



**LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL
TERRITORY**

**STANDING COMMITTEE ON CLIMATE CHANGE,
ENVIRONMENT AND WATER**

(Reference: Annual and financial reports 2007-08)

Members:

**MS M HUNTER (The Chair)
MS M PORTER (The Deputy Chair)
MR Z SESELJA**

TRANSCRIPT OF EVIDENCE

CANBERRA

THURSDAY, 5 FEBRUARY 2009

**Secretary to the committee:
Dr H Jaireth (Ph: 6205 0137)**

By authority of the Legislative Assembly for the Australian Capital Territory

Submissions, answers to questions on notice and other documents relevant to this inquiry that have been authorised for publication by the committee may be obtained from the Committee Office of the Legislative Assembly (Ph: 6205 0127).

APPEARANCES

Department of the Environment, Climate Change, Energy and Water 1

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Amended 21 January 2009

The committee met at 1.04 pm.

Appearances:

Corbell, Mr Simon, Attorney-General, Minister for the Environment, Climate Change and Water, Minister for Energy and Minister for Police and Emergency Services

Department of the Environment, Climate Change, Energy and Water
Hudson, Ms Catherine, Acting Chief Executive Officer, Office of the Chief Executive
Hargreaves, Ms Anita, Acting Chief Finance Officer, Finance
Farnsworth, Ms Penny, Acting Executive Director
Rutledge, Mr Geoffrey, Acting Director, Ministerial and Corporate
Lewis, Mr Paul, Director, Sustainability Programs and Projects
Butt, Mr David, Director, Policy
Neil, Mr Robert, Director, Environment Protection
Thorman, Mr Rob, Director, Feed in Tariff
Chapman, Ms Ronis, Acting Senior Manager, Climate Change Implementation and Reporting, Sustainability Programs and Projects

THE CHAIR: Good afternoon, everybody. I would like to welcome you to this public hearing of the Standing Committee on Climate Change, Environment and Water. In fact, it is our first public hearing, which is pretty exciting. I assume that you have read the privilege card. Do you understand the privilege implications of the statement?

Mr Corbell: Yes, Madam Chair.

THE CHAIR: Minister, would you like to make an opening statement?

Mr Corbell: Yes, I would. I would like to thank you, Madam Chair, and committee members for the opportunity to speak to you today at what is your first public hearing. My congratulations to you, Madam Chair, and to committee members, on being elected to this committee.

You meet today with an important task of reviewing the 2007-08 financial year as reported in the annual report of the Department of Territory and Municipal Services, in the areas of the environment, climate change, energy and water. Importantly, though, this is the first opportunity that your committee has had to question the newly created Department of the Environment, Climate Change, Energy and Water. The creation of this department is very much a reflection of the high priority that this government is placing on responding to the challenges of climate change and protecting our natural environment and water resources.

Whilst some may seek to question the rationale for establishing this new department, I would like to emphasise strongly that the department is going to play a number of very important roles. The first is to enable a dedicated and clear focus on meeting the challenge of climate change in our community; secondly, to help ensure that the city becomes a fully sustainable one and with a sustainable economic base to support it; and, thirdly, to lead the government's and, I believe, the Assembly's achievement of a

vision to become the solar capital of Australia.

There is no greater long-term challenge than that of climate change, and that renders the establishment of this dedicated and focused agency a necessity, not an option or a luxury. This new department will play a critical role in delivering the government's commitment to a sustainable future. Through this portfolio, the government will provide the leadership required to address climate change, to stimulate the growth of the green economy, to encourage innovation and investment in renewable energy, and to protect and conserve our environment and water resources.

We need to change the way we live and do business to avoid increasing constraints on water supplies, pressure on our energy supplies because of increased demand due to high temperatures, by moving to renewable sources and choosing a carbon-neutral future. And we need to alleviate the additional pressure on our environment and change our development patterns to ensure that native flora and fauna are sustained into the future.

The committee will be aware that the government has already a range of policy programs in place to tackle these matters. First and foremost, weathering the change, the ACT government's climate change strategy, committed us to a target of a 60 per cent reduction from 2000 levels in our emissions by 2050. A range of actions outlined in the action plan underpinning weathering the change—indeed, 43 separate actions—have been identified to reduce greenhouse gas emissions and help us adapt to the increasingly dire expectations of changes in our climate.

In the first year of the action plan, the government has made significant progress in its implementation. For example, we have established the energy efficiency fund to enable government agencies to access funds to make energy efficiency improvements in their own operations. We have committed \$20 million over 10 years for energy efficiency improvements in government housing. The water and energy savings in the territory program, or WEST program, assists low-income earners and pensioners to cut energy and water use and upgrade their living property.

This program starts with an audit, and then each housing tenant is advised on what they can do to operate the house in a better way, to keep it cooler and warmer. It also provides further advice on things such as measures to provide upgrades to the property and funding to do that, including fitting better curtains and blinds, external shading, draft excluders, weather seals, low-flow showerheads, efficient hot-water systems and improved wall and ceiling insulation. ACT housing tenants are benefiting from this advice, from the upgrade and from, obviously, lower utility bills.

There are many other examples that I am sure we can discuss further during these hearings, but it is useful to note that weathering the change was released in a very different political environment from the one we are in now. The Howard government was hesitant to act on climate change, and certainly not willing to set ambitious targets matched by concrete actions, as we have done. Now, with the change of federal government, its focus has also shifted. The introduction of the carbon pollution reduction scheme, despite what are recognised as some flaws, will result in a more significant transformation for government, the business community and all Australians. By launching weathering the change, we are in a position to move

forward. You would know, Madam Chair, that the matter of targets is subject to an inquiry, and the government looks forward to working with the committee on revised targets for the territory.

I would like to turn very briefly to the issue of water security, which is the other key issue of concern. During the reporting period following water security reports from Actew, the government announced a range of water security measures. The government has committed to enlarging the Cotter Dam from four gigalitres to 78 gigalitres, and the investigation of the installation of infrastructure to increase the volume of water transferred from the Murrumbidgee River to the Googong Dam and pursuing the possibility of purchasing water from Tantangara Dam also. Decisions on these two latter projects, I envisage, will be made during this coming year.

Obviously, there is a range of other exciting future directions that the committee may wish to ask questions about. The first is, of course, fast-tracking work on the implementation of what will be Australia's nation-leading feed-in tariff. The feed-in tariff will see Canberrans able to directly contribute to displacing fossil fuel generated electricity with solar power. This will be the most advanced feed-in tariff scheme in the country and it is going to make it worth while for Canberrans to make the switch to renewable energy generation.

The government is also moving forward with its policy of a first offer of green power for all new electricity connections and contract renewals. It would become the default position, when you sign up to an electricity account, that it will be a green power account unless you choose to opt out.

Obviously, today's hearing is a retrospective one, looking at the 2007-08 financial year, but I recognise that, given the range of changes that have occurred immediately during the latter half of the reporting period, members may want to ask questions that are prospective in terms of policy development since the election. I and my officers will be very happy to try and answer those questions, and I thank you for the opportunity to make an opening statement.

THE CHAIR: Thank you, Mr Corbell. The committee would appreciate a bit of an overview of the new department, and of course the bits that have come out of Territory and Municipal Services to set up the department. What is sitting where and why were decisions made as they were? For instance, I believe that parks and conservation, the rangers, are sitting over with TAMS and so forth. So could we have a little bit of an idea of what is in place and what was the rationale behind it?

Mr Corbell: I will ask Cathy Hudson to give you some more detail on some of the specifics. Cathy is the acting chief executive of the department at the moment. Generally speaking, the philosophy was to create a policy agency so, whilst there are a number of important operational elements still sitting within the new department, it has a very strong policy focus. So the intention is to be a small but another central government agency involved in driving policy setting not only within the portfolio but across government on the key issues of climate change, environment, water and energy. Therefore, the areas that have transferred across to the new department involve all of the policy areas in relation to energy policy, water policy and environment policy, but there is a distinction between the macro level environment

policy and more of the, if you like, on-the-ground operational policy considerations that are necessary for land managers to take.

So the decision has been taken to retain land management within a single agency, and that is why parks, conservation and lands is accommodated and remains within the Department of Territory and Municipal Services. We think it is a logical step to take to maintain land management within a single agency. It avoids confusion between agencies that each have land custodianship responsibilities, and it allows for a more uniform approach to be adopted on a whole range of matters, not least of which involve things such as fire fuel management, conservation management and so on.

There is some overlap between that operational policy area and broader macro policy, if I can put it that way. A number of those issues are still being teased out as we settle down the new departmental arrangements. But I will ask Ms Hudson if she would like to elaborate on some of those issues.

Ms Hudson: The new department comprises the following branches or teams in TAMS: sustainability and environment policy coordination; environment protection, excluding trees and heritage; sustainability programs and projects, excluding NOWaste area; and the energy efficiency projects team. I suppose that is the basis of the new department, and then some extra capacity to make it a stand-alone department has been bolted on. That includes a ministerial and corporate branch; strategic finance area; and the office of the chief executive, which includes the chief executive, an executive assistant and an executive officer. So that is essentially the new department.

In terms of some of the issues that the minister raised about protocols or working relationships, I would just say that there is a lot of commitment from the officers who are in TAMS and the officers in DECCEW that some of those good working relationships from previously, and key relationships, need to be maintained. We have talked about how we can do that in a formal sense as well. For example, in terms of briefing the minister when we know that there are areas of legitimate concern or where the strategic policy might interface with operational policy, there is the desirability of being able to express what is the view as well of the respective area in TAMS and being able to say, “Yes, they support this position,” or that they do not.

We are very much looking at how we make sure that we maintain the good relationships that already exist, and the benefits. I believe that since a number of the directors in the areas have come from TAMS, everyone is committed to doing that, including key people within TAMS. So far, that is working well, but we still want to have further discussions about what else we could do to ensure the most productive working relationships moving forward.

MS PORTER: You said that environment protection excluded heritage, and what else?

Ms Hudson: Trees.

MRS DUNNE: Could you, minister, or Ms Hudson tell me where the conservator sits in your relationship?

Mr Corbell: The Conservator of Flora and Fauna is currently still sitting in the Department of Territory and Municipal Services.

MRS DUNNE: What is the rationale for having the conservator there?

Mr Corbell: I think that relates mostly to the executive level that the officer performing that role is at and how that works in terms of other functions also performed by that officer in the Department of Territory and Municipal Services.

MRS DUNNE: So the conservator is still—

Mr Corbell: Yes. However, that is a matter that I believe warrants further consideration, and that is something which I am currently exploring within government to see whether—

MRS DUNNE: So it is a logistical issue rather than a policy issue at this stage that the conservator is still in TAMS?

Mr Corbell: Yes, largely; that is my understanding.

MS PORTER: Minister, you mentioned in your overview that energy is very much part of this new department. As you know, during the reporting period there was much consultation regarding the possibility of the introduction of the feed-in tariff, and you did mention that in your overview. There was the commitment by the government to the feed-in tariff prior to the election. Could you update the committee on the development of this project?

Mr Corbell: I can do that, Ms Porter. As the committee would be aware, the government, through its agreement with the Greens, has indicated that we will ensure that the feed-in tariff is implemented by 1 March this year. I can report to the committee that we are on track to achieve that deadline. I intend to introduce legislation into the Assembly next week that will clarify a number of operational issues relating to the workings of the feed-in tariff so that householders can take advantage of the growth scheme from 1 March.

There is clearly a lot of interest in the feed-in tariff. Officers of my department have been closely engaged in some very detailed discussions with a number of key players. These include electricity utilities, who obviously need to understand how the feed-in tariff works for them, their obligations under the legislation, how billing is going to operate and a range of other matters.

The department has also held information sessions for people involved, in particular with the photovoltaic industry—people who sell photovoltaic cells or panels and their installers—outlining what the scheme means for them. I have to report there has been very strong interest from both householders and people involved in installation and sales of this technology. Indeed, I think it was reported on the ABC within the last week that in the last five months Actew had had more applications for connection than they have had in the previous five years. So there is a very strong level of interest by people in wanting to take up the opportunities provided by the feed-in tariff. I am very confident that that is going to flow through into some significant uptake in the

use of photovoltaic technology, particularly by the domestic and medium-scale generation levels.

