

**INQUIRY INTO THE CONTINUED PUBLIC OWNERSHIP
OF SNOWY HYDRO LIMITED**

Organisation: Gippsland Environment Group
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Date Received: 25/06/2006

Theme:

Summary

From: "Louise Crisp"
To: <snowyhydro@parliament.nsw.gov.au>
Date: 25/06/2006 10:42 pm
Subject: Submission to the NSW Legislative Council Select Committee Inquiry into the Continued Public Ownership of Snowy Hydro Limited

The Director,
NSW Legislative Council Select Committee Inquiry into the Continued Public Ownership of Snowy Hydro Limited. 2006.

Dear Sir,

Terms of reference addressed:
C) Control of Water Regulation.

Under the Snowy Hydro Corporatisation Act 1997 (in effect June 28, 2002) the NSW Water Administration Ministerial Corporation controls water regulation and oversees the implementation of the Snowy Water Licence issued under part 5 of that Act.

However both the Snowy Hydro Corporatisation Act and the associated Water Licence have not been fully implemented as legislated and this has had a profoundly negative impact on the implementation of environmental flows to the Snowy River.

The Snowy Hydro Corporatisation Act 1997 section 57 states

SNOWY SCIENTIFIC COMMITTEE

1. There is established by this Act a body corporate with the corporate name of Snowy Scientific Committee.
2. The Committee has the functions conferred or imposed on it by or under this or any other Act.
3. The principal functions of the Committee are as follows:
 - a. To advise the Water Administration Ministerial Corporation each year on the regime for the release of water for environmental reasons under the Snowy Water Licence.
 - b. To advise that Corporation from time to time on the adequacy of those releases and the programs for management and restoration of the catchments (and the Snowy River and other rivers and streams) receiving water from those releases, including the arrangements for consultations, monitoring and on-going research about these programs.

No such committee has been established.

4. The Committee is to produce every year a public state of the environment report on the catchments (and the Snowy River and other rivers and streams) affected by the Snowy Mountains Hydro-electric Scheme. The report is to include an executive summary of its contents. The Committee is to provide a copy of each such report to the Water Administration Ministerial Corporation.

No such reports have ever been produced.

Yet we are into the fourth year of the five-year review period of the environmental flows.

5. The Committee is to consist of 6 members appointed by the Minister.

6. Of the members of the Committee:

- a. one is to be nominated by the Environment Protection Authority, and
- b. one is to be nominated by the Director-General of national parks and Wildlife, and
- c. one is to be nominated by the Snowy Genoa Catchment Management Committee, and

- d. Two are to be nominated by a Minister of the State of Victoria (one being a person nominated to represent environmental interest groups) and
- e. One is to be an independent scientist with expertise in aquatic environments nominated by the Minister for the Environment.
- f. The Chairperson of the Committee is the member referred to in paragraph (e).

No committee members have been nominated and none appointed.

7. The Committee is NOT subject to the control or direction of the Minister.

The Snowy Scientific Committee's legislated function then was to act as an independent scientific research and advisory body to direct the Water Administration Ministerial Corporation and the Licensee: Snowy Hydro Ltd, on how to achieve best ecological outcomes with regard to environmental flows for the Snowy River (and other rivers and streams in the Snowy Mountains catchment affected by the Snowy Scheme).

Instead, the control of water regulation has been totally in the hands of the NSW Water Administration Ministerial Corporation and Snowy Hydro Ltd without the scientific input, oversight and guidance of the Snowy Scientific Committee.

This is in clear contravention of the Snowy Hydro Corporatisation Act 1997 section 57.

Under the full implementation of the Corporatisation Act as legislated, Snowy Hydro Ltd should not have re-commissioned the Mowamba aqueduct (31 Jan 2006) without the prior full scientific assessment by Snowy Scientific Committee as to whether this was best ecological practice.

This is confirmed by a media release from Victoria's Acting Environment Minister Candy Broad, Wednesday 1 February, 2006: Broad calls for Environment Study on Mowamba River.

Reference to the Fig. 1 p.4, Environmental Flows Initiative Technical Report of the Snowy River Benchmarking and Environmental Flow Response Monitoring Project: Summary Progress Report on Available Data from 1999-2001, Report to Environment Australia, April 2003 eds T.Rose and R. Bevitt., DIPNR Cooma NSW 26 June 2003,

indicates the pivotal role the Snowy Scientific Committee was intended to perform under the Act.

This is clearly stated in the following paragraph of section 4, p.71 of the above report:

Continued monitoring of these physical and biological components of the Snowy river is required to determine the effect of environmental flows that will be released from Jindabyne dam and the Mowamba River. The results of the Snowy River Benchmarking Project will provide essential data to the Snowy Scientific Committee (SSC) to be formed as part of Snowy Corporatisation, in order for the SSC to perform its legislated duties.

