

Questions from Mr Cohen:

1. ACTEW Corporation Ltd and the NSW Office of Water have negotiated the conversion of lower Murrumbidgee general security entitlements to high security entitlements for future releases from Tantangra Dam to Googong Dam. What volume of general security and high security entitlements have been purchased by ACTEW?

Answer:

There is currently an embargo on conversions between general and high security entitlements, and as such, no conversions have been formally negotiated with ACTEW.

ACTEW have purchased approximately 12.523 GL of general security entitlements, and about 4.145 GL of high security entitlements in the Murrumbidgee Valley.

2. What is the total volume of secure water now held by ACTEW following the completion of conversion negotiations?

Answer:

See answer to 1 above.

3. Has ACTEW expressed to the NSW Office of Water or the Minister any further desire to make additional purchases of entitlements for the Tantangra to Googong Water Transfer?

Answer:

I understand ACTEW are awaiting the outcomes of the review of conversions between licence categories, and also the Basin Plan.

4. When did the Brewster Irrigation Dam obtain its 'Wetland of National Significance' status and what reports and studies back up this status?

Answer:

The first edition of *A Directory of Important Wetlands in Australia* (ANCA 1993) was a collaborative effort between the Commonwealth Government and each of the State and Territory nature conservation agencies.

Lake Brewster was included in the directory for meeting criteria 1, 3 and 5.

5. What amount of water was delivered to the Brewster Irrigation Dam last year?

Answer:

A small amount of water, approximately 30 ML, was diverted for construction purposes associated with the Lake Brewster Water Efficiency Project.

6. How much revenue did State Water receive to deliver water to Brewster Irrigation dam? Did State Water receive any other income relating to the operation of Brewster irrigation dam over the last two years?

Answer:

Over the last two years no water has been stored in or delivered from Lake Brewster due to construction activities. Lake Brewster was not operated for water delivery operations and accordingly generated no revenue for State Water over this period.

7. The Brewster Irrigation Dam holds 150,000 ML. Where is the water coming from to fill the Irrigation dam?

Answer:

Efficient operation of Lake Brewster and Lake Cargelligo are critical to the security of supplies to water users and the environment in the Lachlan system.

The unregulated flows from tributaries below Wyangala Dam and flood releases from Wyangala Dam which are surplus to environmental, stock and domestic, town water supply and irrigation demand are stored in the lakes and released later to meet any future demands from downstream.

The 70,000ML currently in Lake Brewster is from tributary flows downstream of Wyangala Dam.

8. Will any of the natural lakes and wetlands upstream have reduced allocations in order to fill the Brewster Irrigation Dam?

Answer:

There are no allocations set aside in the regulated Lachlan Water Sharing Plan for any specific natural lakes and wetlands.

The NSW Government does hold an environmental licence for Lake Brewster of 12,000 General Security shares but to date none of that water has been utilised for Lake Brewster.

9. Will placing towns along the Lachlan River on bores free up surface water for trading on the Lachlan River?

Answer:

No. The emergency bores that have been constructed since 2002 for town water supplies are to supplement existing water supply and enhance drought security of towns at times when the surface supplies could not be guaranteed or allocations were highly restricted. The town water supplies are not being transferred to bores. The bores are emergency measures for when the surface water fails.

10. Does increased water trading and delivery increase State Water income generation?

Answer:

Yes.

11. What is the approximate total cost of placing townships along the Lachlan on bores for town water supplies?

Answer:

Since 2002 the NSW Government has provided \$13.0 million for emergency bores for towns in the Lachlan valley to meet highly restricted critical human needs. This funding has provided bores in 23 towns and villages for emergency supplies only.

No investigations have been undertaken to estimate the cost of providing full water supplies from bores for towns currently using surface water in the Lachlan valley.

On the subject of critical water planning in the Lachlan Valley, I would like to clarify statements made during the hearing. During meetings of the Lachlan Critical Water Advisory Group, records are kept, which, while not formal minutes are sometimes referred to as minutes. I note that the Honourable member has previously asked about these, however it is important to provide some level of confidence to the members of the group to enable them to engage in frank and open discussion on contentious and difficult issues, but still provide one robust recommendation to the Government.