MS PORTER: Are you saying that we have got the match for the industry to be able to respond to this demand?

Mr Corbell: It is really going to be up to the industry to respond to an uptake in demand. Certainly it is quite clear that there are a number of new players who are contemplating coming into the industry to either sell the technology or install it, or both. That has been made clear from the industry consultation sessions that my department has held. There have been a number of new players presenting at those information sessions who are not currently providing that technology or selling that technology here in Canberra, or installing it, but who are clearly contemplating doing so. That is a very encouraging signal but at this stage it is difficult to predict exactly what the uptake rate will be.

On the government side of things, there is a regulatory requirement to ensure that these systems are approved before they are switched on. ACTPLA as the technical regulator has the responsibility to ensure that connections are safe and meet the necessary standards. ACTPLA is anticipating an increase in demand for its inspectorate services and is taking steps to ready itself for that. I know also that each utility provider, particularly ActewAGL, which is responsible for the network here in the ACT, has its own inspection regime that it will require of householders. They are also anticipating an uptake in demand and are preparing their own inspectorate to be ready for that as best they can.

MS PORTER: Thank you.

THE CHAIR: There were some stories in the media about delays in getting ActewAGL to do that sort of sign-off, so I guess there is some concern that people will be waiting to have all of whatever needs to be approved approved so that they can be using their cells and reaping some benefit from the new legislation. Are you confident that that sort of time lag will be lessened?

Mr Corbell: I do not have control over the decisions ActewAGL make. Obviously, from the government's side of things, the key issue is the role of the technical regulator in ACTPLA. The technical regulator in ACTPLA is taking steps to provide for additional inspectorate capability. That is something which I know they are considering at this time. I think there is going to be the potential for some delay, particularly in the first few months when there is obviously a strong level of interest, but as to the nature of that delay I am not sure. It will depend. I am confident, though, that both the utility provider and the technical regulator are taking all the steps they can and I think that over a period of time we will be placed to respond to an increase in demand. It will become the new norm and the resources will respond to that. There may be some lag in that.

But I would stress this again: obviously, people make the investment and are keen to get it switched on, but it is a long-term investment and the pay-back period is over a long period of time. A delay of maybe two or four weeks, whilst frustrating, is not significant in the overall scheme of things in terms of the technology itself. Obviously

we want to eliminate and reduce any delays as much as possible.

MRS DUNNE: Can you tell us what the current delay is?

Mr Corbell: No. I do not have that information. You would need to ask the technical regulator about that information. ACTPLA, as the technical regulator, will tell you their waiting times in relation to installations. In relation to ActewAGL, I know only what is on the public record. They are advising that their average is about a month.

MR SESELJA: In your opening, you referred to the solar measures and solar capital. Are you able to bring us up to date on where the tender process is up to in relation to the solar farm?

Mr Corbell: Yes, I can. That project is moving ahead according to schedule. That project is currently still being administered out of the Chief Minister's Department. That is being done just for the sake of maintaining continuity in the project and not suffering any delay whilst the project is transferred from one group of officers in CMD to another group of officers in the department of the environment, climate change, energy and water. That area within CMD is reporting to me as the responsible minister and advising me on progress.

They are on track to go out to a first stage of an expression of interest process later this month. That first stage will involve a detailed consultation with potential project proponents, both to advise them on how the government proposes to implement this project and what the government has said it is willing to provide in terms of support for the project and also to get their advice on the types of matters and issues that they believe the government should be seeking information on in the formal request for tender. Stage 1 involves a detailed industry consultation. Once that is complete, the formal documentation for the request for tender will be finalised and put out to industry. That will be put out within the first six months of this year.

MR SESELJA: How will the process operate in conjunction with the issue of potential sites and the work that has been done to date on that? Will that be put on hold until it is somewhere further down the track in terms of what kind of proposals are put forward or will that continue to operate so that suitable potential sites for a solar farm can be identified?

Mr Corbell: The government has yet to make a decision on sites. My view as the responsible minister is that the government should propose a number of sites that it believes are potentially suitable for proponents and indicate to proponents that they can either consider their project in the context of those sites or consider other sites if they believe they are able to secure other sites. My approach on this is for the government to identify a number of sites that it already owns and to advise proponents that those are the sites that the government would be willing to make available through some form of contractual arrangement.

MR SESELJA: So you would envisage that that would potentially be ready by the time there was a request for tender going through? Is that the sort of time frame you would be thinking of—so that proponents will know of the list of sites when they put in their tender documents?

Mr Corbell: Yes. When proponents put in their tender documents I intend to ensure that they are aware of which sites the government believes it can make available. That will not exclude proponents from proposing their own sites should they wish to do so.

MRS DUNNE: Minister, you said that the expression of interest phase would include the imparting of information to prospective tenderers about what the government's expectations were or what the government was prepared to bring to the table. Can you elaborate on that?

Mr Corbell: I do not know whether I can go much further than what I have already said. The intention is to basically outline to industry that the government has said, "We are prepared to provide a \$30 million grant to assist with the project." That is consistent with the government's election commitment.

MRS DUNNE: What could that grant be used for?

Mr Corbell: The government has not specified the nature that that assistance may take. That is one of the issues that we are interested to get some soundings from industry on as to what they believe is the most important. Is it cash? Is it land to a particular value? Is it a combination? There is a whole range of issues. For example, is it the guarantee to purchase a guaranteed level of energy generated from the plant, to that value? There is a range of ways in which that assistance could be provided. The government has taken no decision in relation to how that assistance should be provided. We have simply said that we are prepared to provide assistance to the order of approximately \$30 million.

The other issues that we will be wanting to outline will include other things. The government has some minimum requirements. It needs to power at least 10,000 homes. Some proponents may wish to put in proposals for plants larger than that. I imagine that proponents will also have questions about the application of the feed-in tariff and a range of other issues. All of those will be able to be thrashed out in a consultation session prior to the formal request for tender proceeding.

MRS DUNNE: So at this stage what you are saying is that it is pretty much a blank sheet in terms of the type of support and the form that it would take and is also pretty much a blank sheet as to where it would go. Do you have a view about the sort of technology?

Mr Corbell: The government has simply said that it needs to be a solar technology. We have not reached any view about the type of technology. We are very open to that. That will be a matter that will be tested through the formal request for tender process. Obviously, there is a range of solar technologies available for energy generation. We do not have any fixed view on that.

MRS DUNNE: What do you see being the role, if any, of Actew or ActewAGL in this process? ActewAGL was a co-sponsor, co-author, of what became a pre-feasibility study.

Mr Corbell: ActewAGL were a co-author involved in that initial piece of policy work.

The government has taken the decision that it is not appropriate for ActewAGL to continue to be a party to any policy setting or decision making around this project from a government perspective. They are welcome to be involved as a tenderer, and I imagine they will, but they will be considered in the same way as any other tenderer.

THE CHAIR: I would like to move on to some questions around the weathering the change strategy. I have a number of questions around that. Mr Corbell, in your opening statement, you mentioned the energy efficiency fund for government agencies. As I understand it, there were three applications that were approved and funded. I would like an update on these programs—the amount that has been spent and any returns paid back to the fund that resulted from efficiency measures.

Mr Lewis: With regard to the energy efficiency fund for government agencies, there have been three applications. There is the CIT, for a range of energy audits, including co-generation, solar hot water and system upgrades. That was for an amount in the order of \$113,000. There was the Bruce stadium application. That was for a \$15,000 amount. That was for energy audits. As part of that fund, we are also doing some further energy audits, extensive ones, at the Canberra Stadium and Manuka Oval. Following that, we are looking at doing some upgrade works at both of those facilities through the course of this financial year.

THE CHAIR: So at the moment most of those are looking at the audit stage to see what might then be implemented at those facilities.

Mr Lewis: Which is the way that we operate the fund. Ultimately we need to do the audits to get an understanding about what the issues are at any particular facility and then prioritise the works amongst that. Once we know what the priorities are for the energy application on that facility, we can engage the appropriate people to do the upgrades.

MRS DUNNE: And that money comes out of the fund?

Mr Lewis: That comes out of the fund.

MRS DUNNE: Which is how much money?

Mr Lewis: It is \$1 million.

MRS DUNNE: Of which you have spent \$200,000 on audits.

Mr Lewis: It is about \$138,000. That includes several audits and some upgrades at CIT.

THE CHAIR: When will the other works be carried out? Are those audits still underway?

Mr Lewis: Underway at Manuka Oval and Bruce stadium. We are doing some forward design works at Canberra Stadium at the moment, with the expectation that we will run DAs later this financial year.

MR SESELJA: What are some of the energy efficiency improvements that have been made under the program? Minister, in your opening statement I think you referred to energy efficiency improvements. What are the reductions in energy that have been made in government buildings? If you are unable to measure that, what are the targets that are being set going forward for reducing energy use across government?

Mr Corbell: In government buildings generally? The government is still developing a whole-of-government policy in terms of energy efficiency of buildings. That work is the responsibility of the government's property manager, the Property Group. They have lead of that policy. However, since the creation of this department I have indicated that I want my department to take a stronger role in the development of that policy. I anticipate that later this year the government will be resolving on a formal policy in terms of minimum performance standards for commercial office space that it uses.

MR SESELJA: So at this stage there is nothing measurable in terms of anything that the government has done to reduce energy use in its buildings?

Mr Corbell: We could certainly give you advice on an agency by agency basis about what steps have been taken to reduce, for example, costs associated with both energy and water in government buildings. We do not have that information on hand, but it is available and we can provide information on that to the committee.

THE CHAIR: That would be appreciated.

MS PORTER: On the subject of water, I want to ask the minister if he can give us examples of programs that the government is continuing through this period and what plans we might have in the future. You have invited questions about the future with regard to Canberrans managing their water use. We know how critical this is at the moment.

Mr Corbell: One program that is probably worth highlighting is the ToiletSmart program, which I made an announcement on earlier this week. The ToiletSmart program is designed to provide a rebate to householders to assist them in purchasing water efficient toilets. We know that older style toilets, particularly older style single-flush toilets, can use up to 11 or 12 litres per flush. You can now purchase toilets that give you a flush of around four litres, slightly less for a half flush—it is not two; it is three but we call it a half flush. That rebate is \$100 off the costs of supply and installation of certain selected Caroma 4.5 or 3-litre dual-flush toilets installed through the Master Plumbers Association. We have a number of master plumbers who are accredited and are authorised to access this scheme; you have to engage one of those plumbers to do that work.

The savings are quite significant for individual households. On average, if you were to move from an 11-litre to a 4½- or three-litre dual-flush toilet, you would be looking at savings of about 36,000 litres a year. That is very significant. During 2008, over 2,200 single-flush toilets were replaced, so that is quite a popular program and one that is achieving some very practical results.

As part of the program, we also provide a 100 per cent concession for pensioner

concession card holders. So if you are a pensioner concession card holder, you will get the toilet replaced for free. That is for a standard installation; there are certain parameters around what a standard installation is but that would apply to most households. That means that if you are on a low income you are getting that very effective water saving for free.

That has been a very effective program. That program closed in December last year, but the new program for this year has now commenced. There have been some price increases in the cost of the toilet for supply and installation and a change in the number and type of toilet suite models available, in response to feedback we have had from previous users of the program. Four models are now available. They range in price from \$390 to \$898. The rebate remains the same, at \$100. Our target this year is to replace another 2,000 single-flush toilets by the end of June.

MS PORTER: I notice that today we all have a message from one of the managers here in the building to say that the shower heads in our showers are being replaced by more water efficient shower heads. We have had a program helping householders do that as well. Is that program continuing?

Mr Corbell: I stand to be corrected, but my understanding is that that is part of the water tune-up that is available to households. I might ask Mr Lewis if he can provide some further information.

Mr Lewis: That scheme is continuing with regard to individual households.

MS PORTER: And the take-up of that?

Mr Lewis: I can take that on notice. I could answer by the end of this session.

MS PORTER: That would be good—if we could know how that is going. That is continuing, obviously, so that is good.

