



**LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL TERRITORY**

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

(Reference: [Annual and financial reports 2010-2011](#))

**Members:**

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

**TRANSCRIPT OF EVIDENCE**

**CANBERRA**

**THURSDAY, 1 DECEMBER 2011**

**Secretary to the committee:  
Ms S Salvaneschi (Ph: 6205 0136)**

**By authority of the Legislative Assembly for the Australian Capital Territory**

Submissions, answers to questions on notice and other documents, including requests for clarification of the transcript of evidence, relevant to this inquiry that have been authorised for publication by the committee may be obtained from the Legislative Assembly website.

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## **Privilege statement**

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*Amended 9 August 2011*

## **The committee met at 1.30 pm.**

Appearances:

Corbell, Mr Simon, Attorney-General, Minister for Police and Emergency Services and Minister for the Environment and Sustainable Development

Environment and Sustainable Development Directorate  
Farnsworth, Ms Penny, Acting Director-General and Conservator of Flora and Fauna  
Traves, Mr Alan, Acting Executive Director, Policy  
Hargreaves, Ms Anita, Chief Financial Officer  
Butt, Mr David, Executive Manager, Water Policy  
Lyons Wright, Ms Ann, Senior Manager, Regulation and Services, Program Implementation  
Rutledge, Mr Geoffrey, Director, Corporate  
Walters, Mr Daniel, Environment Protection Authority; Acting Director, Environment Protection and Water Regulation  
McKeown, Ms Helen, Planning and Conservator Liaison Officer, Nature Conservation Policy, Conservation Planning and Research

**THE CHAIR:** Good afternoon, everyone, and welcome. I now formally declare open this second public hearing of the Standing Committee on Climate Change, Environment and Water inquiry into 2010-11 annual and financial reports. Today the committee is examining the 2010-11 annual report of the Environment and Sustainable Development Directorate.

On behalf of the committee, I would like to thank you, minister, and directorate officials for appearing today. May I remind witnesses of the protections and obligations afforded by parliamentary privilege and draw your attention to the blue coloured privilege statement before you on the table. Could you please confirm for the record that you understand the privilege implications of the statement?

**Mr Corbell:** Yes, thank you, madam chair.

**THE CHAIR:** We have quite a bit of ground to cover during the hearing, and I would like to maximise the opportunity for members to be able to ask questions rather than having to put supplementary questions on notice. Before we proceed to the questions, minister, would you like to start with an opening statement?

**Mr Corbell:** Good afternoon madam chair, good afternoon members of the committee. Thank you for the opportunity to appear. I do not intend to make an opening statement, but I and my officials, as always, are available to try and answer your questions.

**THE CHAIR:** I would like to move to pages 291 and 292 of the annual report. You can see there that there has been quite a bit of churn in senior management positions within the directorate, particularly when you go from the days of DECCEW into the directorate. Examples would be the position of the Director of Climate Change and Natural Environment, which was filled by four different people, and the Director of

Water, Waste and Energy Policy, which was filled by two different people. There has been some slowness in delivering on some of the major policies and strategies that have been out there—things such as the energy policy, the waste strategy and, of course, action plan 2. I am wondering whether the churn, the movement of those senior positions, relates to the slowness in being able to get some of those documents together.

**Mr Corbell:** Ms Hunter, I will make some general observations and perhaps Ms Farnsworth can provide some more detailed commentary. I would make the point simply that the policy areas of the former Department of Environment, Climate Change, Energy and Water and these policy functions in the new ESD directorate are necessarily small. A relatively small number of people are dealing with complex policy questions which require in some aspects very detailed analysis—economic as well as social and environmental analysis. That is particularly the case for action plan 2, but also for specific energy policy measures, such as the feed-in tariff and so on, and the same in relation to waste.

I am very proud of the work that my agency is doing. They really are breaking new ground in terms of the detail and the analysis that is required for these very complex areas of policy. I believe they are delivering quality products. At the end of the day, I want to make sure that any policy put forward by the government is detailed, is robust in terms of its analysis and is thoughtful and well considered rather than seek to deliver a policy simply for the sake of meeting some arbitrary time frame.

That is my position on these things but, in relation to your specific question, Ms Farnsworth may be able to assist you.

**Ms Farnsworth:** Thank you, minister. Yes, Ms Hunter, we have had some staff movement across the year, and we have also, of course, integrated into the new directorate. We are finalising the structure for the new directorate. At all times we have back filled those positions when they have been vacant, and in terms of meeting the policy agenda, it has also involved engaging external consultancies where we have required additional expertise and extensive modelling and consultation. So we believe we have maintained a fair degree of management throughout that.

**THE CHAIR:** You—and the minister as well—have identified that some of these things are very complex and there needs to be the right technical and policy experiences and expertise. Has there been difficulty in being able to find that, whether it be contracted or in positions that you need in the department?

**Ms Farnsworth:** We try and maintain a fairly robust recruitment regime and identify where there are expected vacancies. We are quite proactive in seeking out suitably qualified staff. We have been particularly successful in recent times in both the energy area and the water area. It would be fair to say, I think, that water has probably been one of the long-standing challenges, because you have also got the commonwealth competing for a very limited pool of expertise. There have been no difficulties in terms of the consultancy market. There are a number of experts, particularly in economic modelling.

**MS PORTER:** Good afternoon, everybody, and minister. The report on pages 258 to

261, minister, shows an extensive list of community engagement initiatives that the directorate undertook over this period. I think it is a fantastic number and a really good list of community engagements. I was wondering if you could inform us how the community has responded to those initiatives in those areas and what impact the extensive engagement has had on the decision making in the directorate.

**Mr Corbell:** Thank you, Ms Porter. Yes, it is the case that the use of community engagement, community consultation and feedback is very important in the context of the development of new policy. There has been a range of new policies and programs where community engagement has been critical. The first is in relation to the development of the energy policy. The government received 35 submissions through the public consultation process, and one major change as a result of that was a much greater emphasis being placed on harmonisation with other jurisdictions around issues such as energy efficiency legislation, planning and building approval processes and so on.

Equally, in the development of the waste policy, the government sought to undertake significant public consultation, including the release of a broad range of technical reports that underpinned the government's analysis in relation to future waste policy directions. We undertook a direct mail-out of the strategy to waste stakeholders, including community organisations, waste operators and others in the industry, as well as industry groups. There was also distribution through a range of areas, such as the government shopfront and libraries and through our website. A series of open forums were held at various public venues. There was consultation with waste generators, consultation with businesses in the ACT waste sector, such as collection companies, the operators of the mixed recycling facility and other recycling businesses, as well as consultation with community bodies.

This type of consultation saw 65 people attend the various public forums on the waste policy; 29 submissions were received with most of the feedback being very positive. All of these submissions have been made public and have assisted the government in the development of a stronger and more comprehensive waste policy, which is close to finalisation.

**MR SESELJA:** Minister, page 16 deals with some capital deferrals. Could you bring us up to date with the deferral of construction costs associated with Dickson and Lyneham ponds? Where are they up to? Are they now completed? If so, what has been the total cost to date?

**Mr Corbell:** Dickson and Lyneham ponds commenced construction in October 2010, Mr Seselja. Both developments are expected to be complete by December; so that is the state of play in relation to those projects.

