt should never have allowed the trial to go ahead. He is concerned about restrictions being placed on local producers on drawing stock water. Up to G to make sure farmers are (assisted)

Host: There has been a concerning development for SB residents. State Govt has ordered shut down be of water contamination fears. Tests done last month found

traces of carcinogenic chemicals in bore water near the site. Those within a 2km radius are asked to give 4QS a call.

Interviewee 1: Mayor David Carter says there no threat to town water supply. It comes from a different source. Council doesn't use any underground water but will continue to test town supply in case this bore water can come into the dam.

BS: These tests were done last month. Are you happy with time taken to stop operation?

David Carter: is not happy Council was not notified earlier. Not good. Company would need to give reasons why they didn't notify people before this. Fortunately contamination levels are low.

Those who rely on bore water – DERM says Cougar will have to pay for water to be trucked in. There is one site in the area where water is carted to properties. They tell me there is no contamination at that site at present.

BS: Will trucking start immediately? Call David Carter or Dept for assistance.

BS: Has DERM done right thing closing down operation. Yes. They were given a lot of assurance there would be no contamination. Contamination could have been far worse. We've been lucky in this but not a good thing to say when talking about people's livelihood. People have been concerned because they feel there is not as much control when working underground as in a coal station. It is not good for this to have happened. We probably had luck it hasn't got worse. We don't want to see any environmental damage or affect to people's livelihood.

Council will test town water supply to make sure there is no contamination. One DERM officer will be in Council chambers this morning for information or for people to voice concerns. Property owners within 2 km radius should come in.

Phone DERM – general concern-

Council staff – 41626200

David Mobile 0429 999 029

DC interview) 2 minutes

Interviewee 2: Dorothy Pratt MP for Nanango

BS: When were you first aware of this?

She was suspicious that something was going on all because all had gone quiet at Cougar. She asked question of the Leader yd. She is concerned about the time it has taken – tests were done in June – she is “absolutely furious”. This company started in the area on the basis on trust and open honest consultation with the community and they've blown that. The first report of incident was on 16th June. But today is only official day shut down.

BS: Does it place question over other plants. This is baby technology, a new scheme. 3 pilots all reported some sort of breach to DERM. So this is major issue. It has failed in 3 instances. They were given assurance little to no contamination – this proves that it isn't the case. Here we see CE failed to report and follow the rules and the Govt has known about it by their own admission from the 30th of June and haven't informed the community.

She'll be pursuing it. The more she studies it the more question she has to ask. If CE can't play by the rules they can pack up and go somewhere else. From today we need to get the facts. Don't open ever again until 100% sure. They've blown trust in the community. Govt needs to be investigating why CE and Govt didn't act more quickly.

She asks Why did it take a question in Estimates yd if there was an issue and in 12 hours the plant was shut down.

She believes UCG should be useful form of production but you can't trust a mining company. They should never be placed so close to communities. Hopes other communities are mindful of what has happened in Kroy.

Belinda Sanders wants to hear from you if you live close to that plant. What are you going to do if you need bore water? Ring 1300 747 222

Resident Wendy Buttsworth says she first heard about the ordered shut down and carcinogenic chemicals in the water on ABC news this morning. Her reaction was horror. Their stock relies on bore water. Stock has to eat and drink. It is OK for Cougar to say (they're shutting down). Looks like all towers and buildings have moved overnight. Up til now it's been lights on the hill like a huge city.

Belinda Sanders: Was it operating yd?.

There have been problems for some time. Water samples have been taken from their place. Golders were contracted to do water testing but they've heard no results. Their house is hooked up to tanks but all stock are reliant on bores. Earth dams were dry for 5 or 6 years until recent rains. They've raised these issues with Dorothy Pratt, Council and CE. This thing should never have started in Kroy which is in close proximity to this filthy horrifying thing – this trial is at our expense. We want to know how far has the contaminated water travelled?. How many people are affected by this?. CE should never come back here – it is a risk to people's livelihood. Water is our lifeblood. Some draw domestic water from bores. She wants to know where the water is coming from that CE says they'll be bringing in. Wendy will go into Council today. There is a Concerned Citizen Group – they met on Tues night – had Drew Hutton speaking. Concerns have been well founded. Wendy says she has just weathered the storm of Kunioon mine and TE and now this. She feels for people in the Surat Basin with coal seam gas. It is different technology. (She explains the difference) but it is proved it can contaminate water. All should be concerned. (Wendy was asked to stay on the line).

WB

Damian O Sullivan (Concerned Citizens Group) lives in the affected area. He first heard of the ordered shut down on ABC this morning. His immediate reaction was to be 'absolutely disgusted it has occurred and totally vindicates concerns people have. We've written to Ministers. We've been totally ignored by DERM and EPA'. He is happy it is shut down. It should never have been allowed to go ahead. He calls on Anna Blight to ban this process. It was obvious the process would cause problems. Cougar Energy had a failed test burn. It hasn't burnt much coal but this has already polluted the water supply.

What should be done for Kroy residents with bore water contamination?.