MRS DUNNE: Could I go back to the solar capital issues?

THE CHAIR: I would like to keep on water for a moment. You spoke about the WEST program. Obviously that was around the water and energy savings that can be done, particularly in public housing.

Mr Corbell: Yes.

THE CHAIR: You spoke about replacing shower heads. That does not include putting in dual-flush toilets as well at this stage? Is it only around the shower heads? Is that the case?

Mr Lewis: There is a separate program for the toilets. It deals with leaky fixtures, shower heads, laundry connections and shower fittings. So it deals with that range of things. We have a separate toilet program with regard to those components.

MS HUNTER: But it is not a program that is being run through public housing properties?

Mr Lewis: Public housing have \$20 million in their own right to go through their own properties. They will go through and do their own audits of individual dwellings and identify and prioritise the improvements to their assets as they go.

MRS DUNNE: So what is the relationship between the WEST program and the \$20 million that Housing have?

Ms Hudson: The WEST program was a commitment to do the audits from previously TAMS and then DECCEW and to provide that assistance about what should be done. It is for people who are on low incomes in public housing who are also high energy users. We provide the expertise around the audit. We work in conjunction with Housing and then they pick it up.

MRS DUNNE: So WEST is the audit? Is it only public housing properties that you are doing—

Ms Hudson: It is people who are under the—

MRS DUNNE: or is it low income people?

Ms Hudson: It is the low income people who come under the energy and water council, I think.

Mr Corbell: That is right. It is for people who are presenting with difficulties paying their bills, who are low income earners and are coming before the Essential Services Consumer Council. Obviously, when people are presenting to that council they are there because they are on low incomes and are having difficulties paying their energy bill or their water bill. It is an opportunity to intervene and take some proactive action to reduce their energy and water use as well as deal with the immediate issue of their outstanding accounts.

MRS DUNNE: So what is the target audience then of the WEST program?

Ms Hudson: It is the people who are—

MRS DUNNE: Sorry—in quantum; how many people are we talking about?

Ms Hudson: I do not know that; we would have to get back to you.

Mr Corbell: We will have to take that on notice.

MRS DUNNE: Can I just clarify: it is people who have taken their issues to the essential services council, or is it the client target group of the essential services council?

Mr Lewis: I am not sure.

MRS DUNNE: Okay. Can you clarify that? I would like to know how many people the WEST program is targeted at?

THE CHAIR: The essential services committee is still in existence. It has not been rolled into any new arrangements?

Mr Corbell: The essential services committee is now part of the new consolidated Civil and Administrative Tribunal but its functions remain unchanged, its powers remain unchanged and its members are effectively unchanged.

THE CHAIR: Thank you for that clarification. Re energy efficiency insulation in government housing, there was an initial sample of houses. I was wondering about the results of that initial sample and where the program is up to.

Mr Corbell: It would be best to ask that question of ACT Housing, Madam Chair. They are responsible for its implementation and they would have that information.

MR SESELJA: Minister, you talked about water policy earlier and that that will reside in the new department. How does that interact with Actew's role in the same thing, in particular looking forward in terms of water conservation measures, water restrictions? What will be the relative split, I suppose, in responsibilities in setting those and in developing those for the future?

Mr Corbell: Actew's advice and information are essential to our decision making but they are not the decision maker when it comes to government water policy. It is my role, through my department, to give advice to cabinet on any issues affecting water policy in the territory. But Actew have an important role to play because they are the monopoly supplier of water, and as a wholly owned government entity are responsible for the management of our water supply assets. So their advice is very important and the relationship is a close one, but it is quite clear where the decision making rests: the decision making rests with the government and me as the responsible minister giving advice to the government.

MR SESELJA: So where is that up to? There are obviously a couple of things going on. There is the expansion of our supply. We will obviously ask Actew this at tomorrow's hearing, but from your perspective when are you expecting that we will have that substantial addition in supply? Also, how is that feeding into policy for water restrictions? Obviously 50 per cent of current capacity versus 50 per cent of future capacity will be a very different amount of water. How is that feeding into looking at future water conservation measures and when they kick in?

Mr Corbell: The think water, act water policy that the government released a number of years ago discusses in detail many of these issues. The government is currently considering a number of matters and we will be making decisions and announcements on them later this year. The government has already announced its approval to move ahead with the construction of the new Cotter dam and Actew are well advanced in their development and planning of that proposal. At the moment there are a number of detailed planning studies underway and a draft EIS has been prepared for that project and that obviously involves the planning authority as the regulator and approval agency.

A number of other projects are still in the contemplation stage. One of those is the

Murrumbidgee to Googong transfer scheme where water will be taken from the Murrumbidgee and piped to Googong. Another key part of the water security proposals that are still under consideration is the option of purchasing water from the Tantangara reservoir through water trading and allowing that water then to travel downstream to be again transferred from the Murrumbidgee to Googong for storage and use. The government is yet to make a decision on those latter two projects. I have just recently received advice from Actew on those projects and that will be a matter that the government will be making decisions on in due course.

Those are the key water security projects that are underway. As part of that, further consideration is being given to some of the issues you raise around the number of years that it is appropriate for the territory to remain in restrictions versus ongoing permanent water conservation measures, and that is a matter that is under consideration at the moment.

MR SESELJA: The demonstration plant, in terms of water recycling—I know there have been some announcements and it is not my area of responsibility so forgive me if there has been some public comment on this—just remind us exactly where that is up to. Are we still going ahead with the demonstration plant? Has money been allocated and are we likely to see the \$100 million plant built any time soon?

Mr Corbell: Actew have made a recommendation to government on that plant. It is a demonstration plant; it is not designed to be a plant to provide the full level of supply that you would need if you wanted to proceed with that option. The government is again considering Actew's advice on whether or not to proceed with that demonstration plant.

MR SESELJA: You have expressed concerns about recycled drinking water before. Has anything happened that has changed your view or do those concerns remain?

Mr Corbell: The government has outlined its policy quite clearly on water purification. The Chief Minister has indicated that it is a matter that he acknowledges is of community interest and some community concern and it is important that those issues are taken into account. The government is yet to make a decision as to whether or not to approve the next stage of a demonstration water purification plant and that is a matter that the government will make a decision on in due course.

MR SESELJA: But your concerns remain, or have they been allayed since you publicly expressed concern?

Mr Corbell: I am the responsible minister and it is my role to put forward the government's policy and I think that is what I have done.

MR SESELJA: We will read into that what we will.

MS PORTER: I just want to ask about environmental flows with all this hot weather and the amount of water that we are using. We are obviously keeping up to our environmental flows and that is not having an impact on our dam levels?

MRS DUNNE: It will be.

Mr Corbell: Environmental flows have been quite rigorously reviewed in the last half-decade or so and we now have a very good understanding of the level of flows that is required to maintain the environmental health of our river ecosystems. E-flows, as they are known, are set by the Environment Protection Authority on a reach by reach basis, so, for example, in the Cotter it is Cotter to Bendora dam, Bendora dam to Cotter dam and obviously the river system below Cotter dam. So the only water that is lost to the urban water supply due to environmental flows is that which flows below Cotter. Environmental flows within the Cotter catchment between dams still end up in the water supply because obviously they are captured by the dam below the point that they are released.

MRS DUNNE: Except if the Cotter dam is over-topping?

Mr Corbell: That is right. But there are now also pumps within the Murrumbidgee River at the Cotter pumping station and they do also capture some of that flow in the event. Actew are currently required to release an average of four megalitres a day, or less than 1.5 gigalitres a year, below Cotter. It is worth looking at the historical level of releases. Back before water restrictions became every day, for example from July 2002 to June 2003, the level of e-flows as a percentage of the average annual flow, so that is average yearly flow, was 25—megalitres I assume that is—

Mr Neil: Twenty-five per cent of the average long-term flow.

Mr Corbell: It is now 3.4 per cent. Mr Neil can give you letter and verse on this if you like, but I think that highlights the point that in the Cotter catchment that is the sort of impact we are looking at. It is moderate but it is the level appropriate to protect the environmental health of those rivers. In relation to Googong, Actew are required to release an average of four megalitres a day or the equivalent of inflow into the dam, whichever is less. So, for example, if there is no inflow into the dam at Googong, which unfortunately is an all too often occurrence, there are no e-flow releases required from Googong.

MRS DUNNE: Moving back to the issue of the demonstration plant and issues related to that, there was a sum of money, \$80 million or \$85 million, that came from the commonwealth last year in relation to salt. Where are we with the salt program and what is the thinking on how that might be applied? I got the impression that the money was aimed at capital expenditure. I have made comment that I thought there was some work that could be done in relation to community education on the treatment works. Where are we with the \$80 million or \$85 million, whichever it is? I cannot remember which it is.

Mr Corbell: There are a number of options available to the government in relation to that commitment of money through COAG for salt reduction. Salt reduction is important, given the level of salt that we discharge from Lower Molonglo into the river system. At the moment, a number of options are being explored. We are working with commonwealth officials on the project and we are looking at a number of options to reduce salt concentration. Behaviour change is being included in those discussions. There is the opportunity to encourage Canberrans to use lower salt forms of detergents and so on. That will have an impact on the overall—

MRS DUNNE: They are becoming much more cost comparable as well.

Mr Corbell: Indeed, if it can be achieved in terms of behaviour change. So that is one option that is being considered. There are a number of other technical, travelling to work options that are being considered.

MRS DUNNE: I might approach your office for a briefing on that.

Mr Corbell: Sure. I would be very happy to provide that.

THE CHAIR: Moving back to weathering the change, I wanted to ask about the travelling to work options. Has there been a review of this initiative completed? I believe there was a review. If so, have any programs been implemented?

Mr Lewis: Travelling to work options are through TAMS.

Mr Corbell: There are a range of government programs that are being employed. The TravelSmart program, I understand, is ongoing. At least, the last time I saw it, it was ongoing. That has proved to be very effective in affecting our behaviour changes in targeted workplaces. A number of workplaces have been targeted, both in Belconnen and in the central Canberra area in terms of providing advice to employees on their travel options, for example, giving them advice on how to use the cycle path network between their workplace and their home, the relatively short distance that might be involved and how they might be able to consider that. They are also advised on bus routes and so on, car pooling and other measures.

All these things are explored through the TravelSmart program. As I understand it, that program is ongoing but it is administered by TAMS. You would need to ask them that question. Other travel behaviour change programs, I think, are also the responsibility of TAMS and, to some degree, perhaps ACTPLA. So you would be best to direct your questions to those agencies.

MR SESELJA: Going back to water for a moment—and I think this is the relevant area but correct me if I am wrong—how many bore licences have been issued over the past few years for the construction of water bores?

Mr Corbell: I ask Mr Neil to answer that question.

Mr Neil: Certainly since the changes to the Water Resources Act in August last year, there are none because it is no longer available to residential lessees to extract underground water. That is clearly the case from then. I would have to take on notice the specifics of your question. It relates to residential blocks?

MR SESELJA: Yes. At this stage it covers the other questions I had. We will not explore those. You will take it on notice. I am talking about private residential.

Mr Neil: That is since the introduction of the Water Resources Act in 1998?

MR SESELJA: Yes, since 1998 is fine. Are the private water bore licences

perpetual?

Mr Neil: No.

MR SESELJA: For how long do they last?

Mr Neil: Until the lease is sold.

MR SESELJA: Until the lease is transferred?

Mr Neil: Yes.

MR SESELJA: In terms of non-private, presumably there is a bore for the prison?

Mr Neil: There is, yes.

MR SESELJA: And for the arboretum?

Mr Neil: There is one for the arboretum.

MR SESELJA: When were those licences issued?

Mr Neil: If I could take that on notice. Certainly the arboretum goes back some time. The prison, I am not so sure of. So I will take that on notice. But yes, they both have bores.

MR SESELJA: To confirm, you will take on notice how many have been issued for private residential and some of those specific ones? Are you able to take on notice how many have been issued generally since the Water Resources Act was introduced? It was 1998, you said. Since the amendments in 2007, there have been no private ones. Have there been any others since the new act?

Mr Neil: Yes. In fact, the new act provided a framework that allows us to make a reasonable assessment of public benefit.

