Energy & Resource Insights

June 2026

Quick Facts: Diesel consumption of proposed coal projects

Introduction

Due to ongoing concern regarding diesel supply and price in Australia resulting from the ongoing US-Iran war restricting global oil and oil-product trade, there is increased interest in diesel usage within the Australian economy. As our recent Quick Facts publication showed, mining is responsible for more diesel consumption than any other part of the economy: 35% of all Australian consumption. Coal mining alone was responsible for 5 billion litres of diesel consumption (15% of all diesel consumed in Australia) in the most recent year for which data is available.[1]

This document explores the topic further, looking at the diesel consumption planned for coal projects that are currently seeking approval. These projects provide an insight into the coal consumption of individual mines, as coal project proponents typically estimate likely diesel consumption as part of disclosing the likely climate impacts. The fuel tax credits these projects are likely to attract are also estimated.

Methodology

As of 2 June 2026, there were 45 coal mining projects seeking approval in NSW and Queensland. Environmental Impact Statements (EIS) (or similar) have been produced detailing diesel consumption for 22 of these projects. Drawing on these documents, it is possible to determine the total coal production, project lifetime and diesel consumption for these projects. That information is detailed in Table A.

Some EIS documents directly state the volume of diesel consumption expected within the methodology for estimating the greenhouse gas impacts of the project. In some cases however, only the diesel emissions impact is stated. Where this is the case, the volume of diesel has been estimated by using an emissions factor.[2] In a limited number of cases no distinction was made between emissions/diesel consumption resulting from the project seeking approval and that resulting from already approved activities that would occur concurrently. Where this is the case, a note has been made in the methodology associated with each project.

The likely Fuel Tax Credits (FTCs) each project will attract over its lifetime was estimated. It was assumed that all project diesel usage was in an application that would attract the full fuel tax credit (off-road applications). Credits were applied at 2026 rates prior to the temporary reduction granted due to the US-Iran War: 52.6c/L.[3]

[1] ABS (2025) Energy Account, Australia, 203-24. Table 4 Physical total use of selected energy products by industry, Australia, 2010-11 to 2023-24 and subdivisional data from Customised data for DCCEEW from the Energy Account Australia, 2023-24. All data and comparisons stated are for 2022-23 as this is the most recent year for which the ABS released subdivision data for coal mining.
[2] Emissions factors were sourced from EIS documents where possible or default factors were used from DCCEEW (2025) National Greenhouse Accounts Factors 2025
[3] ATO (2026) Fuel Tax Credit rates: Table 2: Rates for fuel acquired from 2 February 2026 to 31 March 2026

Results

Full project-level results are presented in Table A. In total, the 22 coal projects investigated will use 11.6 billion liters of diesel over their lifetimes. Some of the largest projects will consume hundred of million of litres of diesel every year such as the HVO Continuation Project (192 ML/annum[4]) and the Maules Creek Continuation Project (110 ML/annum[5]).

Should all projects be approved and proceed as planned, at 2026 fuel tax credit rates, the 22 projects would attract $6.2 billion in FTCs over their lifetimes at current FTC rates ($3.0 billion for the nine Queensland projects and $3.2 billion for the 13 New South Wales Projects).

Looking more closely at the two largest projects (by diesel consumption): the proposed coal project set to receive the largest fuel tax credit is Glencore and Yancoal's Hunter Valley Operations expansion which would use 3.2 billion litres of diesel and receive approximately $1.7 billion dollars in fuel tax credits over its project life or over $100 million per year while the project is operating at full coal production rates. The Winchester South project, proposed by Whitehaven Coal, (which is nearing a final approval decision under the federal EPBC act) will consume 85 million litres of diesel each year and over 2.54 billion litres over the mine's lifetime. At current FTC rates, this will result in its owners receiving an average of $44.6 million per annum in FTCs or over $1.3 billion over the mine's lifetime.

[4] HVO Continuation project EIS, Appendix G of the Air Quality and GHG Assessment
[5] From Maules Creek Continuation Project Environmental Impact Statement - Appendix J: Greenhouse Gas Assessment (14 March 2025).

Energy & Resource Insights

Table A: Analysis of Proposed Coal Projects and Fuel Tax Credits over the proposed life of the projects.

Project Name	State	Major Proponent(s)	EPBC project?	Project life *(years)*	Saleable coal production *(lifetime Mt)*	Total diesel consumption *(million L)*	Diesel Volume Boundary and Methodology	FTC subsidy over the project *($M)*
Baralaba South Coal Project[6]	QLD	AMCI	Yes	23	36	743.9	Reported diesel use	$391.3
Coppabella Mine Humbug Gully Project[7]	QLD	Peabody	Yes	14	25.1	1,202.0	Reported diesel emissions converted	$632.2
Corvus Metallurgical Coal Project[8]	QLD	Corvus Resources	Yes	28	165	38.5	Reported diesel emissions converted	$20.3
Hail Creek Extension (Eastern Margin Project)[9]	QLD	Glencore	Yes	15	24	411.7	Reported diesel use	$216.6
Isaac Downs Extension Project[10]	QLD	Stanmore	Yes	22	29	353.4	Reported diesel emissions converted	$185.9
Mammoth Underground[11]	QLD	Coronado	No	10	19.2	15.1	Reported diesel emissions converted	$8.0
Rolleston Coal Mine Continuation Project[12]	QLD	Glencore	Yes	15	33.7	209.9	Reported diesel use	$110.4
Saraji East Mining Lease project[13]	QLD	BMA	Yes	20	109.7	142.0	Reported diesel use	$74.7
Winchester South[14]	QLD	Whitehaven	Yes	26	231	2,544.3	Reported diesel emissions converted	$1,338.3
Bloomfield Colliery Continuation - Mod 5[15]	NSW	Bloomfield	Yes	9	4.3	60.2	Reported diesel use	$31.7
Boggabri Coal Mine Modification 10[16]	NSW	Idemitsu	Yes	15	25	1,086.0	Reported diesel use (including already approved)	$571.2
Clarence Colliery Mod 11 - Time Extension[17]	NSW	Banpu	No	5	8.6	4.8	Reported diesel use	$2.5
HVO North Open Cut Coal Continuation[18]	NSW	Glencore, Yancoal	Yes	18	226.1	3,269.8	Reported diesel use	$1,719.9

