

Erin Phillips

From: Kijewski Marek <Marek.Kijewski@msz.gov.pl>
Sent: Thursday, 31 July 2014 5:53 PM
To: Environment
Subject: Link Energy's charges for causing environmental harm at its underground coal gasification plant near Chinchilla

Dear Abbey,

In reference to our today's phone conversation I will highly appreciate the Department's comments and detailed information on Link Energy's charges for causing serious environmental harm at its underground coal gasification plant near Chinchilla.

The Department of Environment and Heritage Protection has charged the underground coal gasification company Linc Energy with for causing serious environmental harm at its pilot plant near Chinchilla, however according to Linc Energy the charges relate to older style underground coal gasification technology that Linc Energy was researching several years ago and is no longer pursuing. Furthermore, the company's developed, and commercial ready, underground coal gasification technology is not included in these allegations. The spokesman for Linc Energy has said that the company will fight the charges however no further details were given.

Additionally, the company informed that it is decommissioning Chinchilla plant (research and development programme was completed at Chinchilla in October 2013) due to lack of support from Queensland government. If available, we will appreciate the Department's comments on the decision to withdraw its support for this particular project and/or company.

Link Energy is seriously involved in underground coal gasification projects in Poland and has our full support. However, likewise in Australia, the investor must comply with Polish environmental laws. Therefore, the alleged charges by the Department of Environment and Heritage Protection have our full and serious attention.

Taking this all into consideration we will highly appreciate the Department's information on all relevant details including what specific damage was done, by which technology and where and when it occurred. Is the Department's decision final and will the company fight the charges if further investigation proves the allegations? Those vital information will have our serious consideration and may have significant impact on our further commitments to Linc Energy's involvement in coal gasification projects in Poland.

Thanking you for your kind attention and looking forward to receiving your most appreciated answer, I remain

Sincerely Yours

Marek Kijewski
Counsellor (Economic Affairs) / Radca ds. ekonomicznych

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MECS PRINT FILE COPY (AWAITING ALLOCATION)

CTS No: 18831/14 Currently Assigned To: GOLDSWORTHY Stephe DUE:18/08/14

Subject: Linc Energy / requests departments comments and detailed information on charges against Linc / Linc claim charges relate to older style UCG technology / involved in UCG projects in Poland

Campaign: Template: EHP - Min Letter
Ack Letter
Letter Acknowledgement letter
Security Classification: EHP - Unrestricted Template:

CLIENTS

Role	Name	Address	Client Type	Locality	Primary
Original Correspondent	Mr Marek Kijewski	Counsellor (Economic Affairs) Embassy of the Republic of Poland in Canberra mark.kijewski@msz.gov.pl	FOREIGN GOVT		Yes

GENERAL DETAILS

External Reference No: **Thesaurus No:**
Classification: Seeking Information **Locality:** 4690-4736 Central
Request received by Dir ED GM **Date due back to Dir ED GM**
Date draft received by Dir ED GM **Date draft sent to EMT member**
Draft rejected by Dir ED GM Yes No

DATES

Created: 04/08/14 **Dated:** 31/07/14
Received: 01/08/14
Draft Due to EHP - Minister: 20/08/14 **Draft Received by EHP - Minister:**
Date Sent for Signoff:
Due Signatory: **Sent for Redraft:**
Signed: **Finalised:**
YOUR DUE DATE: 18/08/14 **EC Officer Allocated:** 05/08/14

DEPARTMENTAL DETAILS

Business Area: EHP - ESR DDG **Business Unit:** ESR - ERE
Action Type: Min - Request for Reply
Further Details: **Hard Copy Attachments:**
Redraft Reason: **Transfer To:**
Executive Contact: Corro EHP ESR DDG **Agency Author:**
Signing Officer:

INVOLVEMENT DETAILS

Role	Name	Due Date	Received	Response
Allocated Officer	GOLDSWORTHY Stephen	18/08/14	05/08/14	
Information Officer	VENZ Mark		05/08/14	

Role	Name	Due Date	Received	Response
Allocated Officer	Corro EHPESRERE	18/08/14	05/08/14	
Executive Contact	Corro EHPESRDDG	20/08/14	05/08/14	
EMG Officer	EHP - Minister	20/08/14	04/08/14	
Creator	BAKER-LOWE Andrew	04/08/14	04/08/14	

CURRENT SIGNATORIES

Signatory	Due Date	Date Completed	Submitted To	Received From
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ACKNOWLEDGEMENT LETTER DETAILS