These results will form the basis of the Five-Year Review to be completed following the release of environmental flows. The information on Snowy River's response to environmental flows will guide adaptive management of releases from Jindabyne Dam to improve the physical and biological integrity of the Snowy River. To effectively implement adaptive management it will be necessary to continue monitoring the effect of environmental flow releases for at least the next ten years.

(The first environmental flow releases were initiated 28 August 2002, with the de-commissioning of Mowamba Aqueduct).

The Water Administration Ministerial Committee and the relevant NSW Minister have been in clear breach of the Act therefore, in not implementing the Snowy Scientific Committee at the time the Corporatisation Act came into effect, and for the past four years since 28 June 2002, in acting without the advice of the said committee.

A second major breach of the Act occurs under the terms of the Snowy Water Licence schedule 3, part 2, 6. Licensee to Construct outlet at Jindabyne Dam

6.1 Licensee to Construct Outlet at Jindabyne Dam

By no later than the third anniversary of the Corporatisation Date, the Licensee must construct an outlet at Jindabyne Dam that is capable of releasing water from above the thermocline.

6.2 Outlet specifications

The outlet constructed by the Licensee under clause 6.1 of this Schedule Three must be of sufficient size to enable a flow rate of at least 5 GL per day in addition to the capacity of the spillway gates. (ie for scheduled environmental flows)

6.3 Where Licensee does not Construct Outlet by Due Date.

If the Licensee has not constructed an outlet at at Jindabyne Dam by the third anniversary of the Corporatisation Date, the Licensee must:

(1) target to release from the Mowamba River and Cobbon Creek aqueducts into the Snowy River as far as possible the same volume of water that would otherwise have been allocated from Jindabyne Dam to Snowy River Increased Flows; and

(2) store within the Snowy Scheme that volume of water that:

(a) would otherwise have been allocated from Jindabyne Dam to the Snowy River Increased Flows until the date of commissioning of that outlet; and

(b) was not released by the Licensee by way of substitute releases referred to in subclause 6.3(1) of this Schedule Three, and, from the date of commissioning of that outlet, must release that volume of stored water in addition to the then applicable Snowy River Increased Flows.

Thus it is evident that as the outlet at Jindabyne Dam is still not completed and in fact is already overdue by one year as of 28th June 2006 that Mowamba River should still be providing environmental flows to the Snowy River.

Snowy Hydro Ltd is in contravention of its Snowy Water Licence in this instance.

Under the Heads of Agreement, The Agreed Outcome from the Snowy Water Inquiry signed by the three governments NSW, Victoria and the Commonwealth, 6 December 2000 there are stated Environmental Objectives.

The environmental objectives for the Snowy River and the Snowy upper montane rivers are to improve the habitat for a diverse range of plant and animal species by a combination of:

- * improving the temperature regime of river water;
- * achieving channel maintenance and flushing flows within rivers;
- * restoring connectivity within rivers for migratory species and for dispersion;
- * improving triggers for fish spawning; and
- * improving the aesthetics of currently degraded riverine environments.

Re-commissioning Mowamba aqueduct has had a detrimental effect on all the above agreed environmental objectives.

The amount of water, daily and seasonal water flow variability, the level of organic matter and macro-invertebrates, appropriate temperature regimes as well as connectivity within the river for migratory species have been severely affected by the flatlining of flows now taking place out of Jindabyne Dam.
See attachments: Mean daily flows, Mean daily heights.

A healthy Snowy River depends upon flows continuing from the Mowamba River which was acting as a surrogate headwater prior to the re-commissioning of the Mowamba Aqueduct by Snowy Hydro Ltd in Jan this year.

Only the establishment of the Snowy Scientific Committee as legislated could have provided the appropriate scientific input into the wisdom or otherwise of this decision to cut off the remaining natural headwater flows to the Snowy River.

The Snowy Scientific Committee as legislated would also enact the very important function of providing regular public reports on the environmental state of the rivers and catchments of the Snowy Scheme. At present there is a severe lack of transparency in the operations of Snowy Hydro Ltd and the NSW Water Administration Ministerial Corporation with regard to Snowy Hydro Ltd's conformation with legislated increased environmental flows. Only the implementation of the SSC will provide the public with this much needed information.