[6] Baralaba South Project EIS. (2023). Air Quality and Greenhouse Gas Assessment. 29 November 2023.
[7] Coppabella Mine EIS. (2025). Coppabella Mine Greenhouse Gas Assessment and Decarbonisation Plan. September 2025.
[8] Corvus Metallurgical Coal Project. (2025). Greenhouse Gas Emissions Review. April 2025.
[9] Hail Creek Open Cut Eastern Margin Extension. (2025). Greenhouse Gas Assessment. 28 April 2025.
[10] Isaac Downs Extension Project. (2025). Attachment A - Referral Supporting Report. April 2025.
[11] Curragh Bord and Pillar Mine Project. (2024). EAR GHG Report. 16 October 2024.
[12] Rolleston Coal Mine. (2023). SCNCP Projected Greenhouse Gas Assessment. 30 September 2023.
[13] Saraji East Mining Lease Project EIS. (2024). Air Quality and Greenhouse Gas. 13 December 2024.
[14] Winchester South Project EIS. (2022). Air Quality and Greenhouse Gas Assessment of the Winchester South Project. June 2022.
[15] Bloomfield Colliery Continuation Project. (2024). Air Quality Impact and Greenhouse Gas Assessment. 15 July 2024.
[16] Boggabri Coal Mine Modification 10. (2025). Air Quality and Greenhouse Gas Assessment. 23 May 2025.
[17] Clarence Colliery Modification 11 EIS. (2025). Greenhouse Gas Assessment. December 2025.
[18] HVO Continuation Project Amendment. (2025). Greenhouse Gas Assessment. August 2025.

Project Name	State	Major Proponent(s)	EPBC project?	Project life *(years)*	Saleable coal production *(lifetime Mt)*	Total diesel consumption *(million L)*	Diesel Volume Boundary and Methodology	FTC subsidy over the project *($M)*
HVO South Open Cut Coal Continuation[19]	NSW	Glencore, Yancoal	Yes	12	90.1	*See HVO North for combined total*		
Maules Creek Continuation Project[20]	NSW	Whitehaven	Yes	10	95	1,066.4	Reported diesel use	$560.9
Metropolitan Coal – Longwalls 317 & 318[21]	NSW	Peabody	Yes	6	2.2	1.9	Reported diesel use	$1.0
Moolarben Coal Complex OC3 Extension[22]	NSW	Yancoal	Yes	10	25.3	124.5	Reported diesel emissions converted (includes previously approved)	$65.5
Mt Pleasant Coal - Mod 8 - Extension of Time[23]	NSW	MACH Energy	No	6	44.7	218.5	Reported diesel use	$162.5
Newstan Mine Extension Project[24]	NSW	Banpu	Yes	15	25.5	4.5	Reported diesel use	$2.4
Ulan Coal Mod 8 - Ulan West Continued[25]	NSW	Glencore	Yes	6	38	23.3	Reported diesel use	$12.2
Vickery Mine Extension - MOD 3 - Coal Haulage[26]	NSW	Whitehaven	No	4	0.6	0.255	Reported diesel use	$0.1
Wilpinjong Coal Mine Extension (MOD 3) - Pit 8[27]	NSW	Peabody	Yes	8	13	107.2	Reported diesel use	$56.4

[19] HVO South Open Cut Coal Continuation Project diesel use is included in assessment for HVO North Open Cut Coal Continuation Project.
[20] Maules Creek Continuation Project EIS. (2025). Appendix J: Greenhouse Gas Assessment. 14 March 2025.
[21] Metropolitan Coal Mine Longwall 317 and 218 Modification. (2025). Appendix G: Greenhouse Gas Assessment. 21 May 2025.
[22] Moolarben Coal Complex OC3 Extension Project. (2023). Moolarben Coal Complex OC3 Extension Project – Air Quality and Greenhouse Gas Amendment Report. 28 November 2023.
[23] Mount Pleasant Operation Modification 8. (2025). Greenhouse Gas Assessment and Mitigation Plan. 12 December 2025.
[24] Newstan Mine Extension Project. (2020). Appendix O - Air Quality Impact Assessment and Greenhouse Gas Assessment. September 2020.
[25] Ulan West Continued Operations Modification. (2025). Greenhouse Gas Assessment. 29 July 2025.
[26] Modification 3 - Coal Haulage. (2026). Gunnedah Open Cuts 4.1 Mtpa Coal Haulage Increase Modifications - Modification Report - Appendix C: Greenhouse Gas Assessment. 26 March 2026.
[27] Wilpinjong Coal Mine. (2025). Appendix C - Greenhouse Gas Assessment. 3 August 2025.