**MR SESELJA:** So that is December of this year. And the cost to date and the estimate of the total final cost?

**Mr Corbell:** For Dickson and Lyneham the total budgeted cost is \$13.87 million, with \$6.52 million expended to date.

**MR SESELJA:** And they are due to be finished this month, is that right?

**Ms Farnsworth:** The ponds themselves are due to be completed at the end of December, although there may be some slight delay if we get further rain. The pipes and pumps to allow the trial to be conducted are expected to be completed by November 2012. So that is the infrastructure to make the pumping mechanism work.

**MR SESELJA:** And that is the total cost of the project. With only \$6 million spent to date, most of the cost is still to come, but that will be spent next year on the associated infrastructure, is that right?

**Ms Farnsworth:** Yes, we have spent to date \$6.52 million.

**MR SESELJA:** Yes.

**Ms Farnsworth:** And the total cost is \$13.87 million.

**MR SESELJA:** Yes, so there is still half to go.

**Ms Farnsworth:** Yes.

**MR SESELJA:** So about half the cost is associated works. What is the split with what is due to be finished at the end of this month and then what is due to be finished in November next year?

**Mr Corbell:** I would have to take that on notice, Mr Seselja.

**Ms Farnsworth:** Yes. I believe we are due to go to tender for the second stage shortly.

**MR SESELJA:** Okay. And the reason for the delay—is it just rain or are there other factors?

**Mr Traves:** I had carriage of that project back in the previous financial year. The Lyneham one is largely delayed due to rain and also a slight delay in the movement of a sewerage pipe that had to be relocated on site. The Dickson one went exactly to schedule.

**MR SESELJA:** So Dickson is finished, is it?

**Mr Traves:** Dickson is completely finished.

**MR SESELJA:** And will Dickson need the same amount of associated works as Lyneham, and has that started, or—

**Mr Traves:** The intention of the inner north reticulation system is to link the Flemington ponds area—ponds 1 and 2—to Lyneham and Dickson. So once the final pond is in place, then that linking infrastructure will be put in place, and that is the second stage the minister referred to.

**MR SESELJA:** And the deferral of construction for the valley ponds in Gungahlin of \$1 million—what is the reason for that?

**Mr Traves:** It may have occurred since I was in that unit. I will have to take that on notice.

**MR SESELJA:** Are you able to also find out for us whether that is expected to come within budget, if it is completed and, if not, when it is expected to be completed?

**Mr Corbell:** My advice in relation to the valley ponds is that the budgeted costs of the valley ponds is \$6.5 million. Is that correct?

**Ms Farnsworth:** Yes, and it is scheduled for completion in September 2012.

**MR SESELJA:** And we expect it to be within the \$6.5 million budget?

**Ms Farnsworth:** At this stage, that is my expectation. Construction commenced last month.

**MR SESELJA:** And the reason for the delay?

**Ms Farnsworth:** I would need to get further information on that for you.

**MR SESELJA:** Likewise, the north Weston reticulation network, another \$1 million. What has been the reason for that deferral?

**Ms Hargreaves:** The reason for the delay with the valley ponds is because of the site access. There were a number of car parks in that particular area.

**MR SESELJA:** What was the problem with site access?

**Ms Hargreaves:** I do not know exactly the specifics, but it had to do with car parking and some other issues with site access.

**MR SESELJA:** So how much will that be delayed? Is that now expected to be completed in this financial year?

**Ms Hargreaves:** It is expected to be completed in this financial year, yes.

**MR SESELJA:** And the total budget for that project?

**Mr Corbell:** The valley ponds are \$6.5 million.

**MR SESELJA:** Sorry, I thought we had moved on to north Weston. My apologies.

**Mr Corbell:** That advice being provided to you was in relation to the valley ponds.

**MR SESELJA:** My apologies, I misunderstood. Could we move on to north Weston, because I think that was what I had asked about. What was the reason for the delay on north Weston?

**Ms Hargreaves:** Largely due to reconfiguration of the pond. There were asbestos

issues as well.

**MR SESELJA:** There were asbestos issues. But only \$1 million has been deferred. That is a pretty large project, is it not?

**Ms Hargreaves:** Yes.

**MR SESELJA:** What is the total budget for that?

**Ms Hargreaves:** It is a large project. It is \$5 million. Recently we have been going through a process of reprofiling capital works in conjunction with Treasury. At this stage we have earmarked \$4.5 million to be reprofiled into the 2012-13 financial year.

**MR SESELJA:** For the north Weston—

**Ms Hargreaves:** For the north Weston pond.

**MR SESELJA:** Okay, so \$1 million has been deferred into this financial year?

**Ms Hargreaves:** Yes.

**MR SESELJA:** Is that right?

**Ms Hargreaves:** Yes, and then there will be another \$4.5 million.

**MR SESELJA:** Into the next. When do we expect that that will be completed?

**Mr Corbell:** Can I just clarify that the construction of the north Weston ponds was a project funded to the Planning and Land Authority. Obviously, the Planning and Land Authority is now part of the Environment and Sustainable Development Directorate. But in relation to the outputs you are dealing with in this annual report, there was no funding for north Weston—construction of the north Weston ponds—in this annual report for what was then the Department of the Environment, Climate Change, Energy and Water.

The project that was funded to the old DECCEW was for the reticulation network, which drew water from that proposed north Weston pond for reticulation to various sites in the Weston Creek area, just to clarify the scope of works we are dealing with.

**MR SESELJA:** Sure. Sorry, we were just finishing an answer from Ms Hargreaves on—

**Mr Corbell:** Sorry, so in relation to this discussion about north Weston, the \$5 million that is being referred to is \$5 million to construct the reticulation network, not for the pond construction per se.

**MR SESELJA:** Sure. And I think—Ms Hargreaves, was there anything else there in terms of—sorry, I am just trying to think of where we were in terms of—

**Ms Hargreaves:** Yes, we were up to the completion date.

**MR SESELJA:** Yes.

**Ms Hargreaves:** The latest advice I have been given is July 2012.

**MR SESELJA:** July 2012. Thank you. And finally in that category, I refer to the higher construction costs associated with the renewable energy technology showcase. How much are those higher construction costs? Is it just the \$0.1 million or is it more than that?

**Ms Hargreaves:** Sorry, are you referring to—

**MR SESELJA:** I am on the same page.

**THE CHAIR:** Page 16. It is the fourth dot point under No 2. It is talking about the variances—\$15.4 million and then it goes through that list.

**Ms Hargreaves:** I will have to take that on notice.

**MR SESELJA:** Okay. So the amount of the higher construction costs and, if so, also the reason for those higher construction costs, total budget and when that is, again, expected to be completed.

**Ms Hargreaves:** It is completed.

**MR SESELJA:** It is completed?

**Ms Hargreaves:** Yes.

**MR SESELJA:** Okay. When was that completed?

**Mr Corbell:** About six months ago.

**MR SESELJA:** Okay, thank you.

**Mr Corbell:** In May this year.

**THE CHAIR:** Mr Rattenbury.

**MR RATTENBURY:** Thank you. I wanted to ask about the role of the environment commissioner. The commissioner, of course, reports to the minister, but when those reports do not have a statutory requirement to be tabled there seems to be quite some delay in releasing them publicly. Minister, will you make all the reports the commissioner is giving you in regard to the role and structure of the environment commissioner's office available to this committee?