MR SESELJA: It has been primarily for ovals and things?

Mr Neil: The highest priority goes to those who do not have access to the public water supply. If they want it for stock and domestic purposes, that is just a given. The next use is basically for public benefit, which is urban open space and school grounds and that.

MR SESELJA: So you will be able to give us some detail of the types of licences that have been issued?

Mr Neil: Yes.

THE CHAIR: I would appreciate the information because I believe there were about 10 licences featured in this annual report. Could we have some idea of what they were used for, the assessment process that was applied and how much water has been

extracted? Is the amount of water that is taken out measured?

Mr Neil: Yes. Every water user in the ACT has a meter. It is a requirement. We are quite fortunate in that we do know how much we use. We can give that sort of information.

THE CHAIR: Do we have an ongoing policy on the management of groundwater?

Mr Neil: It is part of the Water Resources Act. It is clearly part of the ongoing, long-term sustainable use of water resources in the territory—surface and groundwater. We have done, I think, four of our priority catchments that were stressed in terms of allocations or entitlements. We still have got a few to do. We are getting quite a lot of information on recharge rates and connectivity between surface water and groundwater. We do make an assumption that there is 100 per cent connectivity. We treat it as one resource.

THE CHAIR: The act sets that framework and then, underneath that, you are developing these plans and implementing them? Is that it?

Mr Neil: Yes.

MS PORTER: Does the policy on the capture of the runoff of stormwater come under you or someone else?

Mr Corbell: At the broad level, yes. For example, the extent to which the territory chooses to rely on stormwater runoff or the capture of stormwater for other uses is very much within my portfolio responsibility. The actual implementation of those measures will depend on the agency that is choosing to use that water. For example, sport and recreation may choose to put in place a stormwater capture scheme to irrigate an oval and so on, but it is all done within the water policy framework that is set by my portfolio. A good example of this is, in fact, the policy work that is underway and the program work that is underway for the retrofitting of some of our older stormwater channels that were creeks before they were turned into concrete channels.

Members would be aware that some work has already occurred, in terms of capital works, on Sullivans Creek near the O'Connor shops. More work is occurring in relation to that program and we do have grant moneys from the commonwealth to assist us in the development of some more retrofitting of wetlands along that creek line. Consideration is also being given to other similar types of creeks and other parts of the city that have suffered the same fate, particularly in the Woden Valley. That work is ongoing.

THE CHAIR: In regard to the Sullivans Creek network, there was a lot of work being undertaken on how that could be progressed. Do you have any update on that? Can we move on this, or is there further discussion and research that need to be undertaken? It is a theme I have been on for quite some time.

Mr Corbell: I am advised that there is at least one site where we can move on this sooner, and that is additional stages on Sullivans Creek. That is a matter that I am

asking the government to consider at this time. I am conscious also that it is part of the agreement the government has entered into with the Greens. It is called the Canberra integrated urban waterways project. It has been funded by the commonwealth government to the tune of \$10.2 million and by the ACT government to the tune of \$6.8 million.

The objective is integrating urban waterway management by looking at opportunities for stormwater harvesting ponds, distributed sewer mining plants and aquifer storage and recovery. The objective of that project is to replace 1 1/2 gigalitres of potable water by 2001 with alternative water sources for irrigation. The longer term target is three gigalitres per year of potable water displacement by 2015. This is quite an exciting project and one that I am very supportive of.

A feasibility study was undertaken by the CSIRO. That is due to be finalised early this year. I am not sure whether it has been finalised at this point in time but it is close to finalisation. Site analysis outcomes are scheduled to be submitted to the government, with recommendations on final sites for consideration early this year as well. Over 60 possible project sites have been identified, with the most optimal sites now being analysed in terms of their construction detail.

THE CHAIR: Do we have a date or some idea when that might be finalised?

Ms Hudson: I expect it to be February.

Mr Lewis: In terms of finalising—a month?

Mr Corbell: I am keen for it to be considered by the government in its forthcoming budget process, if not sooner.

MR SESELJA: Moving onto the Environment Protection Authority, I have a few questions around that. One initial one is this: there was a report in the BMA e-magazine in January this year in relation to the Trinity block party no longer going ahead. The report said:

The organisers announced with great regret that government pressure, bureaucracy, and noise restrictions have made the event unsustainable and that it will not be going ahead in 2010.

Are you able to talk to us about what role the government played in this and what led to this party being shut down for future years?

Mr Corbell: I will ask Mr Neil to give you the detail in relation to that matter, but just before I do can I just outline this: noise complaints constitute a very large part of the work of the EPA. The number of noise complaints continues to grow each year. There is a range of factors affecting that. One is the increasing proximity of residential areas to entertainment districts and the challenges that come about because of that. Another is the increased use of air-conditioning equipment, the relative proximity of these pieces of equipment to neighbouring homes and the noise that they cause, particularly in the evenings and on hot nights, well into the morning. And there is the associated issue of the relative size of residential blocks and the relative proximity of dwellings.

There is also an increase in the availability of more powerful sound systems. That is partly in motor vehicles, though motor vehicles are not strictly an area that the EPA has responsibility for. It is also, more importantly, in residential premises, with large home theatre systems. The increase in the number of those being installed is also having an impact in terms of noise.

So there are a number of challenges. Coming back to the first factor I mentioned, which was the proximity of entertainment areas to residential areas, this is an issue that I want more work to be done on. The planning minister and I are going to need to get together and do that. We are encouraging a built form outcome in our centres and in our city centre which is mixed use, but there are some inevitable clashes that come from mixed use. We all favour mixed use, because of its vibrancy, diversity and activity, except when we want to go to sleep. Then it is another matter, and quite rightly so.

So there are some issues that have to be addressed there. One is the standards that we require in terms of noise insulation. That is one option that needs to be considered in areas such as the city and other town centres where there is residential against entertainment type precincts. Another is to segregate certain uses within city districts. I know that some cities overseas have said, “Yes, we can have mixed use but it is residential in this part of the city centre and it is entertainment in this part of the city centre and we will try and segregate the two.” That is another option. There is a range of issues. They are both land use planning related and environment protection related. I am certainly wanting to signal that this is an area where the government wants to do more work, because we are conscious of these increasing conflicts.

In relation to the particular matter that you raise, Mr Neil might be able to give you some more information.

Mr Neil: The Environment Protection Act does allow for that type of activity to occur from time to time, but there are some constraints on it. Without an approval, effectively they have to comply with the existing noise levels and laws. There is an outdoor concert environment protection policy that gives us the directions. If someone wants to hold an outdoor concert, then, if it complies with that general policy, we would certainly consider it. I am not sure of the specific circumstances of that, but I think that the noise issue may have been peripheral to the main issues.

MR SESELJA: So what were the main issues?

Mr Neil: I think just trying to get approvals to use public places that they needed. Generally, the public liability insurance is what knocks most of them around.

MR SESELJA: You think that was the most likely reason why it got knocked over—more so than noise complaints?

Mr Neil: That would be my view, but that is only a guess. I see this sort of thing come up from time to time. Usually the noise is the last issue.

MR SESELJA: From your knowledge of the Environment Protection Authority’s

role in it, you do not think that it was around noise?

Mr Neil: Had we been asked or had they come to see us—and I am not sure whether they did—we would have pointed out quite plainly what the law requires. If they chose then not to pursue an authorisation to undertake the activity, there is nothing we can do about that. The conditions would be in the authorisation. It is to protect. That is a one-off party. If they have a one-off party there every Saturday night, it becomes a major issue. We are quite happy to accommodate one-off events provided we can manage it.

MR SESELJA: More broadly, on page 230 it talks about some of the enforcement activities. As the minister alluded to, noise is the largest source of complaints—1,389. It is not clear from the enforcement activities how much of that applies to noise. Are you able to take us through some of the detail of what kind of enforcement activity has been undertaken, particularly in the area of noise here? I think Ms Porter would recall a previous committee when we did an inquiry in Kingston. This issue came up—the clash between noise and residents. There was a feeling that the EPA did not have sufficient enforcement power to ensure that noise issues were taken into account.

Mr Neil: Generally we have the powers but it is after the fact. Kingston was a good example where we could get in with the planning authority early and try and fix the problem before it started. Almost every complaint we get is investigated to some level. It is a matter of how much time and energy you would put into it. When we record infringement notices, we have not actually broken those down into noise, water or other, so I cannot give you the detail.

MR SESELJA: You do not have that detail anywhere?

Mr Neil: We would have the detail through the records. We would have to troll through them.

MR SESELJA: If we could get that, it would be useful.

Mr Neil: That would be just split effectively into—just the noise complaints?

MR SESELJA: Yes.

Mr Neil: Or do you want—

MR SESELJA: I am interested particularly in noise, but also the other ones in terms of what action was taken—the number of on-the-spot fines, the number of other enforcement actions. I am also particularly interested in where the noise complaints are coming from—the 1,389. I do not know if you have got a breakdown of that.

Mr Neil: No.

MR SESELJA: In terms of looking to the future, are most of the noise complaints coming from the city, from apartment blocks, or are they coming from other parts? Is there any data on that that would shed some light on those issues?

Mr Neil: There is, because we record the complaint or the complainant and where the noise source is, but we do not have a ready system to produce that report. That would take us some time to go through.

MR SESELJA: Do you see that as useful? I do not know about other committee members, but I think that would be useful. I would have thought that it would be quite useful for government too in terms of coming up with policies on some of the issues that Mr Corbell has raised.

MS PORTER: Minister, as you said, this trend for inner city living will continue, from the point of view of people wanting an active, lively city environment. I would have thought that from our point of view it is a plus for the environment in that people are not having to travel long distances to work and it cuts down on all sorts of other problems for us. I think that we want to continue to encourage that, yet we have this balance, as you were saying.

Mr Corbell: Yes, there is a contradiction in the policy setting at one level. I think it is inherent in any city that has chosen to have mixed use development. As I say, there are obvious benefits from a lifestyle perspective as well as from an environmental and energy use perspective, in particular, from living in close proximity to where you work and to other services and facilities.

But there needs to be a conversation about the extent to which we try and manage this issue through regulation and the extent to which we just say, “Well, if you choose to live in an inner city environment there are some trade-offs that come with that. Yes, you have great proximity to services and activities, but it is also a bit noisier. It is not as though you are living in a quiet residential street in Yarralumla.” So there are some trade-offs there. Education is part of that as well as regulation. We need to look at both sides of the equation.

THE CHAIR: I wanted to pick up on the enforcement activities, which is at page 230. The BP case was mentioned. I was wondering whether I could have an explanation why \$150,000 over three years was seen as adequate in this case, when the maximum penalty is \$750,000. I would like some explanation of this case.

Mr Neil: We investigated that original spill with the intent of trying to prove “knowingly and recklessly”, so it would have been millions, not \$750,000. We thought we had a fairly good case. We took it to the DPP, who thought it was not quite as solid; there are always extenuating circumstances. The DPP recommended that we talk to the Government Solicitor’s Office. Collectively, between the Environment Protection Authority, the DPP and the Government Solicitor’s Office, they went through a process of trying to determine what might happen if we actually did take them to court. The consensus was that the actual fine imposed would likely be around the \$100,000 mark, based on their experience of interstate rulings, first offences and a whole lot of other stuff. We took the legal advice that we were given.

The reason we split it over three years was that we wanted to ensure that the money was directed to environmental programs in the ACT. It is given to the environmental grants program. An additional sum, in kind or otherwise, was to get BP Solar products as part of the settlement. The site is still being fully remediated. The work at

Chisholm continues. We are very satisfied with the outcome. We could have gone to court and lost the lot. We feel the outcome was very good.

MR SESELJA: In regard to the \$50,000 in BP Solar products, presumably BP is not going to get any advertising benefit out of that when the ACT government uses those products? They do not have BP Solar labels all over them?

Mr Neil: I do not think that was considered. I expect that may well be. I do not know. It certainly was not part of the agreement that they could not.

MR SESELJA: What was found to be the cause of this spill?

Mr Neil: It was a hole in one of the tanks.

MR SESELJA: It had been caused by what?