12. How many full time equivalent compliance officers does the Office of Water have?

Answer:

There are currently 19 compliance officers employed by the NSW Office of Water, with the majority of these regionally based.

There are a large number of licensing and other staff who assist in the compliance function of the Office, as required.

In addition, the Office also has a compliance protocol with State Water, which has Customer Field Officers who read water meters around NSW, and provide information to the Office on potential breaches such as over extraction and meter tampering. State Water is empowered under the Water Management Act 2000 to take some enforcement actions.

13. State Water Corporation owns and operates 21 dams and 280 weirs and regulators. Many of these assets hinder fish migration. A program of modification of these assets is provided in the Environment Management Plan 2005. As not all weirs and regulators in regulated rivers are owned by State Water, does the Minister have any plans to enable these weirs and regulators to be remediated at the same time as those undertaken by State Water?

Answer:

The NSW Weirs Policy provides the overarching framework for the management of weirs in NSW. However, the operation of non-government owned weirs is a matter for the owners of those structures, consistent with their statutory and other responsibilities.

14. When will the State Water 10-year Fish Passage Strategic Program 2010/11-2019/2020, comment for which was requested from stakeholders in February 2010, be released?

Answer:

The draft program is currently with Industry and Investment NSW for review, and based on the feedback from that agency, a decision on the program's release will occur thereafter.

15. In the last financial year how many grants were awarded to landowners under the Cap and Pipe the Bores Program? How many applied for a grant but were unsuccessful?

Answer:

In 2009 -10 grants of \$5.2 million were allocated to 17 schemes already under construction under phase II of the Great Artesian Basin Sustainability Initiative, and a further two ready to commence construction under phase III. There were a further 13 schemes that weren't funded under phase II, and have been carried forward for assessment under phase III.

16. What monitoring programs are in place to evaluate the impact of the program on the Great Artesian Basin?

Answer:

A large number of flowing and monitoring bores are being monitored in NSW and nationally to evaluate the impact of the capping and piping program on the Great Artesian Basin (GAB).

The groundwater monitoring is showing that artesian pressures are starting to increase across the GAB. Groundwater flow models have predicted that improvements of between 5-10 metres in artesian pressure will occur as a result of the work to date.

17. Does the Office have data on the cost effectiveness of water savings achieved by the program? If yes, will the Minister provide those details?

Answer:

The Great Artesian Basin Coordinating Committee (GABCC) Mid Term Review, Feb 2008, reports an overall net economic public and private benefit from the GABSI program. The review reports the median Benefit Cost Ratio is 2.6 within a range from 0.6 to 12.8. This equates to an overall cost to Government of \$109 per megalitre saved.

18. Will the Minister provide details on the progress of works under the Koondrook-Perricoota Forest Flood Enhancement Project?

Answer:

The construction contract for the Koondrook-Perricoota Forest Flood Enhancement Project was awarded by NSW State Water to Fulton Hogan in August 2010. Since

then, there have been welcome flood flows in the Murray that have entered the forests.

The contractors have been concluding their Construction Environmental Management Plan (CEMP), detailing how the environment of the forest will be managed during the 9 months of construction.

Construction activities will commence as soon as the CEMP is concluded and approved by the Department of Planning, and flood flows have receded.

It is important to note that 80 plus direct jobs will be created during construction and the local economy will benefit from the flow on activities and services to be provided.

Questions from Mr Clarke:

In relation to the Hawkesbury-Nepean Water Sharing Plan:

19. Does the NSW Government plan to enforce no-pump days as part of the Hawkesbury-Nepean Water Sharing Plan?

20. What consideration has been given to the impact this will have on the local agriculture industry?

21. Does the Government plan to financially compensate farmers impacted by no-pump days as part of the Hawkesbury-Nepean Water Sharing Plan?

Answer to questions 19-21:

The NSW Office of Water released the draft Sydney Metropolitan water sharing plans recently for public comment. Following a number of concerns raised by the local agricultural industry in response to the plan, I have established a Ministerial Advisory Group made up of local farmers and water users to work through the outstanding issues. Among many aspects being considered by the advisory groups is adequate access to water so ensure crops survive extreme weather events.