He has 210 cattle on spring water and has asked water be supplied for cattle and his household

He is most concerned it has been a whole month since the first levels were found in the water and it has taken this period of time to be notified.

DS

ABC will continue story on Friday Forum. There is still no word from Minister Stephen Robertson if he will do an interview this morning. (9.15 am news flash – Minister will speak to ABC before 11am today)

8:56 Tony Abbott is in Toowoomba today.

Friday Forum (9.30 – 10)

Friday Forum Caller 4: Dalby resident has looked on ABC website and seen story about contamination problems with UCG plants. She wonders if contaminated water from Linc and Carbon plants has entered the Condamine River and systems in the Western Downs.

Friday Forum Caller 8 Toowoomba caller believes Ministers and politicians are in the pockets of mining companies. She is dismayed prime agricultural land eg Acland has been ruined by mining.

Friday Forum Caller 9 Kingaroy caller Maureen says in April the Concerned Citizens Group presented a list of questions to DERM about UCG plants but were still waiting for an answer. She thinks they have their answer today. Compere Belinda Sanders points out the State Govt has put in place laws to protect prime agricultural land. Caller says nothing has happened to protect agricultural land yet. She wonders how you define 'prime agricultural land'.

Friday Forum: Caller 11 Govt has developed a policy but there is no law yet on protecting prime agricultural land. This has been in place since February. An advisory committee is working on that at the moment and we will know more by the end of the year. Compere Belinda Sanders wonders if mining is growing so fast the laws will it be too late. Landholders are waiting for a knock on the door to say they have a mining lease. There is a great deal of uncertainty about gas projects and impacts on aquifers. He has been listening with interest to Kroy story although it is different technology. The good thing is they've picked up problem from the trial. He wonders what will be the affect on aquifers when there are going to be 40,000 wells. The retiring coordinator general says some aquifers will drop by 600m. The Govt needs to look at cumulative effects. Although separate they are inter related. At least Peter Garrett is asking questions. Success depends on whether he believes the answer. Coal seam gas companies are not keen on re-injecting (the water) because it costs more.

10.30 News Headlines:

The Qld Govt has ordered 3 companies to review their trials of coal seam gas extraction methods. DERM says traces of carcinogenic chemicals have been found in water bores near Cougar's Kroy plant.

(10.48 – 10.57am)

ABC heard earlier from David Carter and Dorothy Pratt about shutdown of Cougar because of carcinogenic chemicals. **Qld Minister Stephen Robertson** responds to news of Cougar Energy story (carcinogenic chemicals found in water samples) on ABC Southern Qld July 16 2010

“As a result of this report they will look at the 3 trials of UCG – Cougar, Linc Energy and Carbon Energy. What they have found with respect to Cougar is relevant to how Linc and Carbon conduct their project. Govt will require them to provide their data to assure Govt and community the same problems aren’t occurring in the other 2 projects. He assures listeners they are taking the problems at Cougar seriously. They will require full disclosure of any issue that may be of interest for their environmental record so Govt can assure community about environmental impact. The Govt is undertaking a detailed investigation – they have an expert panel to assess Cougar results and DPI teams to test cattle in terms of any impact from any water they’ve drunk. The Govt is leaving no stone unturned to show how seriously they treat this. Work at Cougar has been suspended while they conduct this investigation. Compere Belinda Sanders says MP Dorothy Pratt has questioned the length of time it has taken for results to be released – first discovered June 16. The Govt is undertaking a detailed internal investigation to find out who knew what and when. It seems officers were verbally informed on the 30th June, and this was followed up with a written statement. The Director General has indicated an internal investigation is underway. The relevant officer responsible for the delay has been stood aside while the investigation occurs. As Minister he wants to ensure we leave no stone unturned and learn lessons out of this so don’t see repeat of this in the future. It is too early to tell if this is end of UCG projects in Qld. The Govt has taken a precautionary approach to date to UCG: it has only allowed it in terms of permits for development of technology not for purposes of production: and has limited the number of companies to 3. Trials were to end in late 2012. The Govt has taken a cautious approach and that’s been borne out by this incident. If new technologies are to come on board they have to prove themselves not to have detrimental effect on environment. This technology is used in UK and Europe and US. What we’re doing is conducting research of results of those technologies – how they’ve performed over a number of years. This is part of the trial – 60 trials are currently underway around the world at current time. UCG is part of the new technologies for economies but has been used over longer time period in countries like Uzbekistan and the old USSR. He is not sure want to take environmental reference points from countries such as that. He is more interested in trials from US and UK which have stronger environmental legislation. (He is asked what they will do for those affected by bore water contamination by Benzene and toluene)

He says the drinking water supply for Kroy is not at risk. Regards bores that are used for those purposes we are meeting with landholders as we speak and putting in appropriate regime to ensure problems don’t occur. Qld Health is involved to ensure no health impact. Encourage people to contact 13 Health to discuss their concerns. Govt. is leaving no stone unturned.

DERM officers in Kroy today and anyone with questions can visit at Council offices or contact 333 05628