Mr Neil: Corrosion. It has just rusted out. Those tanks, in that situation, have a cathode protection system. That is why we said that did not appear to be working. It was up to us to prove they did not know it was working.

MR SESELJA: Is there any way of checking these things?

Mr Neil: Yes. They have got alarm systems. New, modern service stations have got that gear or equipment in them. The older ones do not. The older ones do not have that level of protection. They rely on sand to protect them.

MR SESELJA: Did the EPA do any checks of this service station prior to this?

Mr Neil: No. We were aware that they may have had a problem because they sank a couple of monitoring bores, which is the first thing they do to see whether they do have a problem. Usually what they do is pressure-test the pipes, the tanks and all that kind of stuff. If they cannot find anything they may have a bore that they will use to monitor if there is anything. This one was found as a result of the fuel leaking from the tank going into some of the surface drains and getting into the stormwater pipe—there was a crack in one of the stormwater pipes—and coming out. It was just a pollution report.

THE CHAIR: Do we have some system of regulation where the service stations themselves are responsible for checking and going through that process?

Mr Neil: Certainly in the last 12 months the government has passed regulations that now give us the authority to license service stations. Previously it was dangerous goods. Now we license them. We are in the process of actually finalising that. We have sent draft copies of the authorisations to the motor traders and other people. We are pretty much at the point where the licences will be in place.

THE CHAIR: You mentioned that, with the newer service stations, there is new technology and all sorts of alarm systems and so forth. How many of these older style service stations do we have across the territory?

Mr Neil: I think quite a few. I do not know exactly how many but if you look at, I guess, Phillip, certainly Civic, town centres of that age would have the old system.

THE CHAIR: Are we planning to do some sort of audit of that? Would there be extra regulatory regimes with those ones because they do not have this newer technology?

Mr Neil: It is our intention to try to catch that up in the authorisation conditions, because you cannot really ask them to dig it up. Things like monitoring bores and stuff like that are not unreasonable.

MR SESELJA: When you say “not unreasonable”, is there any program of imposing that or ensuring that operators, particularly these older ones, do that?

Mr Neil: No. I think the initial program is to make sure that we get the dip system results done properly so that, where there is a discrepancy between deliveries and petrol sold, we are aware of that.

MR SESELJA: Have there been any other incidents similar to this in recent years in Canberra?

Mr Neil: Yes. There is one currently underway, which is the BP in Braddon. There was the original incident back in, I think it was, the late 1970s, when there was an explosion at the Canberra Cinema and a plumber’s offsider was killed. That is really what focused everyone’s attention on the fact that this is a general problem. Probably most fuel stations in the ACT have had some leaks, to some extent.

MR SESELJA: Minister, as a result of this incident, is the government giving any more resources to regulation to try to ensure that we are able to avoid these things happening in the future?

Mr Corbell: It is not a matter that has been brought to my attention at this stage as requiring additional resources but, clearly, if that were deemed to be necessary that would be something that the government would consider. The advice I have at this stage is that there are approximately 16 hydrocarbon plumes that are under active remediation across the city. They all relate to fuel in the service stations or the fuel depots. There are a range of remediation measures in place for all of those.

You asked about the solar panels. I am advised that those solar panels that were provided as part of the settlement with BP in relation to the Chisholm matter have been installed already. They are on the Seniors Club at Turner. I do not think there would be any signage or anything.

MR SESELJA: There is no BP signage?

Mr Corbell: Nothing like “brought to you courtesy of BP”.

THE CHAIR: On the remediation of the petrol station we were talking about, you had it in your annual report for around the city area. That one has been completed or is underway?

Mr Neil: No. That is the original plume that alerted everyone to the fact that this is a problem. We have had, in the last 12 months, three, and we are coming up to our fourth extraction. They literally take a large vacuum cleaner, a specialised truck, and take out the free fuel and the vapours. From memory, something like 12,000 litres have come out of that in the last year. I do not have the exact number. If you want it I can give it to you.

THE CHAIR: What happens with that?

Mr Neil: It would be taken to a licensed disposal site interstate.

THE CHAIR: Looking at the environmental authorisations and actions, I understand that there are reasonably frequent breaches of Actew licence conditions and that, when these breaches occur, the EPA is consulted and offers advice on mitigation and authorisations for the breaches. Is that right?

Mr Neil: No. Actew have a licence that they definitely comply with. They are very responsible. The so-called exceedings are actually spikes. Say the average is over 10 minutes, it would comply. But somewhere in that 10 minutes there is a spike. It is more an operational thing. It has been my experience of the industry that, with things like incinerators and stuff like that, if you just get a small fall of something—you get a puff—that is where the spike comes from. It certainly has not caused a breach of their authorisation. All they do is report that number of spikes to us, yes.

MR SESELJA: While we are still on complaints—and I am sorry if this question was asked while I was out of the room—I am a bit curious about the water complaints. What kind of complaints are you receiving about water? Is it about people breaching water restrictions?

Mr Neil: No. They would go to Actew. It is about people who see other people putting material in the stormwater drain.

MR SESELJA: It is about pollution of water?

Mr Neil: Pollution or construction of structures in waterways—people putting a driveway through a creek, that sort of thing.

MR SESELJA: Does that happen much?

Mr Neil: It has been done a couple of times.

MR SESELJA: Solid-fuel heaters are a particular issue in Tuggeranong. Is that something that has spread in terms of complaints throughout Canberra or is that concentrated in the Tuggeranong Valley?

Mr Neil: It is more prevalent in Tuggeranong but it is not restricted to Tuggeranong. We get them from Belconnen, Woden, Weston and Tuggeranong.

THE CHAIR: On page 227, the environmental authorisations, the table shows 10 authorisations for material to be extracted from waterways. Could you give us

some understanding of the types of activities that involves?

Mr Neil: Effectively, if you wanted to take anything from a waterway, even to the extent where people were drilling test bores for geological reasons, to find out whether they could put piers in rivers, they needed a permit to extract material from the waterway. We changed it a little so that you do not have to do that, but virtually for anything at all that you want to take that is in a waterway—and a waterway definition is fairly broad—then you need an authorisation. Most of them are about cleaning, desilting and that kind of thing.

THE CHAIR: Sorry?

Mr Neil: Desilting, taking silt out of waterways, cleaning the waterways up. There are no sand mines or gravel mines or anything like that attached to them. They are all fairly simple and low key.

THE CHAIR: In that table, there was one on commercial and veterinary chemicals. Could we have some explanation of those authorisations?

Mr Neil: In the past, if you wanted to use certain ag/vet chemicals which are herbicides, pesticides, you required a separate licence. Some of those materials still require a licence. Licensed operators would get an authorisation to apply them.

MR SESELJA: Did you get many complaints from Summernats this year?

Mr Neil: I honestly do not know but, because I do not know, I would say that we had very few.

MR SESELJA: That is good to hear. Are you able to let us know how many came?

Mr Neil: Yes.

THE CHAIR: Is there any plan to do any sort of measurement of the pollution that happens with the sorts of activities that are undertaken at Summernats? Do you do monitoring? I noticed as I was driving along Northbourne Avenue massive clouds of smoke coming across Northbourne Avenue. It must have been the burnouts.

Mr Neil: Yes, it is the burnout track. They are fairly difficult to deal with and we have worked closely with Health, going back a few years, and there appears to be basically no health standard for that kind of thing. It is problematic because you need—

THE CHAIR: Because it is very close to residential.

Mr Neil: Yes, and you need some sort of standard that you can apply. That is where we were running into trouble because there was no specific standard that the smoke breached.

THE CHAIR: Mr Corbell, do you have a view about the development of a standard and whether that should be looked at?

Mr Corbell: I do not think it is really in the ACT government's expertise what sort of standard to apply there. We would normally rely on the appropriate national standards developed by bodies such as the NHMRC and others—rely on them for their judgement as to what standards are necessary or appropriate.

THE CHAIR: And they have not developed a standard in this area that we are aware of?

Mr Corbell: As Mr Neil said, there is not a standard for that.

THE CHAIR: Is there any way that we can influence some work being undertaken in that area or is that totally—

Mr Neil: Summernats has its own little problems with noise and all that sort of stuff. There was a review done of it and it was a cost-benefit analysis. A whole heap of work was done. As the EPA, part of the authorisation is to control the times and all that sort of stuff but part of the consideration is the social and economic benefits, and they were quite substantial through that report. It is extremely difficult to try and assess smoke from burnouts in some meaningful way.

THE CHAIR: When was that report or review done?

Mr Neil: I would have to take it on notice but I am quite happy to give you a copy.

THE CHAIR: Thank you.

MR SESELJA: On noise complaints, are you able to clarify for the committee how it works with aircraft noise, given that obviously Airservices and the department of transport and infrastructure now would have some responsibility there? Presumably you would still get some of the noise complaints; how are they handled?

Mr Neil: The Environment Protection Act specifically excludes—

MR SESELJA: But that probably does not stop people calling up, does it?

Mr Neil: We used to get them, quite a bit, but I think people now realise that they just ring CASA, the Civil Aviation Safety Authority, and lodge their complaints there. We get very few of those complaints.

MR SESELJA: So you do not receive them any more; okay.

THE CHAIR: I want to ask some questions on weeds and willows. I am not sure whether they sit with this group. Maybe I could try the question and see.

Mr Neil: Only to the extent that the Upper Murrumbidgee Catchment Coordinating Committee and one of the willows officers works for us; but the actual removal work is done by community groups and TAMS in the ACT.

THE CHAIR: Okay. It does cover the willow spatial database? Is that TAMS or is that something you can—

Mr Neil: That would be TAMS but we are collecting some information on willows to populate that database. There is a contractor working for the water unit in the Department of Environment, Climate Change, Energy and Water who collects some of that information, but his coordinating role is tied up with the Upper Murrumbidgee Catchment Coordinating Committee, so we kind of offer support for him.

THE CHAIR: So this department would not really be looking at the on-the-ground work necessarily, particularly around the Molonglo?

Mr Neil: No. That would be TAMS.

THE CHAIR: Do you look after the weed strategy? I would like an update on the weed strategy and how the program implementation is going at the moment.

Mr Butt: The strategy that they are working to at the moment is the strategy that has been in place for a number of years. The implementation of that work program is a TAMS area of operational activity. There is work being done at the moment on a replacement weed strategy that will assist in setting the priority for work going forward.

MS PORTER: Excuse me, Mr Butt; did you say placement weed strategy?

THE CHAIR: Replacement—a new weed strategy. No, we are not placing weeds. It is a replacement strategy so that we are sure that we are addressing the ACT priorities as well as our national commitment priorities in addressing weeds.

Mr Corbell: I have recently agreed as minister to commence that process and agreed to a consultation process to start that work on the replacement weed strategy.

MS PORTER: Would that entail some way of finding out whether we have a threat of any new weeds coming into the area? Would that be part of the new strategy or—

Mr Butt: Yes, it would, and it is also the revision of what are the weeds facing us as a national threat and our commitment to address them and make sure that if they are in the territory they are addressed or contributing to make sure they do not get here.

MS PORTER: Cross-border issues and that sort of thing?

Mr Butt: National cross-border issues.

THE CHAIR: Because in this case borders are entirely meaningless; there will be a national strategy that will try and take a regional approach to get some coordination and also some funding from—

Mr Corbell: We are always looking for money from other jurisdictions.

MS PORTER: Possibly some education strategies around that for people—four-wheel drivers, for instance—travelling in the bush, how they clean their vehicles and those kind of things?

Mr Corbell: The issue is mostly in relation to land managers, their responsibilities and their understanding of the importance of managing weed issues on their land. Both the public land managers but in particular the private land managers and private lessees—rural leaseholders and so on—have important roles to play in managing weeds. So education and cooperation amongst those stakeholders is very important, as much as regulatory activity, if you would like to describe it that way.

THE CHAIR: Page 76 of the annual report refers to biosphere reserves. A substantial amount of time and energy was spent on the report into the biosphere reserve almost 12 months ago and there has not been a response from government to the report. Is the department working on the issue and has a view been formed about an approach to a biosphere proposal?