The importance of the Hawkesbury-Nepean agricultural industry to Sydney's food needs is unquestioned and I am confident that the final water sharing plan will ensure the local, vibrant agricultural community is maintained in addition to protecting necessary flows to boost the health of the riverine system.

In relation to the Robertson Sewerage Scheme:

22. Does the Government share the concerns of the Robertson community and the Chamber of Commerce that the Robertson sewerage scheme does now [not] provide for the realistic growth of the Robertson community?

Answer:

The provision of water and sewerage services for the Robertson community is the responsibility of Wingecarribee Shire Council.

Under the NSW Government's Country Towns Water and Sewerage Supply Scheme, Wingecarribee Council is eligible for a subsidy of up to 50 per cent of the cost of design and construction of a sewer system that services an identified backlog of unsewered households in the service area.

The design adopted by Wingecarribee Shire Council of 2000 equivalent persons caters for current population plus allowance for expected growth up to 2021. The plant is also designed to enable expansion when that limit is reached.

Council may design a larger system. However, the additional construction costs must be born by the council, consistent with more than 390 projects across NSW which have received funding assistance under the program.

23. What actions is the NSW Government taking to ensure the Robertson Sewerage Scheme is able to cope with increasing demand?

Answer:

See answer to Q. 22.

24. How much funding has been allocated in 2010-11, 2011-12, 2012-13 and 2013-14 for the Robertson Sewerage Scheme?

Answer:

\$5.0 million has been allocated in the State Budget for 2010-11. Allowances of \$3.3 million and \$8.475 million have been made in the forward estimates for 2011-12 and 2012-13 respectively.

25. Can the Government confirm whether or not it intends to continue to pump from the Kangaloon aquifer?

Answer:

The Kangaloon aquifer project has been shelved. Any decision in the event of an extreme drought to pursue a groundwater drought response would be subject to formal consideration by Government at that time.

Development at Kangaloon will be halted at the point where land acquisitions, planning approval and tender design are complete.

There is routine monitoring of groundwater resources at Kangaloon. No other fieldwork or groundwater activity is scheduled.

26. Will the Government consider raising the height of Tallowa Dam Wall in the future?

Answer:

The raising of Tallowa Dam was ruled out by the Government when the 2006 Metropolitan Water Plan was developed.

In relation to the Bargo and Buxton Sewerage Scheme:

27. Why has the name of the Bargo and Buxton Sewerage Scheme changed from the Bargo, Buxton and Yanderra Sewerage Scheme between 2009 and 2010?

28. Will the Bargo and Buxton sewerage scheme include the provision of sewerage services to Yanderra?

a) If not, when will sewerage services be delivered to Yanderra and under which scheme?

Answer:

27. to 28.

The NSW Government's Priority Sewerage Program (PSP) provides improved sewerage services to villages in environmentally sensitive areas. These areas are generally near drinking water catchments, rivers, beaches or national parks.

In February 1997, the NSW Government nominated 17 villages with high environmental sensitivity for improved sewerage services. Work in the final village was completed in February 2009, with over 5,400 properties serviced overall.

In December 2001, the Government announced the extension of the PSP to an additional 20 unsewered areas including the following: Agnes Banks, Appin, Austral, Bargo, Buxton, Cowan, Douglas Park, Freemans Reach, Galston, Glenorie, Glossodia, Hawkesbury Heights, Londonderry, Nattai, Scotland Island, West Hoxton, Wilberforce, Wilton, Yanderra and Yellow Rock.

Questions from Mr Colless:

29. Why was the reported dumping of "tainted water" by AGL investigated by Industry and Investment NSW and not the licensing authority NSW Office of Water?

Answer:

I refer the Honourable Member to the answer I provided on this matter during the Committee hearing, as recorded in the hearing transcript. Further, the activities of Industry and Investment NSW are a matter for the Minister for Primary Industries.

30. What consultation occurred with downstream users from the proposed off take of the promised emergency pipeline for Orange was conducted prior to the announcement of the promise?

Answer:

At the time the funding announcement was made, Orange City Council had not finalised the proposed off take location. Once a location has been identified, all landholders downstream will be consulted by Orange City Council and the NSW Office of Water and every effort will be made to minimise impacts on downstream users.