**Mr Corbell:** I have no objection and as a matter of principle agree that all reports provided by the commissioner should be made public. Some of those reports, however, are first used to inform government policymaking, in particular consideration by the cabinet. It would be normal for those reports to attract that confidentiality until the

government announces its preferred policy position.

**MR RATTENBURY:** Those reports were provided to government, I understand, in 2009. Why have they not been given consideration? We are now some two years down the track.

**Mr Corbell:** They are still subject to government consideration.

**MR RATTENBURY:** Does the government have any intention of considering those documents?

**Mr Corbell:** We are considering those documents.

**MR RATTENBURY:** Does the government intend to conclude their considerations at any point?

**Mr Corbell:** Naturally.

**MR RATTENBURY:** When might that be, minister?

**Mr Corbell:** I do not have a definitive time frame on that at this point, Mr Rattenbury.

**MR RATTENBURY:** The report from the commissioner on the trees—the tree investigation report—was submitted to you in March 2011. When can we expect a government response to that report?

**Mr Corbell:** That report, whilst commissioned by me, relates to the administration of tree management in the territory, which is overwhelmingly the responsibility of the Minister for Territory and Municipal Services. The Minister for Territory and Municipal Services is preparing and finalising their response. Obviously, when I was the responsible minister, I was coordinating that. I can advise the committee that it is close to finalisation, but that is now a matter for the new minister.

**MR RATTENBURY:** Okay. Thank you, minister.

**THE CHAIR:** Thank you, Mr Rattenbury. I was wondering about some other reports. That was around the assessment of ACT government agencies' environmental performance reporting. The standard practice of the commissioner is to release reports provided to the minister following their tabling by the minister. In the context of there now being an environment of a government with an open government policy of putting information out there, is there a rationale as to why these reports have not been tabled yet?

**Mr Corbell:** Ms Hunter, you may be aware that the public accounts committee, in its report into Auditor-General's report No 1 of 2010, recommended that the government table the reports—the report of the commissioner in relation to her audit of ACT government agencies' environmental reporting. The government has finalised its response to the committee's report. I anticipate that I will be tabling the government response and the commissioner's report in next week's sittings.

**THE CHAIR:** Okay. My next question was about timing; so thank you for that answer. I want to go back to that issue around the sort of shuffling of positions that has been happening. I am sure it can be difficult in any agency to be getting on with a very heavy and full workload at the same time as having people moving around.

One of those shuffles that happened in a way was with the moving of the former commissioner for the environment over to take up the position of Auditor-General and, of course, that role being filled in an acting capacity by one of the senior members of the directorate. We obviously had the acting commissioner here the other day. I was very impressed. It was a very candid hearing and I know that the committee appreciated that.

But I am just wondering—we have raised this—more around how those sorts of things operate where you have someone who is a public servant working in the directorate moving out into an independent statutory authority, having to play a role which is quite independent and maybe critiquing things that are government policy or something that might be put out by the department. How do you see it, minister, in terms of being able to then go back into the directorate and, hopefully, not in any way having any issues about having been outside in an independent role critiquing things? How do you see that working?

**Mr Corbell:** I think it works very well, because the people who are appointed to these positions are first and foremost very professional in the way they conduct themselves. I think you saw that from Mr Neil in his evidence when he appeared before this committee previously. Mr Neil is a very senior and very experienced public servant who has worked in this area—that is, the area of environment protection and scrutiny of other government agencies—for a long time. He previously has been with the Environment Protection Authority. He is very familiar with his roles and responsibilities and exercising an independent statutory role. The EPA is an independent statutory role, as is the commissioner for the environment, albeit they are different roles.

But Mr Neil, I think, has demonstrated his capacity to do that. I think the directorate and other government agencies respond to that in the same professional manner. People have a job to do. That is accepted. It does not create conflicts or concerns to the best of my knowledge. We have a range of statutory office holders who sometimes perform dual roles as public servants, at other times do not but who move between a public service role and a statutory role. The key to handling that sort of situation is professionalism and an understanding of the roles. I think we have that in abundance with Mr Neil and other senior public servants who in my directorate and other directorates also perform statutory roles as parts of their brief.

**THE CHAIR:** How are we going with that recruitment process? That is underway, I understand.

**Ms Farnsworth:** Yes, Mr Neil has been appointed to act, I think, until March. At the moment—we talked about finalising the establishment of the directorate. We would anticipate that we would be advertising to fill that position shortly.

**THE CHAIR:** We look forward to hearing about that. Ms Porter.

**MS PORTER:** Thank you. Talking about reports, plans and such-like, the guide to the proposed Murray-Darling Basin plan was released in October 2010 by the Murray-Darling Basin Authority. It identified the ACT as a sustainable diversion limit area within the broader Murrumbidgee River catchment. Minister, now that the plan has been released, can you explain to us what this means to the ACT and what impact it will have on the ACT as an SDL, if implemented?

**Mr Corbell:** Yes, thank you, Ms Porter. Members may be familiar with the fact that the previous draft guide to the plan proposed reductions in the sustainable diversion limit for the territory from the existing 40.5 gigalitres per annum to somewhere between 21 and 28 gigalitres per annum, or reductions of between 30 and nearly 50 per cent.

This was a very serious detriment to the territory and it was done without any engagement or consultation with the territory. Similar complaints, of course, were made about the operation of the development of the draft plan across the Murray-Darling Basin. Since that time, and following the appointment of a new chair for the MDBA, I and my officials have been working very hard to try and get a better deal for the ACT in terms of what the SDL is for the territory. I was very pleased to see in the draft plan—it obviously was announced on Monday—that the proposed SDL for the ACT is 40.5 gigalitres.

**MS PORTER:** Minister, there was a little bit of chat going on here and I missed what you just said. I apologise.

**Mr Corbell:** We are very pleased to see in the new draft plan that the proposed SDL is 40.5 gigalitres, which is the same SDL as is currently in place. That is welcome news. It reflects the fact that the territory is a good water user. It is the most efficient user of water in the basin on a per capita basis, and we are also the most productive users of water in the basin in terms of the economic return per capita use of water.

So that is a very pleasing outcome. I have been in detailed discussions with my counterpart federally, Mr Burke. My officials have been in engagement with the Murray-Darling Basin Authority. I am very pleased to have secured this outcome. There is still more work to be done. That work predominantly relates to factors to service population growth as the city continues to grow. That is the subject of detailed discussions between the territory and the commonwealth at this point in time. It is not a matter that can be addressed in the draft guide. It needs to be addressed through intergovernmental agreement, which we are still actively pursuing.

**MR RATTENBURY:** Can I ask a supplementary on that, minister?

**MS PORTER:** I just had a supplementary myself.

**MR RATTENBURY:** Sorry.

**MS PORTER:** Do we have a time frame for that? You were referring to the supplementary agreements. Do we have any kind of time frame?

**Mr Corbell:** I believe we are close to agreement on this matter. But it is not yet clear and it is contingent on processes within the commonwealth government's control. So I would be reluctant to put a time frame on it at this point, except to say that the 40.5 SDL as proposed in the draft guide gives us real confidence around water security into the medium term. In the long term there is a need to finalise arrangements for growth to ensure that there is continued water security for growth in the long term, and that is what the purpose of the negotiations with the commonwealth are designed to achieve.

