

# CAM

## COAL ACTION MURIHIKU

### News Update No 4 September 2012

# Lock the Gate!

Jenny Campbell

Drew Hutton, 'Lock the Gate Alliance' lead campaigner, came to Southland and Gore at the end of his national tour on Wed 29 Aug, with Gore being his only South Island venue. 'Lock the Gate' is an umbrella group for 160 community action groups fighting coal and coal seam gas projects around Australia. Drew, an environmental campaigner for 40 years, now lives near Brisbane.

Forty three people heard a down to earth, knowledgeable and passionate talk that covered all the basics of the Australian campaign and dealt with issues confronting Australian people, farmers in particular. Drew then responded in depth to the numerous questions that followed.

People in the audience had come from Dunedin, Invercargill, Gore and Mataura; there were farmers, town people, one Councillor from SDC, SIT students and of course CAM members. There were seven new sign ups for our CANA campaign.

Drew's last few days in New Zealand held a busy round of media interviews that included Cue TV, Southland Times and Southland Express, so there was excellent coverage of his presence here, with a front page photo in the Ensign. There were also meetings with Lee Barry from WWF and Ian Marshall from Southland District Council.

Drew said that we in NZ are well ahead of OZ, with our national and local groups all supporting each other, which is very encouraging.



Drew Hutton at the gates of the Mataura briquetting plant

Dave Kennedy

Greens were generally enemy No1 for Australian farmers and yet Drew, as an iconic Green, has become the farmers' No1 friend. This interesting turn around occurred because of the rapid expansion of coal seam gas extraction, or fracking. The best source of coal seam gas just happens to be beneath the best Australian farmland and under existing legislation farmers cannot refuse to negotiate access for energy companies to drill. Farmers have found their farm management severely compromised as roads, pipelines and rigs begin to snake and sprout around their farms, hugely inconveniencing their daily work and management. Poorly managed fracking disrupts aquifers and can contaminate the water, thereby ruining future farming. Fracked farms also lose their value and many farmers have found their retirement postponed and their life's investment lost.

Initially the farmers battled alone and struggled against legal brick walls and the might of the fossil fuel industry. Drew Hutton saw that the only way the farmers could succeed would be through an alliance of the rural farming communities and the urban environmentalists and so the 'Lock the Gate Alliance' was born.

# SOLID ENERGY 2012 – Not a very good year

**2 June:** Solid Energy announced that the \$18.5 million Huntly coal-seam gas (CSG) demonstration plant trial would be put on hold and development work shifted to Taranaki.

**22 June:** Chairman, John Palmer, announced that he would step down later in the year although his current term did not conclude until October 2013.

**17 July:** Solid Energy completed the purchase of Pike River Coal at a cost of \$7.5 m. They informed families of the 29 men killed at Pike River that recovery of the bodies would only proceed if mining could go ahead, but this would not be for some years.

**16 August:** Solid Energy stated that it was reviewing all operations in response to a market downturn, with revenues expected to fall by \$200 m due to the steep fall in demand and international prices for coal.



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Clouds over Happy Valley – Cypress mine site

**21 August:** Finance Minister, Bill English, announced that Solid Energy wasn't in good shape for investment and a partial sell-down.

**27 August:** Don Elder failed to appear as a scheduled keynote speaker at the New Zealand branch meeting of the Australian Institute of Mining and Metallurgy.

**29 August:** Solid Energy announced that it planned to concentrate on lower-cost opencast coal mining, both conventional and using conversion technologies; and on underground coal gasification to harness the energy from deep coal seams. The company's main proposals were: ceasing further capital investment at Huntly East and cutting jobs; suspending operations at Spring Creek Mine; optimising production and minimising costs at Stockton Mine; selling or closing its biodiesel business; converting Nature's Flame wood pellet business to a stand-alone operation; moving more rapidly to commercial underground coal gasification projects in Huntly while shifting coal seam gas development to Taranaki; reducing capital expenditure by approximately \$100 m in the current financial year; and restructuring the organization with the loss of about 140 positions.