31. Given that the Sydney Desalination Plant is running 24/7 is Sydney Water paying for all the wind power generated by the Capital Windfarm in addition to the cost of having a coal-fired generator on standby at all times?

Answer:

Electricity supply and Renewable Energy Certificates for Sydney's Desalination Plant is contracted with Infigen, the owners of the wind farm at Bungendore. In practical terms the supply comes from the grid and is managed through the Electricity Supply Agreement with Infigen. To prove this electricity is from 100% renewable sources it is offset by environmental credits as per the Renewable Energy Certificate Supply Agreement with Infigen, in accordance with the approved Greenhouse Gas Reduction Plan. The plant at Bungendore is capable of generating three times the needs of the desalination plant when the wind is at required levels.

32. What was the cost of that power?

Answer:

The Annual Report for Sydney Desalination Plant Pty Ltd contains financial information for the plant.

33. What was the cost of running the Desalination Plant for the year ended 30th June 2010?

Answer:

The Annual Report for Sydney Desalination Plant Pty Ltd contains financial information for the plant.

34. Is this cost being borne solely by Sydney Water users?

Answer:

The cost of operating the desalination plant is included in Sydney Water's regulated prices, determined by IPART over the pricing period from 1 July 2008 to 30 June 2012.

35. What is the anticipated energy consumption of the desalination plant for the period 1 July 2010 to 30 June 2011?

Answer:

The annual contract volume is identified in Sydney Water's Electricity Supply Agreement with Infigen.

36. What percentage of that consumption was met directly by wind power generation?

Answer:

All the electricity consumed will be offset by environmental credits as per the Renewable Energy Certificate Supply Agreement, in accordance with the approved Greenhouse Gas Reduction Plan.

37. What volume of water will be desalinated for general supply in the period 1 July 2010 to 30 June 2011?

Answer:

The desalination plant is expected to produce up to 80 gigalitres of drinking water in the period 1 July 2010 to 30 June 2011.

38. Given the reported fragility of the membranes and their requirement of a constant pressure to function efficiently how is the stated intent to turn the plant on at a 70% dam capacity, and off at 80%, going to be achieved?

Answer:

The design of the desalination plant, and selection of reverse osmosis membranes, allowed for the possibility that the plant would not operate for extended periods of time, and that it may also operate at varying levels.

When part or all of the plant is turned off, the membranes in that portion need to be protected. The protection required depends on the duration. For a short duration of a few days, flushing with permeate is sufficient. For a long shutdown of weeks to years, the membranes need to be cleaned and preserved. At the end of a shutdown the process is reversed and the membranes flushed before returning to service.

39. What is the anticipated increase to the average water bill this year as a result of providing desalinated water to Sydney?

Answer:

Sydney Water prices, as determined by the Independent Pricing and Regulatory Tribunal for 2010-11 include around \$16.70 over the year on an average bill for desalination.

40. What is the total cost per kilolitre of desalinated water?

Answer:

I refer the Honourable Member to the answer provided by the Managing Director of Sydney Water during the committee hearing, and as recorded in the transcript of the hearing.

41. How does this compare with the cost of water provided from the dams?

Answer:

Dam water is the cheapest source of water treated drinking water. Recent dry periods have demonstrated that dam water alone is not sufficient to meet Sydney's future potable water needs.

42. What is transmission loss between the Capital wind farm and Sydney?

Answer:

Supply of electricity for Sydney's Desalination Plant uses market regulated loss factors.

43. There are suggestions throughout the documentation relating to the desalination plant that the system can be turned on or off at whim, or in response to "technical or other problems". Assuming this is correct how long does it take to bring the system back on line?

Answer:

The time to return to service depends on the duration of the shutdown: For a short-term shutdown of less than 10 days the restart period is 72 hours. This increases to 8 months following a mothballing of the plant (shutdown between 2 and 5 years).

44. What is your response to the assertion by The Institute for Sustainable Futures that "green power should not be wasted on energy-greedy desalination plants" when the "wind farm could power a third of the houses in Canberra"?