Mr Corbell: The government is preparing a response to that committee report. It was interrupted due to the cessation of the last Assembly preceding the election. The Labor Party indicated in its election statement that we would explore the options for gaining international recognition through a program such as a biosphere program and that is something that will be dealt with in the government response.

MR SESELJA: The only mention of the extensive work that has been done is of the attendance at the international biosphere conference in Spain. Are you able to talk us through what other work has been done and also could you give us the cost of that trip?

Mr Corbell: I can take the latter part of your question on notice. That relates to TAMS and the Commissioner for the Environment at the time. On the first part of your question, I think that would pre-empt the government's review. It is difficult to get the detail of what work has been done ahead of outlining the government response, so I would prefer to ask you to await the government response and then you can make a judgement as to whether or not that statement is accurate about comprehensive work being undertaken.

THE CHAIR: I understand that land management agreements are sometimes not complied with. Could I have some explanation of the process of developing agreements and the compliance measures that are available and utilised?

Mr Neil: The agreements, as I understand it, are issued under the Planning Act, so it is the planning authority that has the responsibility for enforcement. The agreement and documentation around it involve discussion between the leaseholder, experts within what is now parks, conservation and lands, so within TAMS, and the planning authority, basically. So it is spread over all three. It is the conservator function that deals with that part of land management agreements and they are executed and enforced by the planning authority.

THE CHAIR: That seems reasonably complex because it is in different areas.

Mr Corbell: The reason for that is that they are issued as part of a lease renewal or the granting of a lease. It makes sense at the time of the grant of the lease to refer to certain conditions associated with the grant of that lease and so enforcement is linked

through the lease compliance is my understanding.

Mr Lewis: And the reason it goes through TAMS is that that is where all the land managers are. The land management agreement with the rural lessee, for example, is negotiated with TAMS people, the experts out in the field. They produce a document, it gets established under the Planning ACT and then the administration of it is mainly with TAMS officers. It is only if there is a compliance issue that the compliance occurs through ACTPLA.

THE CHAIR: Because that is where the contractual relationship is.

Mr Lewis: It sounds a bit complex but it works okay.

THE CHAIR: What is the status of the review of the Nature Conservation Act? Where is it up to, what sort of scope will there be and when will it be completed?

Mr Corbell: I expect to release a discussion paper on a review of the Nature Conservation Act in March this year and that will allow for some public comment on the operation of the act and possible reform of the act. I am advised that the consultation period will be about 10 to 12 weeks and then an exposure draft of a bill will be developed.

MS PORTER: Will there be further consultation on the exposure draft?

Mr Corbell: Obviously the exposure draft will then be released for public comment and for the comment of members in the Assembly and we would then determine an appropriate time frame to move forward with the actual introduction of a bill.

Meeting adjourned from 2.54 pm to 3.19 pm.

THE CHAIR: Welcome back. We will continue.

Mr Corbell: Could I provide some additional information to questions that were asked earlier and clarify some answers. Before the break Mr Seselja asked, in relation to complaints from Summernats, how many there had been this year. There were eight complaints relating to Summernats this year to the EPA.

MR SESELJA: Were they all noise?

Mr Corbell: Two related to air quality. Six related to noise. Mr Neil also referred to a report done on a cost-benefit analysis of the event. That was done in 2005 and is available on the CMD website. That is the answer in relation to those questions.

I was also asked by you, Madam Chair, in relation to the weed strategy, what the state of play was. I advised you that I had agreed to its release for consultation. That is not correct. I was confusing it with another strategy. The consultation process has been completed in relation to the development of the new weed strategy. It is currently before government for consideration and its release.

Ms Hudson: I would like to clarify one answer in terms of showerheads. The program

did close in July 2007. That was due to alternative free services available from companies accredited under the New South Wales greenhouse gas abatement scheme. They were installing water-efficient showerheads in the ACT. So we did stop. Since 2004, there were 7,260 water smart home visits. While the program did stop in July 2007, there were six dual-flush toilets installed as part of that program, but not the showerheads. I just wanted to clarify the record.

MR SESELJA: I understand the Conservator of Flora and Fauna is not here. Presumably, we are still able to ask questions of the other officials.

Mr Corbell: The Conservator of Flora and Fauna sits within Territory and Municipal Services.

MR SESELJA: I understood we had it listed as something we could ask questions on.

Ms Hudson: I understand that we advised the secretary that the conservator was unable to be here today as he is interstate with work and that he will be at the TAMS hearings later in the month.

MR SESELJA: Our understanding was that he would not be here but we could still ask questions.

MS PORTER: There may be an understanding that he may be appearing before the other committee, Planning, Public Works, Territory and Municipal Services. Is that what you are saying?

THE CHAIR: Yes, he is attending that hearing. If you would like to put questions on notice, he could respond.

MS PORTER: We can ask questions when he appears.

Mr Corbell: You may put the questions on notice or ask them of the conservator when he appears at that hearing.

MR SESELJA: He will not be appearing before this committee? Is that correct?

Mr Corbell: He is unable to attend this hearing. He has had some advice.

THE CHAIR: I guess there has been some confusion because that referred to this committee. He was unable to attend. We understood that, but I guess we had this understanding that we could ask some questions.

Mr Corbell: We can try to answer your questions, but I cannot guarantee that I will be able to.

THE CHAIR: That would be appreciated.

MR SESELJA: I have some questions in relation to the corrigendum for the annual report for TAMS. There are a number of additional contracts, some of which I imagine would relate to the area of responsibility that has been transferred. For

instance, we have additional information about sustainability programs and projects, Energy Strategies. Does that come under your bailiwick?

Mr Corbell: Yes, it does.

MR SESELJA: That was a select tender. Are you able to tell us the reason for going to a select tender for that contract?

Mr Corbell: I ask Mr Lewis, who is responsible for that area, to provide some advice.

Mr Lewis: That is the select tender for the provision of energy advisory and audit services?

MR SESELJA: This is the select tender for sustainability programs and projects, Energy Strategies, assist ACT government agencies to report in OSCAR.

Mr Lewis: The OSCAR reporting?

MR SESELJA: That is the description we have in the corrigendum.

Mr Lewis: That is a consultancy that we got on board. At one stage earlier you talked about trying to get an inventory of greenhouse gas across the ACT. OSCAR is the online system for comprehensive activity reporting, which is related to the ACT government trying to get a feel for its activities with regard to greenhouse gas. What it does is report across a range of sectors. Those sectors are, by sector, stationary energy, electricity, natural gas, transport and energy, fuel sales data, waste, industrial processes, agriculture and forestry.

MR SESELJA: Why was that a select tender?

Mr Lewis: It is a select tender, which meant that we still went out and sought quotes from a range of tenderers. It might have been limited. I am suggesting it was in the order of two or three that were looked at.

MR SESELJA: Could you get that information for us in terms of who was asked to tender?

Mr Lewis: The reason it was select was that it was a fairly specialised activity in terms of greenhouse gas reporting and, in this case, Energy Strategies won the tender.

MR SESELJA: Where is that process up to, that OSCAR system?

Mr Lewis: We have got a report in place for the year 2004-05. We have that completed. That was done a year or two ago.

MR SESELJA: Has that been published?

Mr Lewis: The numbers are in weathering the change.

MR SESELJA: That was the data used?

Mr Lewis: That was 2004-05. We have engaged Energies Strategies to get us more focused information with regard to the 2005-06, 2006-07 and 2007-08 years with regard to those sectors. We are trying to get ourselves as current with our greenhouse gas inventory as we can, using these services.

MR SESELJA: That is an ongoing contract; it has not been completed?

Mr Lewis: It is currently underway. Just to clarify, you would like some information about the process that was undertaken for the selection of Energy Strategies?

MR SESELJA: Yes. What was the process? Who were the other companies that were asked to submit a tender?

Mr Lewis: Okay.

THE CHAIR: I want to pick up on something that is referred to at page 229. It comes under the EPA. It refers to the contaminated land notifications. There were a number that were notified to the EPA during the year. Many of those were about service stations. There were 194 contaminated land search inquiries. I am trying to get some sense of how that system works. Have we got some ongoing mapping of contaminated sites across the territory where we might discover a sheep dip or an old building which is a sort of asbestos dumping ground? How does that work?

Mr Neil: Within our record keeping, we have a record, through a spatial data base as well, on every site we know has had a potential land contamination, even if it is a builder's spoil. If we know about it, we have probably marked it. The contaminated land inquiries are just the things that people do when they buy houses. It is just like having a builder come in and check your house, where you get someone to check to see that you are not buying contaminated land.

THE CHAIR: If a site has been identified for residential, is there some process they need to go through to have that area checked to make sure that it is not contaminated in some way?

Mr Lewis: In terms of greenfield land, this a three-phase approach as far as that determination goes. One is to identify; two is to scope it up, what it is and what the remediation process is; the third is to actually remove it or do something about it, consistent with that strategy. That is in broad greenfield land.

Mr Neil: In the redevelopment areas, we have got far better records of historical use. Any change in land use from things like industrial or commercial to a higher standard requires the land to meet the higher standard, which is usually residential. That is done by independent auditors. Then we check their work.

THE CHAIR: Last year some report came out about Lawson, which is obviously Defence Force land. We are talking primarily about a commonwealth matter. Could you give me some idea of how they had to engage with our local authorities and the outcomes of that engagement if there were any?

Mr Neil: There certainly was. They are generally very, very good. They will come and talk to us. They provide reports. Unfortunately, they did not provide one at a critical time; so we were caught a little short because there were claims of high levels of contamination in the water and groundwater. At that stage we could not comment because we did not have a copy of their report. We got the report shortly after. The concerns raised were not found.

There were levels of contamination associated with past land uses—heavy metals, tip sites. There were transformers; so you could expect to find PCBs. All were identified and all they had to do was actually treat it. They have been very, very good in doing the assessment; they have been very thorough. We are fairly happy with the information.

THE CHAIR: Your opinion is based on the report that they provided; we did not do any checking of that or follow it up? You feel quite confident that—

Mr Neil: We are very confident that they were going down the right track. At the end of it, they will have an independent contaminated land auditor that will sign off that it is clean and we will get that report.

THE CHAIR: That was also checking the groundwater going into Lake Ginninderra?

Mr Neil: Yes.

MR SESELJA: The Auditor-General's report into TAMS, the financial audits—this is where it is unclear whether it applies to your area or not, so I want to drill down—was critical of TAMS for not developing or monitoring business plans for many of its business units. Does that apply to any of the business units that have been transferred? If so, have business plans been developed subsequently?

Ms Hudson: In terms of the new department, we are currently in the process of finalising or preparing—some areas are finalised—business plans. Our target is the end of February. What needs to happen as part of that is an understanding of all of the resources that are transferring as well; so it is a prioritisation process within that business plan. It is also looking at the government's priorities after the election last year and how we implement that. That is the process.

I am making sure there will be business plans for all areas when the permanent chief executive comes on board, which is, I expect, in March. I agree it is hard to determine which different bits are under different areas. We have worked thoroughly on the resources and all the different components but, as part of business planning, you need to factor in the new parts, the new priorities and the new things. They are not in a final stage yet.

MR SESELJA: Were the units that have been transferred some of the units that did not have business plans when they were previously in TAMS during the reporting period?

Ms Hudson: I am not sure. I have said that I want business plans now. I suppose I have been looking forward. Some areas have provided me with what they were up to

but it was not 2007-08. I am looking forward to 2008-09. I have not asked the question about 2007-08.

MR SESELJA: The other criticism that the Auditor-General made in the 2007-08 financial audits was in relation to business units having a proven, tested business continuity planning arrangement. It said that none of TAMS's business units had that. Is that also part of your forward planning or is that not on the radar?

Ms Hudson: Yes. Part of having the ministerial and corporate area and strategic finance area is that we will have audit functions and governance and compliance functions. In fact, I have drafted plans for both the strategic finance and ministerial and corporate areas. Those elements of building all of the governance infrastructure for a new department are scheduled over the next few months.

As you probably understand, one of the first priorities of those branches was actually getting staff in those areas so that we can progress that work. The acting directors have prepared the draft business plans to say that these are all the different steps that we have to do. We are very mindful, of course, as we would be, of what are our statutory obligations and we are ensuring that we do that.