**29 August:** Huntly East miners were told that there would be 63 redundancies. About 60 contractors had also lost work at the underground mine. The 200 staff and 50–60 contractors at the West Coast underground mine, Spring Creek, where some \$22 m had been spent on mine development, were told that operations were being suspended while the viability of the mine was being reviewed. Don Elder was unable to say how long this review would take.

**30 August:** Solid Energy announced the loss of 65 of the 200 head office positions in Christchurch. Prime Minister John Key expressed the hope that the Spring Creek mine could be kept open. He said that the suspension of mining at Spring Creek was an economic issue and was unrelated to the partial sale of Solid Energy. Key said that Solid Energy had always had an "optimistic" view of coal prices.

**31 August:** Solid Energy released the official statement of its financial position, which showed a \$40.4 million loss. The company would look to sell land it didn't need. (Solid Energy spent about \$70m in the mid-2000s buying up farmland in eastern Southland, where it now owns more than 3,000 ha.) Don Elder however, reaffirmed the intentions of Solid Energy to proceed with its plans to exploit the huge Southland lignite deposits for conversion to briquettes and possibly to diesel and fertiliser. (Opening of the briquetting plant has been delayed until October.)

**31 August:** The Dominion Post pointed out that in 2004, 64 Solid Energy staff earned more than \$100,000 but by 2011 that number had increased to 368. Over the same period Don Elder's salary had increased from between \$570,000–\$580,000 to \$1.36 m.

**4 September:** About 1000 people marched through the streets of Greymouth, calling for Solid Energy to keep Spring Creek mine open.



After Us The Flood! © Sepponet

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# Lignite Mining – What Comes After

**Chances are you've never heard of Lausitz, but if you're concerned about lignite mining, this account from Alan Thatcher doesn't make for encouraging reading.**

Last weekend I went with some friends to check out lignite mining in Lausitz, an hour or so's drive south of Berlin. Large scale strip mining of the relatively shallow deposits has been going on since the early 50s and the area's become something of a demonstration model for restoration. Many of the old mines have been filled with water to create "Lakeland Lausitz" and a disused F60 overburden conveyor bridge has been opened to the public.



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For sheer destruction, there's nothing quite like an open cast strip mine. Even pictures can hardly do justice to the scale of the absolute devastation. To keep the mine dry, bores are drilled around the perimeter and ground water continually pumped into the Spree River that flows into an area of narrow waterways, wetlands and water meadows called the Spreewald (a heritage site), which acts like a giant sponge. This keeps the downstream level of the river, which subsequently flows through Berlin, remarkably stable. However, decades of lowered ground water in the Lausitz means that when they eventually stop pumping it seems likely the Spree will flow backwards from time to time. The effect on the Spreewald and Berlin's water supply is unknown.

Filling the old mines with water seems like a good idea – except some of the lakes are so acidic nothing can live in them. Thousands of tonnes of lime have been chucked in these lakes but the three we looked at were totally bereft of any birdlife – not even a duck. The land itself is rather unstable – it's glacial moraine; so sand with fine gravel mixed in. With no significant vegetation apart from a few weeds, erosion around the lake edges is marked.

The coal is there because this was the southern limit of ice age glaciers. The ice sheets scraped the landscape clean of organic material and dumped it along with the moraine material in distinct layers. Soils are not particularly fertile to start off with, but after being turned upside down they sure don't grow much – except pine trees.



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Until recently there was no attempt to preserve topsoil. Now "restoration" includes plans to reinstate small areas of agriculture amongst the forests. At least in Lausitz drainage is not an issue. I was talking to a soil scientist last night who was involved in mining restoration near Bonn. There the soil structure is now so poor that it's like concrete, wet or dry.

So: I believe every Southlander should go and have a look at this. Maybe one day (and yet more hundreds of millions of taxpayers' Euros) Lausitz will turn into a tourist mecca but I doubt it will happen within our lifetime.