**MS PORTER:** Thank you, minister.

**THE CHAIR:** Mr Rattenbury with a supplementary, and then we will go to Mrs Dunne with a supplementary.

**MR RATTENBURY:** Does the ACT government have any view on the overall target that has been suggested in the new plan?

**Mr Corbell:** We support it.

**MR RATTENBURY:** For the whole of the basin, I mean?

**Mr Corbell:** Yes. We support it. We support it because we believe it is a step forward, a significant step forward, in terms of water for the environment in the basin. It is difficult to underestimate the complexity of this issue and the significant entrenched and vested interests at play.

In the ACT we are fortunate in that we very much are a very small cog in a very large machine of the Murray-Darling Basin in terms of our water use and in terms of our water requirements. But when you are talking about a basin which is having to, as a whole, deliver thousands and thousands of gigalitres of water in environmental flows to improve the health of the basin, these are very complex issues.

I believe that the new chair of the basin authority, Mr Knowles, his staff and his board have done an enormous body of work to better understand what is achievable, particularly over the next 10 to 15 years, in terms of improving flows and in terms of how that can be achieved without serious dislocation of communities and economic activity within the basin whilst at the same time protecting and enhancing environmental outcomes. I think they have done a very good job in very difficult and complex circumstances.

I would simply endorse what the chair of the authority has said, which is to recognise that this is about making a very large step forward. It is not going to be the final concluded effort in the basin, but it is a very significant and important step forward. 2,700 gigalitres being returned to the environment in environmental flows is a very significant improvement in the health of the basin. If more can be achieved, obviously, that is a good thing. But I think, in the context of the very difficult and protracted politics around this issue, an issue which has been protracted and difficult ever since the first day of Federation, we have to view it as a very important and significant incremental step in improving the health of the basin.

**MR RATTENBURY:** Has the ACT government seen any scientific modelling or

analysis that justifies or explains how the target of 2,750 gigalitres was arrived at?

**Mr Corbell:** That is all outlined in the draft basin plan. There is a range of supporting technical documents that support the authority's position.

**MRS DUNNE:** Could I follow up on the MDBC while we are here? Minister, the current plan is that it will be legislated or come into effect in 2012 and that there will be a review in 2015. Are there any guarantees for the ACT that when we get to the 2015 review our rights or the sustainable diversionary limits as they are currently set in the draft plan will be wound back or would be adjusted? Have you received any guarantees in relation to that?

**Mr Corbell:** The proposal is that the SDL components in the proposed plan do not take effect until 2019. So the answer to your question is yes.

**MRS DUNNE:** But they will be reviewed in 2015.

**Mr Corbell:** I think we now have a very clear understanding about what the requirements are for the territory, and I would be surprised if there was a change. Obviously these are not decisions that are within the government's control.

**MRS DUNNE:** But you have not received any guarantees about that?

**Mr Corbell:** We have received assurances that the SDL for the territory will be maintained.

**MRS DUNNE:** Could I also go back to the discussion you had with Ms Porter about the negotiations with the commonwealth about future growth. Where is the ACT in relation to what was essentially its water bank for the years—the credit that we had had for years for not using our full sustainable diversion limits? Have they effectively disappeared and where does that place us?

**Mr Corbell:** I will ask Mr Butt if he can assist you with your question, Mrs Dunne.

**Mr Butt:** I have now forgotten the question; I am sorry, Mrs Dunne.

**MRS DUNNE:** It is essentially about the water bank that we had from the unused allocations.

**Mr Butt:** Under the proposed plan, all jurisdictions that have credits in the water allocations under the current cap arrangements will lose those credits when the new SDL arrangements come into place. Under the new SDL arrangements, a scheme will come into effect that credits underuse of SDLs for future use and access. So effectively the current scheme will recommence.

**MRS DUNNE:** But we will lose all our current credits and they will start counting again in 2019?

**Mr Butt:** Yes.

**MRS DUNNE:** What happens in the interim between when this comes into law and when it comes into effect?

**Mr Butt:** With respect to the arrangements under the SDL as it comes into effect, as you say, in 2019, until then, the cap arrangements apply. So we would have access to the credits that we have, if we need them, until 2019.

**MRS DUNNE:** I misunderstood. I thought that the cap arrangements with the credits would disappear in 2012.

**Mr Corbell:** No. It is essentially reset in 2019, but until then it is available.

**MR SESELJA:** So after 2019, if we have not got credits between 2012 and 2019, we will simply have 40 gigitalitres per annum?

**MRS DUNNE:** 40.5.

**MR SESELJA:** 40.5 gigitalitres.

**Mr Corbell:** 40.5. My understanding of what will happen from 2019 is that any underuse under the SDL will, again, be credited to the territory, but any accumulated credit between now and 2019 will no longer be available. You start your credit arrangements anew in 2019.

**MR SESELJA:** Has the government estimated what we might expect to have in credits come 2019?

**Mr Butt:** From 2019, it will be zero under the new SDL arrangements.

**MRS DUNNE:** No, between—

**Mr Butt:** If you mean in terms of what we will have built up in credit, I think we are currently at around 120 to 130 gigitalitres. We are currently operating below our existing cap, so we would expect that credit level to continue to grow, subject to weather and demands et cetera. And we will be in the same position as all other jurisdictions.

**MR SESELJA:** Will 40 or so gigitalitres per annum be enough for a population of, I imagine, over 400,000 by 2019?

**Mr Butt:** On current use, yes. We are very close to 400,000 now, and the last Murray-Darling Basin audit of our water use actually was exceptionally low because it was such a wet year. But our internal water use is about 35 gigs and, historically, that is about our level of water use.

**MS PORTER:** I have another water question.

**THE CHAIR:** Certainly. There are a few water questions, I am sure.

**MS PORTER:** With regard to the various strategies that we are taking for long-term

water supply for the community, can you brief the committee, minister, on the think water, act water strategy in relation to the Murray-Darling Basin plan? If you have not already answered this, could you tell us what effect this plan would have on other water projects that we are undertaking? It may be that you have already answered that by saying that we are okay, but I wondered if you could clarify that for me, please.

**Mr Corbell:** It is the case that we will need to continue to use water efficiently and continue to achieve a reduction in potable water use. Those will be expectations under the new plan when it is made, and those expectations are entirely consistent with the government's current policy settings which are set out in think water, act water. For example, think water, act water has significant emphasis on achieving water efficiency both inside and outdoors, and the diversion of potable water from non-potable uses so as to protect our drinking water supply for that highest and most important use.

The government has engaged an independent review of the implementation of think water, act water. That review has concluded that we are on track to meet our core target of a 25 per cent reduction in potable water use by 2023. The types of measures that we will need to continue to pursue are measures around water security—the Murrumbidgee to Googong pipeline and the development of the new Cotter Dam. They are important and significant areas of ensuring and improving water security for the territory. At the same time other projects, such as the Canberra integrated urban waterways projects, will be required to deliver the reduction in potable water use for non-potable activities—for example, irrigation of public spaces, playing fields and so on—to ensure that we meet our overall reduction in potable water use.

What is very pleasing about the outcome from the territory's perspective in the draft plan is that the draft plan and the principles underpinning the draft plan insofar as they affect the ACT confirm our existing policy directions, which are about reducing our reliance on potable water supply, diverting potable water use away from non-potable needs, such as irrigating playing fields, sports fields and so on, and continuing to achieve improvements in water efficiency inside buildings. Those are the issues that the draft plan confirms, and these policy settings will need to remain in place to achieve those outcomes in the longer term.