MR SESELJA: On page 84 of the annual report, it talks about fraud protection. Once again, we are not clear on where they existed. Were any of those cases of alleged fraud protection investigated prior to any of the areas coming into the new department?

Ms Hudson: I am not too sure of that. I do not think so. In my previous substantive position, that whole fraud report would have come to me as Commissioner for Public Administration. My recollection of that is that there was not. I will double-check on that. I inform the committee that, in terms of the department having a senior executive responsible for risk integrity and business improvement, we have that. That person is our Acting Director, Ministerial and Corporate. We have notified CMD that is our person now. We are going forward. That person is in charge of that area in terms of looking at fraud and providing input to what is called the over-the-horizon report that is collated centrally.

I would need to take that on notice. I did read the other report and did not pick up anything that I thought should be checked. I will double-check, unless my colleague knows the answer already.

Mr Rutledge: The process has been that we have just finalised the staffing. We have come to an agreement with TAMS on the staffing. After that occurs, that will be the first time, quite rightly, that I will be able to access the personnel files. At that point, we can go back and have a look at that. As Cathy Hudson said, we will be looking forward, but not until I am able to access any of that personnel information. Quite rightly, I should not be able to access it until I know that they are within the department. That will be a priority for us in the very near future.

MR SESELJA: I want to move back to broader questions in terms of the new department and take you back to the start. What is the staff structure in terms of numbers as we speak? Money was approved for the start-up of the new department,

but there was no process of inquiry other than basic briefings during the last week of the Assembly. Are you or one of the financial officers able to give us a breakdown of what that money went to in terms of the breakdown between staff and/or other start-up resources, and what was the nature of those start-up resources?

Ms Hudson: In terms of the money for all of the department, as you correctly stated, the supplementary appropriation provided additional funds for additional staff. That includes 16 staff. Three of those are within the office of the chief executive; that is the chief executive, the executive assistant and the executive officer. Two are in strategic finance—our acting chief financial officer, Anita Hargreaves, and another position within that area. Nine positions are in ministerial and corporate. And there are two positions and support for the implementation of the feed-in tariff. One of those positions is ongoing and one is until the end of this financial year, to assist with the implementation.

There were other costs included to do with shared services costs for a stand-alone department, including the preparation of financial papers and financial statements by Shared Services, including HR costs. Some of those depend on the exact number of staff transferring. Since December, when Anita and Geoffrey came on board, we have been working through that very thoroughly. For those exact numbers we did get allocated an amount in a supplementary appropriation but the exact amount that we then have to pay to Shared Services is determined by the total staff that we have.

At this point in time, the total DECCEW staffing complement is 89.8 FTEs. There are a few more in terms of when you do that as paid head count, because we have a number of people who are part-time staff.

We are extremely close, and I have signed off the machinery of government changes in terms of staffing. That is now with the Acting Chief Executive of TAMS for sign-off and then that process goes through. We also need the financials to be 100 per cent set. The one component that we were waiting to finalise in the last few weeks has been around commonwealth program money. It just so happens, because of the Christmas break, that the person who knew the most about that in TAMS was on leave until about a week ago.

We are on target for all of the financials to be agreed by next week. My understanding is that, in terms of DECCEW having our own financial accounts set up and the moneys there, and having Chris 21 for our staff, we are now working to a 1 March date. For a start, we want to make sure that all our staff are paid. We do not want any slip-ups in that. We would rather give an extra couple of weeks. Even if we sign off in February, we want two weeks to make sure, and Shared Services want that to make sure that it is all lined up.

That is where we are at. It has been a lot of work. I thank particularly the staff who have been doing that. That is where we are at.

MR SESELJA: So there were 16 additional staff, bringing it to a total of 89.8 as FTE. Is the money that was appropriated in December going to be sufficient to get the new department through to the end of the financial year or are you going to need money? That is just through March, is it? Are you going to need additional in the third approp?

Ms Hudson: What happens is that, as soon as we agree on that financial, the money from the Department of TAMS transfers into DECCEW accounts.

MR SESELJA: So there will be a transfer of functions but there will not be any additional appropriation in order for the department to function?

Ms Hudson: No. There was a financial transfer under section 16 of the Financial Management Act, I think of \$2 million, immediately the new department was set up. So, along with the supplementary appropriation, there was two months of what they thought would roughly be—it was Treasury, I think saying that this was what would help cover this period of time. But TAMS have been of very great assistance in ensuring that that transition has been smooth. They are essentially making sure that our staff are paid, that our accounts are paid and that we can operate. But when it is all signed off, from about 1 March, we will effectively be a stand-alone department and the money from 2008-09 for the transferring branches will be transferred to DECCEW—and the outyears funding too.

MR SESELJA: Could you remind me—I know that it was in the approp—what was the amount of money that was appropriated for the additional spending for the department.

Ms Hudson: It was \$10.4 million.

MR SESELJA: The 10.4 was the additional for this financial year?

Ms Hudson: It is \$10.45 million over four years.

MR SESELJA: Are you co-located with other TAMS officers at the moment?

Mr Corbell: Yes. All the elements of the department sit within Macarthur House, in Lyneham. It is proposed that those functions remain there, but there will be some reorganisation within Macarthur House. The government has agreed to the use of the annexe of Macarthur House. You might be aware that Macarthur House is composed of a tower and an annexe. The department will effectively be accommodated in the annexe.

MR SESELJA: Is there going to be a refurb of that annexe?

Mr Corbell: Yes. The money that was provided in that appropriation includes a provision for refurbishment.

MR SESELJA: What is the fit-out cost?

Ms Hudson: There were two. There were some capital costs and some recurrent costs. Also, in order to make it all fair, education, who are currently on level 2 of the annexe in Macarthur House, are moving to 220 Northbourne, to be co-located with all the rest of Education and Training. I understand that the refit for 220 is starting mid next week. As soon as that is done, when they move out of level 2, we can be a stand-alone department and all be on levels 2 and 3. At the moment, there is a whole

accommodation strategy. The heritage and trees area within the old environment protection and heritage and the tree heritage that is now part of TAMS are moving out. They will move back into the tower. It is a bit of a jigsaw puzzle but it is the simplest one. The property group is working with DECCEW and TAMS. I suppose the corporate area have advised us.

MR SESELJA: The cost of the fit-out?

Ms Hudson: The department of education, where substantial fit-out is required—my recollection is that it is \$1.6 million for that. That will take four to five months. That was leased out commercially, so everything inside needs to be changed. DECCEW got \$100,000 in capital money to just do some minor work, to actually make a chief executive office and that space. Level 2 of the annexe was recently renovated before education came in. The plan is that we will just move in and take over that space and they will leave that exactly as it is now.

Mr Corbell: Just to clarify that, DECCEW was funded an amount of money to meet the costs of education relocating out of the space required for the new department.

MR SESELJA: So the \$1.6 million was for the move.

Mr Corbell: That is correct. That money is actually meeting education's costs to relocate. The actual money available for fit-out of the department is \$100,000.

MR SESELJA: That is the only capital cost in terms of refurbishment?

Mr Corbell: Yes.

Ms Hudson: I just need to clarify something, minister. We were going to get the money, but at the last minute the 1.6 actually went to education, because they had more people with facilities management than us. So in the final papers—the initial papers have given it to us.

Mr Corbell: I would like to stress that the government did consider it important to give the department a clear physical presence. The use of the annexe is a very effective way of doing that. It is a discrete part of the building, it has its own physical entrance into the building and it can be clearly identified as the environment department. But obviously it is in close proximity to the other areas in TAMS where there are strong operational relationships. I think it is a very good outcome. And, importantly, staff are still showing up to the same building for work in the morning so there is no disruption in that regard.

THE CHAIR: Right at the beginning, you spoke about the new department—that it was policy, that it was in a sense a central agency around how government was going to move forward in matters of climate change and so forth. With the sustainable transport plan, although the implementation of that may sit with TAMS and its various areas of footpaths to public transport and so on, is the new department going to take a role, quite an important role, in the policy aspects and overseeing a sustainable transport plan in the ACT?

Mr Corbell: There will be relationships. Most importantly, there will be relationships in terms of the broader policy settings that inform the actions in those types of plans. For example, one of the key pieces of work that the department is currently preparing for government is an energy policy. Obviously, energy use in the ACT—and the sustainability of energy use and the sustainability of the energy supply—will include transport fuels. Then that relates to policy settings around achieving modal shift from motor vehicles to public transport, walking, cycling and so on.

I see the role of the department as setting the very broad policy parameters that will inform the detailed work of other agencies in achieving those outcomes. For example, the energy policy will, hopefully, set some objectives around achieving a reduction in our reliance, say, on certain non-renewable transport fuels, because of the desirability of doing that from a greenhouse gas emission perspective and so on. That will then inform how other agencies responsible for transport, such as ACTION, have to work to meet the overall government objectives. So there is a very strong role for this department and this portfolio in influencing the policy directions of other agencies.

The same can be said in relation to public housing, for example. The objectives we need to achieve in reducing energy use in the built environment will have a major impact. The targets that we set and the objectives that we set there will have a major impact on the efforts that our key accommodation provider, ACT Housing, makes. It has to set itself to meet those overall outcomes.

The role is very much a central agency role in that regard. The influence will be in, through the broad parameters, driving a greater focus by other government agencies to actually deliver the outcomes. This agency cannot really deliver those outcomes. It is up to other agencies to do the work on the ground. It is up to ACTION, ACT Housing, ACTPLA and other agencies to actually enforce or achieve the results on the ground through their own regulatory or service delivery activities. The policy setting role is very important in that regard and I am confident that we will have a lot to say about all of those issues in setting whole of government directions.

THE CHAIR: And also in monitoring how those agencies are going?

Mr Corbell: Indeed. Monitoring performance against the overall objectives in terms of reducing greenhouse gas emissions, for example, will be something that we will have a very strong interest in and that I will have a very strong interest in as minister. Obviously it will depend very much on the outcome of the Assembly inquiry and the recommendations of the Assembly inquiry into our greenhouse gas reduction targets, but whatever those targets are our role will be to ensure that the policy settings across government are consistent with those targets and, obviously, monitoring performance against them.

MR SESELJA: Minister, page 228 deals with environmental protection agreements and there is a table of some of those agreements. I am interested in some of the ones agreed in 2007-08. One was on waste water reuse. Are you or Mr Neil able to tell us what that agreement relates to?

Mr Neil: Under the act, certain activities require an authorisation, so a fairly strict licence, where if you fail to meet the conditions you can be prosecuted, and then there

are agreements which give intent to the act. For waste water reuse, any facility that can produce more than—I would have to check the number but let us say—three megalitres a year of waste water would require an agreement and that then would determine where the water is used and the standards that apply.

MR SESELJA: So who is this particular agreement with?

Mr Neil: I do not know off the top of my head. I can find out but it is not unusual; we have quite a few of them.

MRS DUNNE: Are the agreements on the internet somewhere? My recollection, from a long time ago, is that there was some discussion of having a register of authorisations.

Mr Neil: There is a public register; it is a hard copy. To get access to it, people just need to ring. It is available for public inspection.

MRS DUNNE: Forgive me if this has been covered while I was at the admin and procedures committee: where are we with the review of the Environment Protection Act?

Mr Neil: There has been no review of the Environment Protection Act. It was an action proposed out of the previous review, I think in 2004—we have had this conversation previously—but we have not put forward to government the necessary changes to the Environment Protection Act to allow the change to the law.

MRS DUNNE: So there was a review in 2004.

Mr Neil: I think it was 2004.

MRS DUNNE: That sounds vaguely right. Were there amendments as a result of that review?

Mr Neil: There have been minor amendments and this is probably the final one in terms of amendments to the act itself; the others were really around the regulations and a lot of them are ongoing implementation issues. This one is clearly going to require funding so we need to put together the case for both the change to the act and the funding that attaches to it.

MRS DUNNE: What will those changes relate to?

Mr Neil: The only change will be to amend the act to have a clause saying that it needs to be reviewed after a certain time, whether it is five years—

MRS DUNNE: So you build in the review process. That is not there; it was only the first review that was—

Mr Neil: Yes.

