

SELECT COMMITTEE ON THE PROPOSAL TO RAISE THE WARRAGAMBA DAM WALL

INQUIRY INTO THE PROPOSAL TO RAISE THE WARRAGAMBA DAM WALL

Rachel Musgrave – Questions on Notice from 9 November 2021 Hearing

First Question on Notice:

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The Hon. ADAM SEARLE: Was that the most recent information you have about the upstream offsetting costs for biodiversity that you calculated while you were at SMEC?

Ms MUSGRAVE: We calculated another offset cost in December 2019 using a different impact area, but I would have to have a think about what that value was. I will take that question on notice.

Response:

Prior to me leaving SMEC in September 2020, the most recent calculation of upstream offsetting costs for biodiversity that I had been involved in calculating (assessing the relevant impacts as direct rather than indirect) was in the order of \$250 million for ecosystem credits only. No cost calculation was carried out for species credit species (ie, threatened species which cannot be predicted based on habitat surrogates). This offset calculation was for impacts within the 20% AEP (or 1 in 5 chance in a year) flood event.

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Third Question on Notice:

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The CHAIR: Thank you, Mr Searle. Thank you for your attendance today, Ms Musgrave. I might just ask a couple of questions. You indicated in your opening statement that you wanted to provide a scientifically robust report. Do you think that the report that has formed part of the EIS is scientifically robust?

Ms MUSGRAVE: Apart from a very brief look over it, I have not read the report to comment. So I would have to take that on notice.

Response:

I have considered the EIS from the perspective of how the Framework for Biodiversity Assessment (FBA) was applied during the assessment process, however, I have not carried out a thorough and detailed technical review of the assessment of ecological impacts in relation to biodiversity values considered within the EIS. I had also left SMEC prior to the report being finalized, and am therefore not aware of the additional assessment work that may have been undertaken following me leaving the Project.

However, based on a review of the final report, it is my personal view that it contains some key deficiencies in respect to compliance with the FBA. In particular, Section 8.2.1.1 of the FBA states that the “*assessor must assess the direct and indirect impacts of a Major Project on biodiversity values*”. The term ‘impact area’ used by the EIS is not a term used or defined within the FBA. The EIS defines the development footprint (ie. the area of land that is directly impacted on by a proposed Major Project) as equating to the construction footprint for the raising of the dam wall, but does not clarify how the ‘impact area’ relates to direct and indirect impacts for the purposes of the upstream assessment. Further, the EIS does not discuss or provide a detailed assessment of the direct and indirect impacts as discreet impact types, as required by Section 8.2.1.1 of the FBA. As referred to in my evidence at the hearing, I maintain the view that the assessment should have adopted a direct impact approach in respect of the upstream impacts of the Project.

Further, in my view the impact assessment should have considered impacts outside the ‘impact area’, such as the upstream impacts associated with a 1 in 100 chance in a year flood risk as well as for other selective inundation events as requested by government agencies during project consultation. However I appreciate that due to the nature of the project, encompassing multiple potential flood events with differing degrees of depth and duration of inundation, an assessment of all events would be very complicated and a level of discretion would be required to select the most relevant events for assessment.

The FBA requires a credit report printed from the Biobanking Credit Calculator (BBCC) to be included as part of the EIS. The EIS has appended a BBCC credit report printed by me in April 2020 whilst still employed at SMEC, which relates to impacts within a 1 in 5 chance in a year flood event. The credit obligation stated within this credit report is inconsistent with the credit obligation as stated within the EIS. Each accredited assessor has an individual login to the BBCC. This login contains the accredited assessor’s project related data and is used to calculate offsets, print credit reports, and submit the data to the Department of Planning, Industry, and the Environment for review and assessment. The relevant data pertaining to the EIS was located in my individual BBCC login as of mid-October 2021.

Therefore, it would not have been available to current accredited assessor, such that the correct credit report could not have been included within the EIS.

Lastly, I note that the assessment of impacts to Regent Honeyeater in *Appendix F5 – Matters of National Environmental Significance* appears to be inconsistent to the assessment of impacts on the species as detailed within *Appendix K of Appendix F1 – Biodiversity Assessment Report – Upstream*. The Assessment of Significance for Regent Honeyeater under the Commonwealth *Environmental Protection and Biodiversity Conservation Act 1999* (EPBC Act) appears to me to not have substantially changed since my involvement in the project, whereas the assessment in *Appendix K of Appendix F1 – Biodiversity Assessment Report – Upstream* appears to have been updated. As a result, the two appendices within the EIS appear to be inconsistent in relation to the area assessed for impact as well as the nature of the impact.

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