**THE CHAIR:** I think you just said then, minister, that the think water, act water review had been completed?

**Mr Corbell:** It has not been completed but as part of the review the government has commissioned an independent expert assessment of whether or not we are on track to meet our core reduction of 25 per cent in potable water use by 2023. That was commissioned by a firm called Hunter Water, and they have completed that component of the review of the policy.

**THE CHAIR:** Why has that review been held up? I understand it has something to do with the Murray-Darling Basin issues. I am just wondering if that is the case.

**Ms Farnsworth:** We are not anticipating finalising the review of think water, act water until there is a final outcome in terms of the Murray-Darling Basin plan. That will clearly need to be taken into account in that strategy, and we are also undertaking

updated research and modelling. The review itself will be in three parts, on top of the assessment that has already been done to date: a review and analysis of the implementation plan progress report, evaluation of existing strategic objectives and water saving targets, including water reuse targets, determination of where we need to be in a policy time frame and, finally, the development of a revised strategy with an integrated approach to water planning management, outlining measures to be able to achieve our targets.

**Mr Corbell:** I am advised that it has not been delayed, Ms Hunter. The government expected the review to be completed in mid-2012. That remains the time frame.

**THE CHAIR:** With respect to the Murray-Darling Basin plan, what specific issues do you see impacting on think water, act water?

**Mr Corbell:** The key issue is what our SDL is—how much potable water supply we are entitled to draw from our catchment. That is the key issue. That drives obviously a range of other measures around water efficiency, diversion, potable from non-potable use and so on. So getting a clear indication from the MDBA of what they believe our SDL should be is a key outcome to inform overall policy settings. Obviously that is still subject to approval by the federal minister and the federal parliament, which is why it is prudent to await that decision in the federal parliament on the plan, once the plan is formally made, before concluding any review of think water, act water.

**THE CHAIR:** Are there more water questions?

**MR RATTENBURY:** Yes, I want to ask about Tantangara. In the annual report on page 214 you mention that the ACT has been engaged with the New South Wales government in regard to the terms and conditions of the release of the water from Tantangara Dam. Are those terms and conditions finalised now?

**Mr Butt:** No, they are not. There are still negotiations going on. At the moment I would have to say it is very difficult to get focus from other jurisdictions on things such as that when they are putting all of their attention on and resources into the Murray-Darling plan itself. The discussions in the end will be driven by the trading arrangements approved around Murray-Darling and then the wider reforms in water trading. They will provide the framework for the conclusion of the arrangements with New South Wales.

**MR RATTENBURY:** Are you able to give us any sense of perhaps what the key issues are in the discussions, obviously without breaching confidentiality issues and the like? Are you able to give us a broad sense of it?

**Mr Butt:** There are two aspects to the discussions. The first is commercial in confidence, and that is between Actew and Snowy Hydro Pty Ltd. The government-to-government aspects are around how we shepherd water down the river once it is released, how we guard it from being extracted by anyone in between, timing of those extractions to minimise loss of water through the transportation process into the banks of the river et cetera and trying to implement releases that mimic normal environmental flows. That will be a huge positive in the upper Murrumbidgee, because they have been blocked off since Tantangara was constructed and diverted all

the water towards the Snowy. Then there will be the question of how we trade the water in and out of the ACT and, indeed, whether we then trade it from the ACT back into New South Wales.

**MRS DUNNE:** I have a couple of water questions. In relation to stormwater, how is that taken into account in the calculation of the sustainable diversion limits? How is that treated in that calculation?

**Mr Butt:** Stormwater diversions will need to be treated by being metered. Where stormwater is used in public places, sportsgrounds et cetera, it will become part of the SDL and will have to be accounted for in that way. The SDL will be around—just in the same way the cap is around—what is the ACT extracting and using rather than returning to the basin.

**MRS DUNNE:** So, irrespective of the source, whether it comes out of the Cotter Dam system or out of the stormwater system, that is all part of the calculation?

**Mr Butt:** Yes.

**MRS DUNNE:** While we are on water, I have another question, relating to the strategies for reducing the salt level discharge from the lower Molonglo water quality control. There was commonwealth money which—correct me—was given back. There were issues there about not using the commonwealth money, and I notice from some commentary that our salt discharge is one of the issues that comes into play in the Murray-Darling Basin plan. So what are the strategies for addressing salt discharge in the short, medium and long term?

**Mr Corbell:** Salt discharge is an issue, although it varies depending on overall water use. Obviously in years of higher water use, such as the year we have just been through and the year that we might be experiencing now with higher than normal flows ending up in lower Molonglo, salt becomes less of an issue. But in years when there are relatively low flows through the lower Molonglo water treatment plant, there can be exceedances in the permitted levels of salt being discharged into the lower Murrumbidgee.

**MRS DUNNE:** Are you saying, minister, that the exceedances are as a proportion rather than as an absolute amount?

**Mr Corbell:** No, the point I am making is that the impact of salt is less when lower Molonglo has higher levels of water flowing through it, mostly as a consequence of rain events. So when we have large rain events, a level of that rain does end up in the wastewater system and that does dilute the amount of salt that is discharged into the lower—

**MRS DUNNE:** But the same amount of salt is discharged?

**Mr Corbell:** Yes, that is correct.

**MRS DUNNE:** I am just trying to get my head around what the problem is.

**Mr Corbell:** There can be, particularly in low flow years, levels of salt above the accepted standards, and we seek to try and identify the best feasible measure to address it. The government did achieve in-principle agreement with the commonwealth through an existing Murray-Darling Basin grants program to spend up to \$80 million on a salt reduction project for the territory, subject to the development of a satisfactory business plan.

The government engaged with the commonwealth and undertook detailed analysis around a series of possible strategies to reduce salt and develop business plans accordingly. None of those business plans demonstrated a sufficient cost benefit to justify the use of the money, and the commonwealth was not satisfied that any of those projects was able to demonstrate a reasonable cost-benefit analysis. Therefore both jurisdictions agreed that it was not feasible at this time to use the money for that purpose, because it just did not stack up economically.

**MRS DUNNE:** So we did not give the money back; they just never gave it to us?

**Mr Corbell:** They never gave it to us, although it is notionally allocated to us. I stand corrected; it was not an MDBA program, it was a commonwealth program under the commonwealth Water Act. At this point in time the government is renegotiating with the commonwealth what that money can be utilised for. We still assert that the money has been allocated to the territory for a water project, and discussions on that remain positive with the commonwealth.

**MRS DUNNE:** This may be something to take on notice: what is the licensed discharge of salt from the lower Molonglo and what have our discharges been, say, over the last five years? That is probably something you can on notice.

**Mr Corbell:** I am happy to take that on notice.

**MR SESELJA:** Page 221 talks about the plastic bag ban. How will the government be measuring the effectiveness of this ban and when will the first report on it be released?

**Mr Corbell:** The government will be monitoring the plastic bag ban over the first 12 months of the ban's operation. I would anticipate that after a 12-month period the government will have sufficient data to make an analysis of the impact of the ban.

