



LEGISLATIVE COUNCIL

GENERAL PURPOSE STANDING COMMITTEE NO. 5

# **BUDGET ESTIMATES 2010-2011**

## **QUESTIONS ON NOTICE**

### **General Purpose Standing Committee No. 5**

Water and Corrective Services

Thursday 16 September 2010

Answers to be lodged by: Tuesday 12 October 2010

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<b>Hearing date</b>	<b>Portfolio</b>	<b>Answer to be lodged by</b>
16 September 2010	Industrial Relations	12 October 2010 [21 days]
16 September 2010	Commerce	12 October 2010 [21 days]
16 September 2010	Energy	12 October 2010 [21 days]
16 September 2010	Public Sector Reform	12 October 2010 [21 days]
16 September 2010	Aboriginal Affairs	12 October 2010 [21 days]
16 September 2010	Water	12 October 2010 [21 days]
16 September 2010	Corrective Services	12 October 2010 [21 days]
17 September 2010	Climate Change and Environment	13 October 2010 [21 days]
17 September 2010	Cancer	13 October 2010 [21 days]
17 September 2010	Primary Industries	13 October 2010 [21 days]
17 September 2010	Emergency Services	13 October 2010 [21 days]
17 September 2010	Rural Affairs	13 October 2010 [21 days]

## Questions relating to the portfolio of Water

16 September 2010, 2:00 pm – 6:00 pm

### Questions from Mr Cohen

NSW Office of Water

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?
2. What is the total volume of secure water now held by ACTEW following the completion of conversion negotiations?
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?
4. When did the Brewster Irrigation Dam obtain its 'Wetland of National Significance' status and what reports and studies back up this status?
5. What amount of water was delivered to the Brewster Irrigation Dam last year?
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?
7. The Brewster Irrigation Dam holds 150,000 ML. Where is the water coming from to fill the Irrigation dam?
8. Will any of the natural lakes and wetlands upstream have reduced allocations in order to fill the Brewster Irrigation Dam?
9. Will placing towns along the Lachlan River on bores free up surface water for trading on the Lachlan River?
10. Does increased water trading and delivery increase State Water income generation?
11. What is the approximate total cost of placing townships along the Lachlan on bores for town water supplies?
12. How many full time equivalent compliance officers does the Office of Water have?
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?
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?
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?
16. What monitoring programs are in place of evaluate the impact of the program on the Great Artesian Basin?
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?
18. Will the Minister provide details on the progress of works under the Koondrook-Perricoota Forest Flood Enhancement Project?

### 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?

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 not provide for the realistic growth of the Robertson community?
23. What actions is the NSW Government taking to ensure the Robertson Sewerage Scheme is able to cope with increasing demand?
24. How much funding has been allocated in 2010-11, 2011-12, 2012-13 and 2013-14 for the Robertson Sewerage Scheme?
25. Can the Government confirm whether or not it intends to continue to pump from the Kangaloon aquifer?
26. Will the Government consider raising the height of Tallowa Dam Wall in the future?

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?

### 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?
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?
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?
32. What was the cost of that power?
33. What was the cost of running the Desalination Plant for the year ended 30th June 2010?
34. Is this cost being borne solely by Sydney Water users?
35. What is the anticipated energy consumption of the desalination plant for the period 1 July 2010 to 30 June 2011?
36. What percentage of that consumption was met directly by wind power generation?
37. What volume of water will be desalinated for general supply 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?
39. What is the anticipated increase to the average water bill this year as a result of providing desalinated water to Sydney?

40. What is the total cost per kilolitre of desalinated water?
41. How does this compare with the cost of water provided from the dams?
42. What is transmission loss between the Capital wind farm and Sydney?
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?
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”?
45. How long do you anticipate the plant will be continuing to run at full capacity?
46. What is the anticipated output of the plant in “standby mode”?
47. What is the energy consumption in “standby mode”?
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?
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?
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?
54. As well as inspecting the full 21,000 kilometres last year was there an audit undertaken and priorities set for fixing unplanned breaks?
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?
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?
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?
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?
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?
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?
61. What is the cost of the Appin STP Sewerage Treatment Plant?
62. Is the Menangle Park and Menangle Sewerage Treatment Plant completed?
63. Has the Elladale site, putting 20% of Sydney’s water supply at risk, been discounted?

64. Why was the Wilton Road option rejected and the decision made to use a pump system in preference to gravity feed?
65. What is the cost to customers of having a pressure system as opposed to a gravity fed system?
66. How often do the pumps need replacement?
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?

### Questions from Mr Khan

#### Chaffey Dam

68. What is the current projected cost of the augmentation of Chaffey Dam?
69. What are the current projected costs for the Stage 2 Safety Upgrades of Chaffey Dam?
70. How much money has been allocated for the Stage 1 Safety Upgrade of Chaffey Dam?
71. Is the current Stage 1 Safety Upgrade of Chaffey Dam on schedule to be completed by June 2013? Is this project on schedule?
72. Is the current Stage 1 Safety Upgrade of Chaffey Dam still estimated to cost \$20,511,000? Is this project on budget?
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?
74. Are there any current plans to begin the augmentation or the Sage 2 safety Upgrades of Chaffey Dam?
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?
76. In relation to Question 5, what is the content of those discussions/ correspondence?
77. Could the Department give the Committee an update on the discussions with the Commonwealth regarding the water saving measures at Menindee Lakes?
78. Has there been any correspondence with the Federal Government 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?

#### Barraba Pipeline

80. Have there been any meetings/ correspondence in the past twelve months between the Department and any other stakeholders (e.g Federal Government, local Government) concerning cost-sharing for the building of the Barraba Pipeline from Split Rock Dam?
81. If there has been any meetings/ correspondence, what was the content of them?
82. Has the Department undertaken any cost estimates for the building of the Barraba Pipeline?
83. Is the department aware of any cost estimates for the building of the Barraba Pipeline?
84. If the Department has undertaken cost estimates, or is aware of any estimates, what are those costings/ estimates?
85. Does the Department have data on the quality of the Barraba town drinking water?
86. If the Department does have such data, can you please provide this data?

87. Is the Department aware of that Barraba's town water supply exceeds Australian Drinking Water guidelines?
88. What is the Australian Drinking Water guidelines when it comes to hardness?
89. How much money has been allocated to the Country Towns Water Supply program in 2010-11?
90. How much money has been allocated to the Country Towns Water Supply program in 2011-12?
91. How much money has been allocated to the building of the Barraba Pipeline from the Country Towns Water Supply program in 2010-11?
92. How much money has been allocated to the building of the Barraba Pipeline from the Country Towns Water Supply program in 2011-12?
93. How much money has been allocated to the building of the Barraba Pipeline?
94. Are there any plans to build the Barraba Pipeline?
95. Has the Department any data on the impact the current water supply issue has on the growth and development of Barraba?
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?
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?
98. What are the reasons for not making available the funds for the Barraba pipeline?

#### 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?

**Questions relating to the portfolio of Corrective Services**

**16 September 2010, 2:00 pm – 6:00 pm**

**Questions from Mr Clarke**

1. Does the NSW Government have any plans to privatise the Shoalhaven Correctional Facility, which is scheduled to be opened by 2011?
2. Has the Member for Kiama made any representations to the Minister or Department inquiring about the possible privatisation of the new Shoalhaven Correctional Facility?
3. Has the Member for Kiama made any representations to the Minister or Department arguing for the privatisation of the new Shoalhaven Correctional Facility?