## And John Purey-Cust's forthright response:

Doesn't this remind you of all those politicians, leaning on a gate, sucking a straw, wearing a battered old hat - "Agriculture, backbone of the nation. We are all farmers at heart"; yet when the chance comes, into it like pigs into swill? It's been the big N in the woodpile for lignite down here too – no consideration at all for what comes after mining, just an assumption that the sun will always shine and a picture postcard style pamphlet from SE showing how the overburden goes over there while we take the three seams of lignite out here. End result a remodelled landscape with the same elevation as before mining and maybe a lake in between.

As I understand it the lignite beds here originated at a time of fluctuating shore lines and around a big estuary, beds of organic matter between beds of sands, gravels and sea shells. The soils are largely loess-based, windblown dust from the bare dry workings of the later ice ages. It would be useful to have more information but the assumption is made that reclamation must be successful just because it has to be.

(Incidentally Alan Thatcher needn't be so sniffy about pine trees in Lausitz – whilst there would have been more fertile farmed valleys before mining, the predominant vegetation on the low rolling moraine country would have been pine forest, as it was all the way to the Urals.)

NB Both these articles have been abridged. Ed.

## A View to the South: Potential low carbon growth opportunities for the South- ern Region Economy

This independent report on alternative economic opportunities for Southland was commissioned by WWF and carried out by Business and Economic Research Limited (BERL). The report was released on Tues 28 Aug in Invercargill. About 50 people attended including Federated Farmers, Councillors, Venture Southland staff, CAM people and members of the general public. The audience gave a good response to BERL Chief Economist Ganesh Nana's comments, which were followed by searching questions.

Both the full report and a summary are available for distribution across Southland ([wwf.org.nz/media\\_centre/publications/](http://wwf.org.nz/media_centre/publications/)). Coverage in The Ensign about the BERL report ( Wed 29 Aug: [www.theensign.co.nz](http://www.theensign.co.nz)) gave some insight into an alternative economic vision for Southland other than extractive industries such as lignite mining. Other areas of potential and strength were forestry, engineering, education and training, and horticulture. As Ganesh said, "It is a discussion paper to stimulate thinking about other options, rather than having all our eggs in one basket."

**Jenny Campbell**

## CAM/CANA Summerfest

Planning is well under way for the 2013 Summer Fest. Next year's event won't just be focused on lignite and coal issues – we'll be looking at the whole issue of how we can find a sustainable future that doesn't depend on fossil fuels.

**Dates: Fri 18 Jan to Mon 21 Jan 2013**

**Venue:** Dolamore Park camping ground and native forest reserve north west of Gore.

More details to be advised soon.

### WANT TO GET INVOLVED?

Jenny Campbell is the Southland contact for both CAM and CANA (Coal Action Network Aotearoa) [jennycam@xtra.co.nz](mailto:jennycam@xtra.co.nz) 027-351-0180

If you would like to make a donation to local or national campaigns, cheques may be sent to:  
John Purey-Cust  
203 Champion Rd RD4 GORE 9774

Newsletter items to Jane Young by September 10:  
[janejimmyoung@slingshot.co.nz](mailto:janejimmyoung@slingshot.co.nz)

## Southland Energy Conference 2012 Advancing Energised Buildings



**Thursday 4th October 9am–6pm  
Southern Institute of Technology  
Invercargill**

This event brings a range of experts together to challenge Southland businesses and councils to get involved in designing, engineering and building more energy efficient buildings. Find out about:

- Selling your own electricity to the grid
- Assistance and funding
- Fundamentals of heating and cooling buildings
- Potential council interventions
- Energy savings in dairy farms and biodigestors
- Saving energy in your workplace or community facility
- Future proofing designs
- Prefabricated building opportunities
- Building performance rating systems

**Closing date for registrations:** 27 September

### Contact:

Venture Southland, 03 211 1400  
[karyn@venturesouthland.co.nz](mailto:karyn@venturesouthland.co.nz)

## A Future For Southland?



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