**MR SESELJA:** What will be the performance indicators to measure the effectiveness of the ban?

**Mr Corbell:** They are yet to be determined but obviously overall plastic bag usage will be a key consideration.

**MR SESELJA:** Will you be measuring the amount of plastic bags that are causing problems in the environment? Will that be part of the assessment?

**Mr Corbell:** It will be an assessment of the overall volume of plastic bag use in the territory and what impact the ban has had on reduction of plastic bags to landfill and other associated impacts, such as litter and so on.

**MR SESELJA:** How often does the plastic bag ban advisory group meet?

**Mr Traves:** The advisory group met three times during the transition period. The advisory group itself is made up of a variety of large and small retailers, independents and chains, and they gave us operational advice on how the ban was likely to progress once it took effect. We found that to be an extremely useful group, which will be retained during the assessment period.

**MR SESELJA:** How often are you expecting that group to meet?

**Mr Traves:** Due to the commitments of the members, they suggested that once a quarter would be adequate.

**MR SESELJA:** What was the cost to government of implementing the ban, particularly the advertising—posters, advertising, information packs?

**Mr Traves:** I do not have that figure with me but I can obtain it.

**Mr Corbell:** We can supply that figure to you, Mr Seseljja.

**MR SESELJA:** Could you also supply how much has been spent on advertising in 2010-11 and how much is expected to be spent in 2011-12?

**Mr Corbell:** For the purposes of the plastic bag ban?

**MR SESELJA:** Yes.

**Mr Corbell:** Yes, we can do that.

**MR SESELJA:** While we are on advertising, we might ask for a general figure for 2010-11 and 2011-12.

**Mr Corbell:** I think you have already placed questions on notice around that.

**MR SESELJA:** Have we?

**Mr Corbell:** For the directorate.

**MR SESELJA:** Okay. Chair, could I ask another?

**THE CHAIR:** If it is on plastic bags, we do have some supps. Ms Porter has a supp first and then Ms Le Couteur.

**MS PORTER:** Obviously the assessment will give us more robust information but have you a sense, minister, of how the community has responded to the change thus far?

**Mr Corbell:** I think overwhelmingly the response has been positive, Ms Porter, and that confirms and is in accordance with the opinion testing and surveying of

community that we undertook prior to making a decision to bring the ban in. It shows there is a clear majority of people who support action to reduce the use of single lightweight plastic shopping bags, and I think that is reflected in the overall very strong community acceptance of the ban.

Yes, there are some voices that disagree with the ban. That is to be expected and it is understood that there are some people in the community who do not agree with it. But overwhelmingly, I think the very clear majority do support it, accept it and recognise that it is a useful step for the community to take in reducing use of plastic bags.

The feedback has been particularly positive from retailers insofar as the advice and information they have been given and the warning and time they have been provided with to prepare for the ban to take effect. The transition period was well received, as was the level of signage and information that was provided to all retail outlets in the ACT who were distributing the single use lightweight plastic shopping bags. Indeed, the Canberra Business Council are on the record as saying that they believe the government got it right in terms of the information, the timing, the transition period and the advice available to shopkeepers and business operators. So that has been a very positive outcome of this process.

**MS LE COUTEUR:** We have had a number of complaints from constituents about the type of bags which are now being offered. In particular, there has been concern about the thicker plastic bags which are now being offered, sometimes for free, and whether or not the bags which are claimed to be compostable actually comply with AS 4736, as required in the legislation.

**Mr Corbell:** What is your question, Ms Le Couteur?

**MS LE COUTEUR:** The question is about the bags which are now being used—whether the compostable ones are actually compliant with the regulation, which is AS 4736-2006, which is in the legislation.

**MRS DUNNE:** Which is about to be changed by legislation.

**MS LE COUTEUR:** It may well be about to be changed.

**Mr Corbell:** As you highlight, Ms Le Couteur, any use of biodegradable bags must meet the relevant Australian standard under the legislation. If there are instances where you believe retailers are not adhering to that requirement, I would be grateful if you could pass the information to the Office of Regulatory Services so that the matter can be investigated.

**MS LE COUTEUR:** Is the Office of Regulatory Services doing any monitoring or is it purely relying on people complaining?

**Mr Corbell:** The Office of Regulatory Services has a mixture of proactive and reactive responses to regulation, as it does on a range of matters. ORS officers are conducting inspections to assist retail outlets with compliance. But if you do have a particular area of complaint or concern, if those matters can be referred to ORS, they can be investigated.

**MR SESELJA:** How many officers do you have working on compliance on plastic bags?

**Mr Corbell:** I would have to take that on notice in terms of exact numbers, but I would simply make the point that this is not a function where there are dedicated plastic bag inspectors.

**MR SESELJA:** So there are no plastic bag police?

**Mr Corbell:** No. The Office of Regulatory Services inspectorate performs a range of inspection duties in the retail sector. This is just another matter that they would be dealing with.

**MS LE COUTEUR:** With the compostable bags, did you give the retailers any information about compliant suppliers, or did you leave them to research it for themselves?

**Mr Traves:** On legal advice, a decision was taken that we would not recommend particular brands as other competitors in the market who may have inadvertently been overlooked would then complain and possibly sue the government. On the basis of that legal advice, we directed the advisory panel to suggest various websites to their members or to the groups that they are representing on that panel. They have gone away and done their research and worked out what they need to buy to comply. To assist ORS in their compliance, we have provided them with an electronic micrometer, which they use to measure the bags. It is not just guesswork; they can measure them exactly.

**MS LE COUTEUR:** How do they evaluate the compostable bags, given you have not worked out a list of compliant suppliers or anything?

**Mr Traves:** Certainly we direct them to websites. How they verify the claims of those websites would be up to the office of ORS. Unfortunately, I am not a regulator, so I cannot answer the details of how they do that.

**MRS DUNNE:** I have had issues raised by constituents who are concerned that they are still being provided with single use lightweight plastic bags but are now being charged for them. Does the legislation outlaw the lightweight, flimsy bags entirely?

**Mr Corbell:** It is an offence to supply those bags.

**MS LE COUTEUR:** Unless they are compostable.

**Mr Corbell:** Then they are not a single use lightweight plastic shopping bag.

**MRS DUNNE:** It is just that I have had constituents saying that they have still got the same bags they had before. And the other issue people have raised with me is that when you turn up to the supermarket and have left your bags behind, you buy bags from the supermarket and they are much heavier weight. There are concerns about the life of those in landfill. For instance, various supermarkets now have branded plastic

bags. What is the expected life of those? They will eventually end up in landfill, even if they are reused a number of times. What is the expected life of those bags in landfill?

**Mr Corbell:** My understanding is that some retailers are providing heavier duty bags, similar to the type of plastic bag that is available, say, from clothes retailers or shoe retailers and so on. It is a similar sort of heavier grade plastic material. As you would be aware, the purpose of the ban was to reduce the use of the lightweight bags. Heavier duty bags, such as the ones you mentioned and the ones available from clothing or footwear retail outlets, are bags that are very suitable for significant reuse, and that is why they are not banned.

The impact of these bags will be assessed as part of the overall review. I draw to the committee's attention the assessment in relation to reusable bags, including the assessment commissioned by the Environment Protection and Heritage Council in 2008 by Hyder Consulting, which shows that reusable bags have a significantly lower environmental footprint than disposable plastic bags.