Answer:

The electricity commitments of the desalination plant allowed Infigen, the wind farm developer, to finance its project at Bungendore. The Capital Wind Farm generates more electricity than can be consumed by Sydney's Desalination Plant allowing Infigen Energy to sell this power to other customers. To the end of June 2010 the Capital Wind Farm produced 45% more electricity than consumed by the Sydney's Desalination Plant.

45. How long do you anticipate the plant will be continuing to run at full capacity?

Answer:

The government has always said that the desalination plant will operate at, or close to full capacity for a two-year proving period.

46. What is the anticipated output of the plant in “standby mode”?

Answer:

With the full plant in standby mode, there will be no production of drinking water from the plant. Some permeate may be produced from time to time for internal purposes to provide flushing and preservation fluid required to maintain the plant and the membranes.

47. What is the energy consumption in “standby mode”?

Answer:

The annual contract volume is identified in Sydney Water’s Electricity Supply Agreement with Infigen.

48. Given the Sydney Water Corporation reduction in profit of over \$100 million in 2009 how can you justify a dividend payment of \$190 million to NSW Treasury?

49. The state Government has benefited to the tune of \$330 million in the last two years from the cash cow that is Sydney Water, with provision for a further \$205 million this year – what is the anticipated profit for 2010 to justify this blatant rip off of Sydney water users?

Answer:

48.-49.

In common with all other State Owned Corporations, Sydney Water pays dividends as a proper return to its Government shareholder on the substantial taxpayer funded investment in Sydney Water. This is the same discipline faced by private companies who pay dividends to service the equity invested by their shareholders.

Sydney Water’s reported profit in 2008-09 was affected by a one off, non-cash asset impairment expense as a result of adopting a new methodology to value system assets. The Earnings Before Interest, Tax, Depreciation and Amortisation, which excludes this one off non cash expense, was substantially higher in 2008-09 compared to 2007-08. The dividend reflected this increase.

50. The Metropolitan Water Plan claims that 21,000 kilometres of pipes were inspected in 2009-10 (the distance from Sydney to Los Angeles and back) while the Annual Report shows that to be the full length of water mains owned and operated by Sydney Water – are you seriously claiming that the entire network of pipes was inspected last year?

51. If not what lengths of pipe were inspected more than once?

Answer:

50.-51.

The total length of pipes inspected last year was 21,195 kilometres. Leakage inspection is targeted at areas where leakage has been found to be highest to maximise leakage reduction. Some areas with higher leakage are inspected two or three times and areas with no or insignificant leakage from the previous inspections are inspected less frequently.

52. The same plan records 100 kilometres of water mains were replaced during the year – at what cost?

53. In 2007 the reported cost was \$85 million, what is the figure for this year?

Answer:

52.-53.

Since 2006 around \$100 million a year has been invested to reduce breaks and leaks from the water networks across Sydney.

54. As well as inspecting the full 21,000 kilometres last year was there an audit undertaken and priorities set for fixing unplanned breaks?

Answer:

Sydney Water responds to breaks and leaks on a priority basis. For reactive maintenance works the priority system ranges from Priority 6 (most urgent) to Priority 3 (least urgent).

Sydney Water is required to report to the Minister and the Independent Pricing and Regulatory Tribunal each year on its performance against the targets to fix Priority 3 to 6 breaks and leaks. In 2009-10, full compliance was achieved for Priority 5 and 6 breaks and leaks.

55. The Minister reports \$100 million, \$107 million, \$150 million or \$166 million being spent on maintenance depending on which document you read, given that 100 kilometres of pipe was replaced within those sums why was the three year dividend of \$535 million not spent on a further 500 kilometres in that time?

Answer:

Sydney Water operates, maintains and renews its water mains in accordance with well-developed asset management strategies designed to ensure that customer service requirements are achieved at minimum life cycle cost. Sydney Water currently meets its relevant customer service requirements by renewing around 100 kilometres of water mains each year.

56. In his statement of August 26 the Minister claims that “anyone who has experienced property damage”, as a result of the two most recent water main breaks, would not be “left out of pocket”; what was the full cost of this promise?

Answer:

The full cost of third party payments arising from water main breaks in Pennant Hills Road, Carlingford and Moore Park Road, Paddington will be calculated following finalisation of claims by those affected.