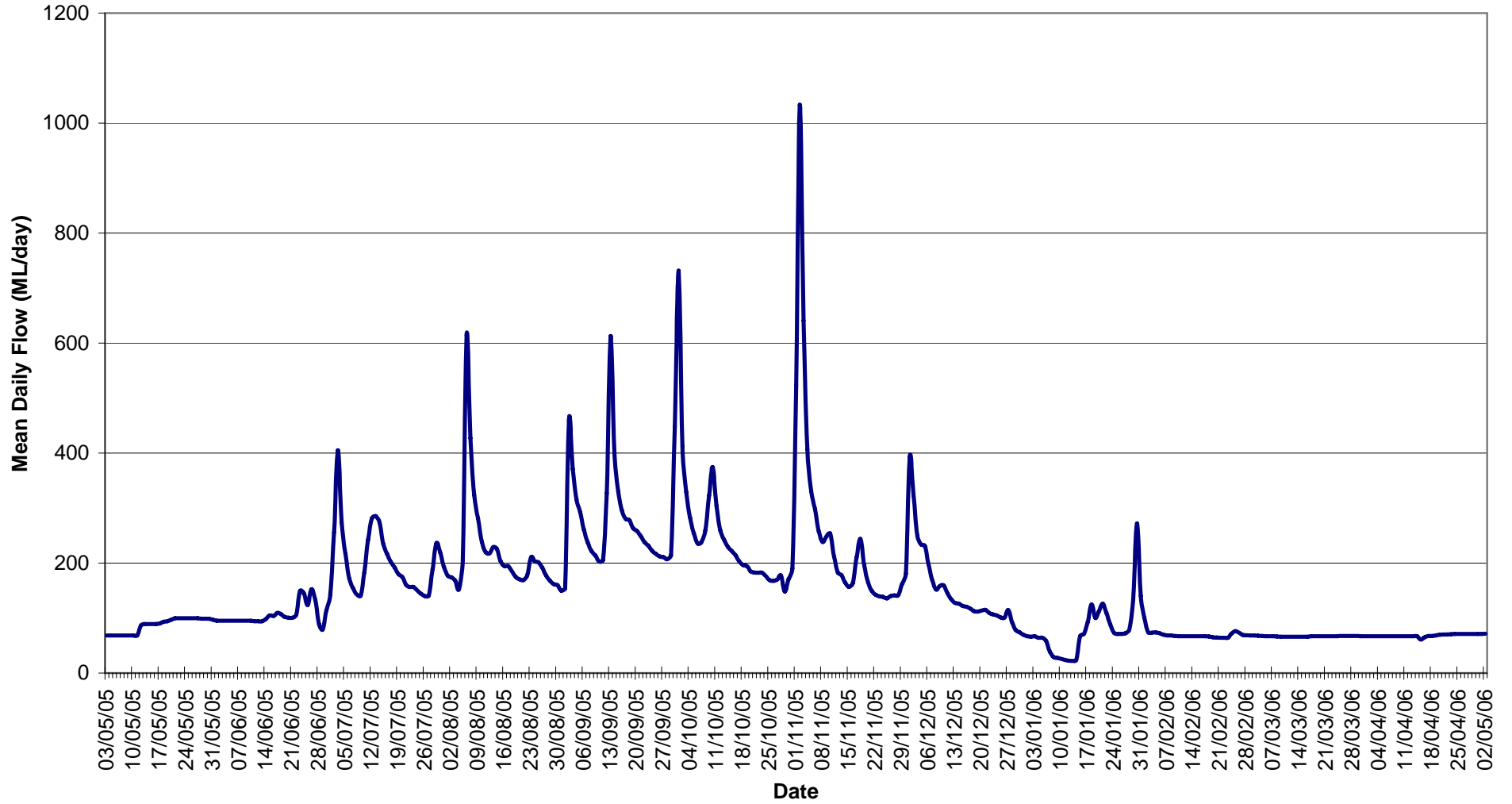
The control of water regulation in the Snowy Scheme, at present, is in contravention of the Snowy Hydro Corporatisation Act 1997 and the Snowy Water Licence. The environmental objectives agreed to by the Heads of Agreement as outlined above, have also been jeopardised.

I would urge the Inquiry to find it within its powers to address these breaches.

The long-term restoration of environmental flows to the Snowy River (and other rivers and streams in the Snowy Scheme) depends upon the full and effective implementation of the Snowy Hydro Corporatisation Act 1997 legislation and all the associated agreements. In particular, the Water Administration Ministerial Corporation and Snowy Hydro Ltd cannot continue to act without advice and direction from the Snowy Scientific Committee.

25-6-06
Louise Crisp
Secretary
Gippsland Environment Group

Snowy River @ Dalgety Weir - Mean Daily Flows



Snowy River @ Dalgety Weir - Mean Daily Height