MRS DUNNE: I have another legislation related question which goes back right to

the beginning of this, minister, and I meant to ask you at the time but it slipped my memory. You are introducing amendments to the feed-in tariff legislation next week. Will that also include the regulations? When will we see the regulations that underpin that as well if we are going to be in operation by—

Mr Corbell: The main regulation relates to the price of electricity. I might ask Mr Thorman to come up.

Mr Thorman: What will be introduced is the premium price. It will not be as a regulation. There will be two instruments—a notifiable instrument and a disallowable instrument—which will relate to the premium price that will be payable to a customer and also the price that is the equivalent of a wholesale price that would usually be paid by the electricity retailer. So we have to work out a differential between the usual price paid for electricity and the premium price and the difference between those two prices is required to work out the reimbursement to the retailer. Those are the two instruments that will be coming at the same time as the amendments.

MRS DUNNE: So that is the only need for regulations under this entire piece of legislation?

Mr Thorman: Yes. In the original act there was provision for penalties but that was really superfluous because penalties are already covered under the national electricity rules, so there was no real need for regulation in the way the legislation was drafted.

MRS DUNNE: But in relation to how billing is done and those sorts of things, that will not need to be covered by codes of practice or—

Mr Thorman: We are developing a code that is with the ICRC; that is currently on public display and out for public comment. That was advertised a week ago.

MRS DUNNE: Could somebody get us the information?

Mr Corbell: I think it is publicly available from the ICRC website.

MRS DUNNE: Okay, so that would be a code under the legislation.

Mr Thorman: The original code related to distribution or supply of electricity. The feed-in tariff turns that on its head in that the retailer now becomes a customer—it is purchasing electricity—so the code relates to those changes.

MRS DUNNE: So that is all the underpinning documentation that is needed—the regulations in relation to the code and two instruments. That is it; you do not need anything else?

Mr Corbell: That is right.

MRS DUNNE: I am surprised at that.

Mr Corbell: And the amendments to the act itself.

MRS DUNNE: Yes, I understand that. I expected there would be a bigger body of material under the legislation.

THE CHAIR: Mr Corbell, you mentioned a couple of times today the energy policy that is being drafted. At first it was said that it probably would be out at the end of last year. What time frame are we working with at the moment for that energy policy? You have mentioned some of the things it will cover. Could you just restate the areas that that policy will cover—what sorts of issues?

Mr Corbell: Sure. I anticipate that the energy policy in its draft form will be made available for public consultation around the end of March. I have had some discussions within the Assembly on that matter and I think it is necessary to take that time just to make sure that the policy is sufficiently well developed to allow for a reasonable level of public discussion and consultation. But that will not pre-empt government decision making around what the draft policy says.

The key issues that I want to see addressed are, first of all, a whole of territory approach, so that it is not just about energy management in the ACT public sector but a whole of territory approach. Secondly, it needs to deal with sustainability of supply as well as security of supply and, flowing out of sustainability of supply, it will need to talk about issues around moving towards a carbon neutral framework for the territory and how we can start working towards that, and also issues associated with the development of alternative or renewable energy production.

It also needs to deal, as I mentioned earlier, with issues around energy fuels—not just stationary energy use in buildings but also transport energy use or transport fuels—and it needs to deal with issues around how we manage the vulnerability of our supply. Particularly around transport, we are potentially very vulnerable, at least in price, given that it is almost exclusively transported by road. So those are issues that we also need to have regard to. That is the scope of issues I am interested in seeing dealt with.

The department is in the process of developing the policy. It is quite an ambitious ambit but I think it is important that we have a go at that and get it out there for public discussion and see what people have to say about it.

MS PORTER: How long did you say it would be for the public to be able to—

Mr Corbell: I have not determined an exact period at this point but it would be a reasonable period of time for public comment. The objective is to have the final policy agreed to by government by the end of the year.

MS PORTER: It is a large body of work, isn't it?

Mr Corbell: It is and it is not something that has been done before in the ACT so it is a learning experience for the administration as well but I think it is an important piece of policy work because we do need to make sure that we have a clearer framework within which we are making decisions about energy supply and in particular about how we ensure the territory is well placed to deal with potential future shocks or impacts on supply, whether it is for stationary energy or transport fuels, using it as a document that will guide us towards more secure and more sustainable supply for all

of our energy needs.

THE CHAIR: You mentioned transport fuels and that issue. Are you able to give a bit more information around, say, light rail as a possibility in the ACT? We know that there was a case that went to the commonwealth, to Infrastructure Australia. Is there any information you can give us on how that might fit, where that is up to or what is going on in that process?

Mr Corbell: Again this comes back to the role of this department versus the role of service delivery departments.

THE CHAIR: Certainly, but as an overall, as you say, under a sustainable transport plan and an energy plan, that sort of broad policy setting idea.

Mr Corbell: Yes. There are all sorts of debates about the effectiveness of light rail and now is probably not the time to go into them, as interesting as they are and as enjoyable as they are to some of us who like these debates, but the government has put forward its proposal to Infrastructure Australia and that is a very detailed proposal that sets out how we could go about implementing a quite extensive light rail network for the city. That is before Infrastructure Australia at the moment and we will await with interest their consideration.

The role of this department, though, is to set the broad parameters about how we ensure that we as a city are prepared for climate change. But it is not just the role of this department to deal with climate change issues; that is the really important point to make. It is the role of this department to make sure that we are working in a policy context that ensures that we are prepared for climate change, that we are taking steps to adapt to climate change and we are taking steps to ameliorate the impact on the climate by human activities in this city.

That is our objective but that then flows through to a whole range of other things that government does. Whether it is delivery of improved transport options such as light rail, improved bus services or whatever; whether it is improved energy and water performance in housing; whether it is improved use of water in maintaining public open spaces and so on—these are all the detailed knowledge of the agencies responsible for that. They need to make sure, and it is really my job and my department's job to make sure, that their policies fit with and work towards the broad policy objectives we have in preparing for, adapting to and ameliorating climate change issues in our community.

THE CHAIR: Do you envisage that the new department would have a reasonable research arm in a sense, because it is about staying on top of the latest technology and all those things? Although those other line agencies implement and put in place, I do not know if they have the capacity to stay on top of what is a very movable feast and whether that will be part of what your department does.

Mr Corbell: I am keen to work to improve our capability to do that. That will be a matter for government to decide through the budget process but there is an argument that we need to skill ourselves up further, to have a good level of capacity in terms of analysis and research and understanding of the science and understanding of what it

means for our jurisdiction or our region in particular. That is something I am very conscious of but that will be contingent on the government's ability to provide resources in that area.

MRS DUNNE: Minister, when you took over the department how much work had been done on the energy policy? It had been on the books for three or four years.

Mr Corbell: There was a draft policy that was made available for my consideration.

MRS DUNNE: Is it substantially changed? It has been promised for a long time.

Mr Corbell: When I was provided with the draft policy, I gave some fairly detailed feedback to my department and asked that further work be done on it in a range of areas. That work is now being done and once I see the final product of that work—and I have not seen that yet; it is well underway I understand—I will then be in a position to hopefully agree to it and release it for public comment.

MRS DUNNE: When was that planned?

Mr Corbell: End of March.

MRS DUNNE: Minister, I will go back to where we were earlier in the day in relation to the government's solar policies. What steps, if any, has the government taken or considered taking in relation to helping the company, Spark Solar, establish its fabrication plan in the ACT?

Mr Corbell: I have met with Spark Solar to discuss their application for assistance.

MRS DUNNE: I did recommend you to them.

Mr Corbell: And they took up your suggestion. They have subsequently had further meetings with the economic development area in Chief Minister's Department as recently as the last week or so and it would be fair to say that the initial request for assistance that Spark Solar made of the government last year, and which was made public during the election process, has now changed and the government has been giving some consideration to that. Because of the change in the type of assistance they are requesting, that is introducing some new and more difficult issues than would have been the case if they were still after the assistance they were originally after.

MRS DUNNE: Did I mishear you? You said that the type of assistance that they are seeking has changed?

Mr Corbell: The type of assistance they are requesting has changed. Spark Solar initially sought assistance in terms of a payroll tax waiver and the government introduced policy changes to provide for that. Spark Solar are now indicating that that is not the sort of assistance that they believe is most needed and that other forms of assistance are needed. That is a matter that the government is considering. I have discussed the matter with the Chief Minister. He is the responsible minister for business assistance, and further consideration is being given to their revised request.

MRS DUNNE: When was their request revised?

Mr Corbell: They indicated that in a meeting I had with them late last year, late December. That is when those facts were brought to my attention and they have subsequently had meetings with the economic development areas of Chief Minister's Department late last month. I have discussed the matter with the Chief Minister recently and some further consideration is being given to that.

MRS DUNNE: You were saying that when you saw them in December they were asking for payroll assistance.

Mr Corbell: No, they were asking for different things.

MRS DUNNE: But they raised these matters during the election campaign.

Mr Corbell: Yes, they went public.

MRS DUNNE: And the matters that were raised in the election campaign, that they were saying they were seeking assistance for, has changed. They asked for other things?

Mr Corbell: That is correct. In the meeting I had with them they advised me that payroll was not the key issue for them.

MRS DUNNE: When do you think the government might make a decision one way or the other for Spark Solar?

Mr Corbell: I would hope very soon. I am not the responsible minister so I am not the decision maker in this regard, at least in the first instance. You would need to ask the Chief Minister. But I would hope that a definitive decision on that would be made soon. I should stress that I do also understand that Spark Solar are making inquiries of other jurisdictions as well.

MR SESELJA: Is it appropriate that we ask questions in relation to some of the community grants that were given, particularly the environmental grants? It is page 173.

Mr Corbell: Yes.

MR SESELJA: Concerned Residents of West Kambah are to receive \$17,280 for six cafe-based functions. Is someone able to give us a little more detail as to what would necessitate \$17,280 for cafe-based functions for local community members?

Mr Lewis: I cannot; I can take it on notice, though.

Mr Corbell: We will take the question on notice.

MR SESELJA: Obviously, in your taking it on notice, we would want to know what the money was spent on, in as much detail as is available, and who are the people that it was granted to. Likewise with the Australian Network for Plant Conservation,

which is No 2 of the environment grants—\$14,035.

Mr Corbell: Do you want a more detailed break-up of what that money was spent on? Is that what you are asking?

MR SESELJA: Yes, indeed.

Mr Corbell: Okay.

MRS DUNNE: The corrigendum to the TAMS annual report lists a number of consultancies that were not listed in the table. One of them relates to sustainability projects—for the Australian National University to undertake a carbon sequestration audit for \$59,000. Could somebody tell me what that aimed to do and what the outcomes of the project were?

Ms Chapman: We are just looking at the final report of that consultancy right now. It is to look at carbon sequestration in both the urban and rural settings in the ACT. We think that it will become a very useful tool, particularly in terms of planning for both the urban and the rural settings.

MRS DUNNE: What elements of carbon sequestration were you looking at?

Ms Chapman: It might be useful to take it on notice. The report will become a public report. We will have a finalised report in the next week or so.

Mr Corbell: It may be useful to offer you a briefing once the report is available.

MRS DUNNE: I would also like to see the scope of works that the consultant took up. There must have been a brief to the consultant. Would it be possible to provide that to the committee?

Mr Corbell: Yes.

MRS DUNNE: That would probably answer the question, but I would be interested in the outcome of the report as well.

Mr Corbell: Of course.

MRS DUNNE: Minister, are things like management plans for conservation areas still in TAMS or is that with you?

Mr Corbell: It is TAMS—Parks, Conservation and Lands.

THE CHAIR: We clarified that earlier. I suppose that it is a little complicated, and we have been working our way through it this afternoon because it is a new department. I am sure that there is bedding down in a number of areas, even within the public service, but we have clarified that one.

MRS DUNNE: A lot of the things that I was thinking of asking about today will probably have to go to TAMS.

THE CHAIR: Yes. I thank you very much for coming along and being part of this hearing this afternoon. We will send off the questions on notice and ask that they be responded to within two weeks.

The committee adjourned at 4.22 pm.