57. The reported cost of the bulk water flowmeter program is at variance between the Minister, \$24 million, and the Managing Director of Sydney Water, \$18 million; which figure is correct?

Answer:

The Bulkwater Flowmeter Program is an ongoing program for 9 years from 2005 to 2014. The program is being delivered in 3 stages. Stages 1 and 2 cost \$31 million and will be completed in 2010-11. Stage 3, which is budgeted at \$18 million over 4 years, has commenced in 2010 – 11.

58. Given that an attempt to register the trademark "Sydney Water" was made as far back as August of last year how was it that "Sydney Water and its board claims it knew nothing" of a plan to bottle water supplied by the Sydney Water Corporation for sale internationally until January of this year?

Answer:

The alleged activities currently subject to an investigation by the Independent Commission Against Corruption were discovered when Sydney Water's accounts payable staff routinely carried out their checks and balances.

Sydney Water notified the ICAC and the Police. Sydney Water has also commenced civil action in the Supreme Court.

While Sydney Water's existing systems picked up the activity the Corporation is reviewing what improvements can be made.

59. Given the admission before the ICAC of approximately 40 occasions between 1999 and 2009 where cash payments were received by a single employee, and that Sydney Water had policies forbidding the acceptance of any cash payment by employees how was it that there were insufficient internal controls in place to identify the "systemic corruption" earlier?

Answer:

The Independent Commission Against Corruption is investigating allegations and Sydney Water is cooperating with the investigation.

60. Was the review of the Appin Sewerage Treatment Plant promised in the letter of 19/11/07 ever conducted?

a) If so why were the results of that review not shared, as promised?

Answer:

Yes. The review examined potential sewage treatment plant sites as well as alternative strategies including transfer of sewage to the existing Glenfield Sewerage System.

Sydney Water informed the community of the revised servicing strategy, which did not include a new local Sewage Treatment Plant, in community newsletters, the scheme's Review of Environmental Factors and community information sessions.

61. What is the cost of the Appin STP Sewerage Treatment Plant?

Answer:

The proposed servicing strategy does not include a sewage treatment plant at Appin.

62. Is the Menangle Park and Menangle Sewerage Treatment Plant completed?

Answer:

Planning for wastewater services for the Menangle and Menangle Park areas is currently underway with a number of servicing alternatives being considered, including a local Sewage Treatment Plant.

63. Has the Elladale site, putting 20% of Sydney's water supply at risk, been discounted?

Answer:

The servicing strategy for the Appin area involves a transfer to the existing Glenfield Sewerage System. A Sewage Treatment Plant at Appin is not part of Sydney Water's servicing strategy for the Appin area.

64. Why was the Wilton Road option rejected and the decision made to use a pump system in preference to gravity feed?

Answer:

The Wilton Road site was examined as a potential Sewage Treatment Plant site along with other sites. The site was not considered suitable because portions of the property were within the drinking water catchment, had too steep a slope or were too close to existing residential housing.

A range of alternatives were assessed against cost, environmental, social and technical criteria. The pressure sewerage system alternative was assessed as the most appropriate option compared to other options, including the gravity alternative.

65. What is the cost to customers of having a pressure system as opposed to a gravity fed system?

Answer:

Residential customers served by pressure sewerage systems are responsible for the cost of power to the pressure sewerage pump and other costs which are common to connection to a gravity system, including the cost of connecting their household plumbing to Sydney Water's system. However, the cost of connecting to a pressure sewerage system compared to a gravity system is generally lower because the point of connection for a pressure system is normally nearer to the existing household plumbing.

66. How often do the pumps need replacement?

Answer:

For residential customers, Sydney Water owns and maintains the on-property pressure equipment, including the pump. Sydney Water will replace pumps as required.

67. The Sydney Catchment Authority Annual Report shows \$349,000 expense on consultancies:

- a) Why does the Appendix 19 only identify \$259,306 of that expenditure?**
- b) What was the \$490,000 "Contractors general" expense identified in Note 3 b) Contractor expenses?**
- c) Were all consultancies and contracts subject to a full tender process?**
- d) What is the \$1.11 million "Other" expense indicated under Note 3 e) Other operating expenses?**

Answer:

Consultants are only engaged when the required professional expertise is not available internally or cannot be provided in a more cost effective manner.