**MR SESELJA:** Is it your contention that lightweight plastic bags are not reusable?

**Mr Corbell:** Reusable plastic bags and other bags such as cloth bags or the so-called green bags that you can obtain from supermarkets have a significantly lower environmental footprint than disposable plastic shopping bags.

**MR SESELJA:** Are you aware of the contrary views of the British environmental protection agency, which said that those types of bags would have to be used every day for a whole year to have less of an environmental impact?

**Mr Corbell:** I am aware of your claims in relation to that report, Mr Seselja. The government has looked closely at the analysis commissioned by the Environment Protection and Heritage Council in its investigations into this issue.

**MR SESELJA:** So you are not aware of the British EPA report then?

**Mr Corbell:** I am aware of your claims in relation to the report.

**MR SESELJA:** So you have not bothered then to look it up since you saw those claims?

**Mr Corbell:** I have not read that report. My directorate has reviewed that report, and I am aware of your claims in relation to that report.

**MR SESELJA:** What is the directorate's view of that report?

**Mr Corbell:** I will ask the directorate that.

**Ms Farnsworth:** I support the minister's comments. On preparing this work we undertook the analysis and reviewed the Hyder Consulting report, and we have great faith in that outcome.

**MR SESELJA:** Okay, but that was not the question. The question was: what is the directorate's view on the British EPA report?

**Mr Corbell:** The British EPA report dealt with, as I understand it, one type of bag—a cloth bag. It did not look at other types of reusable bags.

**MR SESELJA:** Sure, but you have just talked about having a lower environmental impact and you referred to those—

**Mr Corbell:** The Hyder Consulting report, as I understand it, looked at a range of reusable bags and their overall environmental impact.

**MR SESELJA:** So are we not going to get an answer then on the directorate's view on that particular report? Is there a problem with that answer?

**Mr Corbell:** Our view on that is that it was a limited examination and was not as comprehensive as the report commissioned by environment—

**MR SESELJA:** Sorry, you said you had not seen it.

**Mr Corbell:** I beg your pardon?

**MR SESELJA:** You said you did not have a view on it.

**Mr Corbell:** I told you that the directorate had reviewed it, and I am aware that the advice I have received on that matter is that that EPA examination was limited and was not as comprehensive as the review commissioned by environment protection and heritage ministers through their ministerial council in 2008.

**MR SESELJA:** So is there anything flawed in that report?

**Mr Corbell:** As I say, it was limited to cloth bags only.

**MR SESELJA:** It sounds like the report is correct.

**Mr Corbell:** No, I did not say that.

**THE CHAIR:** We will move on to some more waste questions. I had one around page 222 of the annual report. It mentions national product stewardship initiatives in relation to fluorescent light globes. As you would know, issues have been raised by the Greens around the lack of recycling facilities for light bulbs and batteries in the ACT. Could you tell me more about this particular initiative and what it means for recycling fluorescents in the ACT?

**Mr Corbell:** I would have to get some further advice in relation to fluorescent light globes, Ms Hunter, and the proposals in that area. I can advise you that the other national product stewardship initiatives in relation to electronic waste are proceeding. We expect that a new national e-waste scheme will commence operation in either the first or second quarter next year. We anticipate that the ACT will be one of the first areas for the national e-waste scheme to roll out in, given the very significant amount

of e-waste in the territory.

The scheme will operate as a free scheme for households in that people will be able to drop off computers, computer peripherals and televisions free of charge to a deposit point here in the ACT. This will relieve consumers of the need to pay to dispose of their old computers or televisions. The scheme will be operated by companies or consortia on behalf of the electronic retailers who are the required participants in the scheme, because it is a product stewardship model. They will deliver that service here in the ACT.

It may be the case that they will utilise existing infrastructure here in the ACT owned and operated by the ACT government on a licence or agreement basis. That is yet to be determined. They may, alternatively, operate it on their own without any interaction with existing ACT government waste facilities. So that is yet to be determined, and that is matter for the operators of the e-waste scheme to determine.

In relation to fluorescent light globes, I apologise, I do not have further detail on that measure at this time, but I can take the question on notice.

**THE CHAIR:** And if you could also take it on notice around tyres as well, unless you have some information on the tyre?

**Ms Farnsworth:** No, I do not have tyres.

**THE CHAIR:** That would be great if you could take that on notice.

**Ms Farnsworth:** Yes.

**THE CHAIR:** Just to finish off with the electronic waste, have there been discussions around whether some of the recycling and so forth could be done in the ACT? Or is it merely a matter that there will be collection points and then they will be taken outside of the ACT to be stripped back?

**Mr Corbell:** That will be a matter for the operators to determine.

**THE CHAIR:** But the government—

**Mr Corbell:** This is not an ACT government-operated scheme. This is a national scheme operated by the electronic retailing industry as a new legal requirement on them—

**THE CHAIR:** Under a national stewardship—

**Mr Corbell:** Through the passage of commonwealth legislation.

**THE CHAIR:** It can be seen as part of some of the greener businesses that can crop up, and we do have some in the ACT. It is around how you can get involved in the stripping out some of the parts and reusing them and so forth. Despite the fact that this is a national scheme, I am wondering whether any thought has been given to looking at whether there is a local aspect around setting up some local businesses.

**Mr Corbell:** That will be a matter for the operators of the scheme to determine.

**MS LE COUTEUR:** Continuing on the waste theme, page 7 refers to community feedback contributing to the final strategy. What more community feedback do you anticipate for the waste strategy.

**Mr Corbell:** Public consultation on the draft waste strategy has concluded, and the final strategy is in the final stages of preparation.

**MS LE COUTEUR:** So this statement is not correct? It says that community feedback “will” contribute to the final strategy.” The word, “will” defines future. When is the—

**Mr Corbell:** I think it is probably just a matter of tense. Community feedback has contributed to the strategy.

**MS LE COUTEUR:** Yes, that is where we were. I was trying to be clear. It has happened.

**Mr Corbell:** It is poor grammar.

**MS LE COUTEUR:** When will the strategy be released?

**Mr Corbell:** It is currently before cabinet. I would hope cabinet concludes its views on the matter this year. If not, it will be early next year, depending on cabinet’s timetable.

**MS LE COUTEUR:** You are talking about how it aims to particularly look at commercial waste in terms of the strategy. What more commercial waste initiatives are you looking at in this context?

**Mr Corbell:** The range of these initiatives was outlined in the draft strategy, Ms Le Couteur, which you are familiar with.

**MS LE COUTEUR:** Yes.

**Mr Corbell:** A range of options are outlined as possibilities in the draft strategy. Priority actions that have already been identified and that are being implemented include procurement of a mixed commercial waste material recovery facility—or a commercial MRF, as it is known. ACT NOWaste has already commenced the procurement process for the development of such a facility.

**MS LE COUTEUR:** Right. It is good to see Civic recycling bins with some good signs. Have you had any feedback so far? I guess you have had operational feedback. How are they being used?

**Mr Corbell:** That is probably best directed to Territory and Municipal Services. They are responsible for the management of the bins.

**MS LE COUTEUR:** Will it be your directorate who evaluates, though, whether they become permanent, not just a trial?

**Mr Corbell:** There will be engagement between the two directorates on that matter.

**MS LE COUTEUR:** Page 223 deals with the national litter index. It says that there has been improvement. Can you talk about what strategies you have in mind to make it so that we not just improve but are at the top?