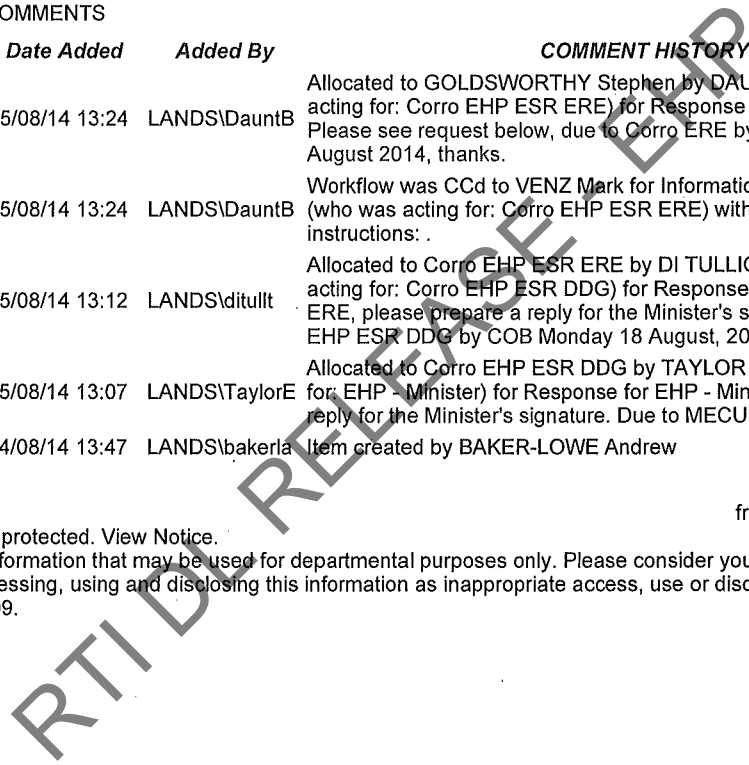
Reply to Name: Position:
 Reply To Org:
 Reply to Address:
 Regarding: Linc Energy

COMMENTS

Date Added	Added By	COMMENT HISTORY
05/08/14 13:24	LANDS\DauntB	Allocated to GOLDSWORTHY Stephen by DAUNT Bettina (who was acting for: Corro EHP ESR ERE) for Response for EHP - Minister. Please see request below, due to Corro ERE by noon Monday 18 August 2014, thanks.
05/08/14 13:24	LANDS\DauntB	Workflow was CCd to VENZ Mark for Information by DAUNT Bettina (who was acting for: Corro EHP ESR ERE) with the following instructions: .
05/08/14 13:12	LANDS\ditullt	Allocated to Corro EHP ESR ERE by DI TULLIO Tonina (who was acting for: Corro EHP ESR DDG) for Response for EHP - Minister. Hi ERE, please prepare a reply for the Minister's signature. Due to Corro EHP ESR DDG by COB Monday 18 August, 2014, thank you.
05/08/14 13:07	LANDS\TaylorE	Allocated to Corro EHP ESR DDG by TAYLOR Erin (who was acting for: EHP - Minister) for Response for EHP - Minister. Please prepare a reply for the Minister's signature. Due to MECU 20.8.14. Thank you
04/08/14 13:47	LANDS\bakerla	Item created by BAKER-LOWE Andrew

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Mr Marek Kijewski
Counsellor (Economic Affairs)
Embassy of the Republic of Poland in Canberra
mark.kijewski@msz.gov.pl

Dear Mr Kijewski

Thank you for your letter of 31 July 2014 concerning Linc Energy.

In general terms, Linc Energy has been charged with four offences of wilfully (meaning 'intentionally', 'negligently' or 'with gross negligence') and unlawfully causing serious environmental harm in contravention of s.437(1) of the Environmental Protection Act 1994 (Queensland). Generally speaking, 'serious environmental harm' in Queensland is harm that is 'irreversible', 'high impact' or 'widespread'.

The Department alleges Linc caused serious environmental harm by:

- fracturing the overburden by operating at a pressure significantly exceeding the formation parting pressure of the site during the initial operation of its Gasifier 2;
- causing an excursion of contaminants away from the gasifier, to the surface and groundwaters, by operating its Gasifier 2 at a pressure exceeding the hydrostatic pressure of the site;
- causing an excursion of contaminants away from its Gasifier 3 due to:
 - poor construction of injection and production wells for Gasifier 3;
 - the level of fracturing in ground caused by operation of Gasifier 2;
 - the site being operated at a pressure exceeding hydrostatic pressure; and
- over-pressurising Gasifier 4 on a site which was incapable of proper or effective environmental controls.

Beyond the facts of the prosecution, EHP is avoiding descending into detail about the allegations at this time. As a result, we would ask that this information not be further, including publically, disseminated.

The matter is again before the Chinchilla Magistrates Court on xx xxxx 2014 and further information will likely be released as the legal proceedings develop.

I hope this information has been of assistance to you. Should your staff have further enquiries, please ask them to contact my Chief of Staff, Mr Troy Collings on 3719 7330.

Yours sincerely

ANDREW POWELL MP
Minister for Environment and Heritage Protection

RTI DL RELEASE - EHP