Details of consultancy expenditure over \$30,000 are reported in agency annual reports.

Questions from Mr Khan:

Chaffey Dam:

68. What is the current projected cost of the augmentation of Chaffey Dam?

Answer:

Excluding the dam safety upgrade component, the estimated cost of augmenting Chaffey Dam to 100GL is \$25.5 million.

69. What are the current projected costs for the Stage 2 Safety Upgrades of Chaffey Dam?

Answer:

\$13 million.

70. How much money has been allocated for the Stage 1 Safety Upgrade of Chaffey Dam?

Answer:

The total cost of the Stage 1 safety upgrade (\$20.511 million) as listed in the 2010-11 Budget Papers reflects the total life of the project works which commenced in 1998. The current package of works being undertaken by State Water to complete the Stage 1 safety upgrade is valued at \$13.8 million and reflects the funding component under State Water's control since corporatisation in 2004.

71. Is the current Stage 1 Safety Upgrade of Chaffey Dam on schedule to be completed by June 2013? Is this project on schedule?

Answer:

Yes.

72. Is the current Stage 1 Safety Upgrade of Chaffey Dam still estimated to cost \$20,511,000? Is this project on budget?

Answer:

Refer to answer 70.

73. Did the department have costed what the total cost of the augmentation, as well as the Stage 1 & 2 Safety Upgrade would have been if it was undertaken as the one project?

Answer:

Yes. \$52.3 million.

74. Are there any current plans to begin the augmentation or the Stage 2 safety Upgrades of Chaffey Dam?

Answer:

The Government has made clear its support for the Chaffey Dam augmentation, subject to a range of environmental and economic assessments and approvals, and the availability of Commonwealth funding to be secured through water savings under the Menindee Lakes Memorandum of Understanding.

75. Have there been any meetings/correspondence in the past twelve months between the Department and any other stakeholders (irrigators, Federal Government, local Government) concerning cost-sharing for the augmentation of Chaffey dam?

Answer:

Refer to answer to 74.

76. In relation to Question 5, what is the content of those discussions/ correspondence?

Answer:

See answer to 75.

77. Could the Department give the Committee an update on the discussions with the Commonwealth regarding the water saving measures at Menindee Lakes?

Answer:

Further investigations for the delivery of water saving measures at Menindee Lakes are being undertaken in accordance with the Memorandum of Understanding (MoU) between the New South Wales and Australian Governments.

A Joint Steering Committee has been established to oversee the implementation of the MoU.

78. Has there been any correspondence with the Federal Government in the Month of July or August 2010 regarding the augmentation of Chaffey Dam? If so what was the contents of that correspondence?

79. If the \$300 million dollars is delivered to the NSW Government under the Memorandum of Understanding between the Federal Government and the NSW Government how much is planned to be dedicated to Chaffey Dam?

Answer:

78.-79.

The Commonwealth has undertaken to provide an additional \$10.4 million, on top of its existing \$6.5 million commitment, towards the augmentation of Chaffey Dam. The additional funding commitment is subject to a final feasibility assessment on the Menindee Lakes agreement.

Barraba Pipeline:

80. Have there been any meetings/ correspondence in the past twelve months between the Department and any other stakeholders (eg. Federal Government,

local Government) concerning cost-sharing for the building of the Barraba Pipeline from Split Rock Dam?

Answer:

Yes, there have been meetings, correspondence and verbal discussions between officers of the NSW Office of Water, Tamworth Regional Council, stakeholders and the Federal Government on the issue of providing a secure water supply for Barraba, including the option of providing a pipeline from Split Rock Dam to Barraba.

81. If there has been any meetings/ correspondence, what was the content of them?

Answer:

These meetings and correspondence cover a large range of issues including:

- The technical evaluation of Tamworth Regional Council's potential options to secure Barraba's water supply, as detailed in Council's Options Development Report.
- Explanation of the need to undertake the additional groundwater investigations recommended in Council's Options Development report.
- Financial matters including the requirements for eligibility for funding under the Country Towns Water Supply and Sewerage Program, as well as the sourcing of Commonwealth contributions.

82. Has the Department undertaken any cost estimates for the building of the Barraba Pipeline?

Answer:

This is the responsibility of Tamworth Regional Council.

83. Is the department aware of any cost estimates for the building of the Barraba Pipeline?

Answer:

Yes.

84. If the Department has undertaken cost estimates, or is aware of any estimates, what are those costings/ estimates?

Answer:

It is understood that Tamworth Regional Council's last estimate for the pipeline was \$19 million.

85. Does the Department have data on the quality of the Barraba town drinking water?

Answer:

Water quality data for Barraba is available from Tamworth Regional Council.

86. If the Department does have such data, can you please provide this data?

Answer:

See answer to 85 above.

87. Is the Department aware of that Barraba's town water supply exceeds Australian Drinking Water guidelines?

Answer:

It is understood that the water quality at Barraba meets the health guidelines of the Australian Drinking Water Guidelines on all parameters impacting on health.

88. What is the Australian Drinking Water guidelines when it comes to hardness?

Answer:

The Australian Drinking Water Guidelines are publicly available, including from the National Health and Medical Research Council who assisted in their development.

89. How much money has been allocated to the Country Towns Water Supply program in 2010-11?

Answer:

Refer to Budget Paper No. 3 – Volume 1.

90. How much money has been allocated to the Country Towns Water Supply program in 2011-12?

Answer:

The allocation will be included in the 2011-12 State Budget.

91. How much money has been allocated to the building of the Barraba Pipeline from the Country Towns Water Supply program in 2010-11?

Answer:

No funds have been allocated to building the pipeline although \$242,369 has been allocated towards the additional bore testing and the feasibility study.

92. How much money has been allocated to the building of the Barraba Pipeline from the Country Towns Water Supply program in 2011-12?

Answer:

I am advised no decision has been made as regards construction of the pipeline.

93. How much money has been allocated to the building of the Barraba Pipeline?

Answer:

I am advised no decision has been made as regards construction of the pipeline.

94. Are there any plans to build the Barraba Pipeline?

Answer:

This is a matter for Tamworth Regional Council to determine. It is, however, in Council's and the ratepayers' interests that Council completes the investigations identified in their Options Development report to fully inform the best long term solution for Barraba.

95. Has the Department any data on the impact the current water supply issue has on the growth and development of Barraba?

Answer:

This is a matter for Tamworth Regional Council.

96. How much money has been spent over the last 4 years on ground water investigations, completing an Options Development Report and Constructing and connecting the bores to Barraba's water supply?

Answer:

The total amount spent is a matter for Tamworth Regional Council.

The Government, under the Country Towns Water Supply and Sewerage Program, has approved funds totalling \$270,000 to Tamworth Regional Council on this project. A further \$92,369 of Government funds have recently been approved to assist Council undertake further groundwater investigations at Barraba.

97. How much money has been allocated over the forward estimates on ground water investigations, completing an Options Development Report and Constructing and connecting the bores to Barraba's water supply?

Answer:

As mentioned in the answer to Question 96 above, funds of \$92,369 have recently been approved to undertake further groundwater investigations at Barraba in accordance with the recommendation of Council's reports.

Further, the NSW Government has allocated \$150,000 towards a feasibility study into the option of providing a pipeline from Split Rock Dam. The Federal Government has also committed \$150,000 towards this study.

98. What are the reasons for not making available the funds for the Barraba pipeline?

Answer:

Tamworth Regional Council is completing their final Options Development to fully inform a decision on the best solution to meet Barraba's future water needs.

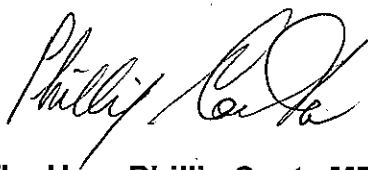
Bathurst:

99. For each of the past five consecutive financial years (2005/06 through to 2009/10), can the Minister provide details as to:

- a) How much burst water mains the Sydney Water Area of operations are costing the State Government each year to repair?
- b) How many burst water mains there have been in each of these financial years?
- c) How much it would cost to fix pipes in the system to prevent burst mains

Answer:

I refer to my answer to questions on notice 52 and 53.



**The Hon. Phillip Costa MP
Minister for Water
Minister for Corrective Services**