**Mr Corbell:** Litter is predominantly an issue that is dealt with through the Territory and Municipal Services Directorate. They are responsible for the maintenance of the city issues surrounding litter. So I would best refer you to the officials involved in that.

**MS LE COUTEUR:** It is just that there is a paragraph on—

**Mr Corbell:** Obviously, this looks at Canberra's performance in relation to litter. Litter continues to be an area that we focus on. For example, in the last 12 months we have done significant promotion around the impact of people throwing away and littering with their cigarette butts. We continue to take measures to raise awareness, in conjunction with the body that develops the national litter index, which is—I am sorry; I have forgotten the organisation's name. It is Keep Australia Beautiful.

**MS LE COUTEUR:** Yes, I was going to say Keep Australia Beautiful.

**Mr Corbell:** Thank you. So we continue to engage with Keep Australia Beautiful in promoting and raising public awareness around the impact of litter on the community.

**MS LE COUTEUR:** I understand that you have been doing some work with the ANU Fenner school about biochar options. Has the trial finished? What sort of outcomes did it have?

**Mr Traves:** That trial is being done in conjunction with some of the honours students and the graduate students of the Fenner school. What they are doing is growing various types of char pots from different sources so that we can tell what the relative efficiency of those are as fuel stock. That work is not yet finished. We are expecting a report from the university probably early in the year.

**MS LE COUTEUR:** On page 222 we have got the national waste initiatives and the Australian packaging covenant action plan. What actions are we undertaking to meet some of those initiatives? You talked a bit about it before when Ms Hunter dealt with fluorescent lights, but specifically packaging waste we did not dwell on. It is dealt with in the second and third paragraphs from the bottom on page 222.

**Mr Corbell:** I will have to take the question on notice, Ms Le Couteur. I am sorry, I do not have anybody who is here today who is able to give you that level of detail.

**MRS DUNNE:** This is not a waste question; it was actually one of the water questions which I overlooked, but before I ask—

**THE CHAIR:** Just before we leave waste, did you have any more waste questions,

because I am thinking we will finish up on waste and then go to afternoon tea.

**MRS DUNNE:** Just a quick—

**THE CHAIR:** Mrs Dunne, you will have the last question.

**MRS DUNNE:** Before I ask the question, could I just make the comment, minister, that some of the tables are very hard to read. I am referring to the tables that go through from page 190 onwards. They are extremely hard to read. They are very fine print and they are on unfortunately coloured paper. I think that that is an impediment to transparency. But I would like to ask about the accountability indicator which was to assess and report on water quality in the ACT. It was due in October 2010 but delivered in June 2011. It says that the draft report was completed in October 2010 but the finalisation and subsequent publication of the report occurred in June 2011. What happened that the finalisation took eight to nine months?

**Ms Farnsworth:** Thank you, Mrs Dunne. Yes, I understand that it was delayed somewhat due to staffing pressures and other work pressures within the organisation.

**MRS DUNNE:** So who undertook compiling the draft report?

**Ms Farnsworth:** The compiling of the draft water quality reports?

**MRS DUNNE:** Yes.

**Ms Farnsworth:** That is prepared by the Environment Protection Authority.

**MRS DUNNE:** Yes.

**Ms Farnsworth:** We also have other water reports that report on our programs, but water quality is environment protection.

**MRS DUNNE:** It is in the Environment Protection Authority. So I should ask more about that later in the song?

**Ms Farnsworth:** Mr Walters will be able to assist you later.

**MRS DUNNE:** Thank you.

**THE CHAIR:** I did have just one question before we go to the break. That was around complaints to the directorate. I could not find any complaints or where complaints would be listed in the report. I am just wondering if there is a particular reason for that. Maybe you did not receive any complaints?

**Ms Farnsworth:** That would be a nice outcome.

**Mr Corbell:** What sort of complaints are you referring to?

**THE CHAIR:** In many of the annual reports there could be complaints from citizens who are ringing up about particular issues that would then be listed in the annual

reports. There is nothing specific in the annual report directions, but I guess that there has been a bit of a focus on improving the way that directorates and government respond to citizens' complaints. I was just wondering—there certainly is around the complaints put in for, say, the EPA.

**Ms Farnsworth:** Yes, that is there.

**THE CHAIR:** Absolutely. They are in there. But I am just wondering—

**Mr Corbell:** DECCEW was largely a policy development agency, not a service delivery agency.

**THE CHAIR:** That does not mean that—

**Mr Corbell:** To that extent that it does deliver services or support to the community, such as through the EPA, those complaints are recorded.

**Ms Farnsworth:** I think tied to that also there is work across government on improving how complaints are recorded, because they come into government at various points and are not necessarily always recorded as complaints. There is a recognition, I think, that there is a need to improve there. That work is happening. It is being coordinated by the Chief Minister and Cabinet Directorate.

**THE CHAIR:** And your directorate is, I guess—

**Ms Farnsworth:** Yes, I am participating in a forum that is actively looking at that.

**THE CHAIR:** Thank you. We will go to an afternoon tea break now, and we will resume at just after 10 past 3.

**Meeting adjourned at 2.56 to 3.18 pm.**

**THE CHAIR:** Welcome back to this hearing on annual and financial reports. Before the break we finished up with some questions around waste. I know that Ms Porter would like to move on to questions around the electricity feed-in tariff and also some others around energy.

**MS PORTER:** Minister, page 6 of the annual report highlights the success of the ACT feed-in tariff. Can you provide some details on the program as to how it compares to other states and territories and what is the progress of the proposed large-scale solar energy facility?

**Mr Corbell:** As of November this year, almost 24 megawatts of renewable energy generation capacity had been installed here in the ACT. As of October, according to the ICRC data, there are over 9,180 sites connected to the network. The scheme, as you know, has been fully subscribed, with a number of installations still to be completed.

In relation to large-scale feed-in tariff, as some members may be aware, the government has introduced legislation in the Assembly to provide for the operation of

a large-scale feed-in tariff to provide financial support for the development of commercial renewable energy scale generation here in the ACT. The proposal is to provide that through a reverse auction process for feed-in tariff. This will ensure that the community receives the highest levels of renewable energy generation at the best value price to the community.

Industry will be able to propose optimum-size facilities based on emerging technologies and economies of scale between two and 20 megawatts. A capacity limit of 20 megawatts per proponent in the large-scale auction means that the auction should deliver at least two winners, and no payments will be made to any generator until electricity is generated and supplied to the consumers.

The outcomes of the auction in the first stage, the first tranche, of 40 megawatts will supply around two per cent of the ACT's electrical energy needs, or about 7,000 households, and reduce our carbon emissions by 850,000 tonnes over the life of the scheme.

**THE CHAIR:** On page 225, underneath the map you talk about amendments to the feed-in tariff bill. They were Greens amendments and they were made in June. After those amendments went through the government then announced the closure of the scheme two days after this bill came into force. What was the total capacity for the micro scheme when it closed in May 2011?

**Mr Corbell:** When it first closed? Are you referring to the first closure or the second closure, Ms Hunter?

**THE CHAIR:** When it closed in May. So that would be the first closure.

**Mr Corbell:** The first closure.

**THE CHAIR:** Not the June closure.

**Mr Corbell:** The first closure occurred because we anticipated there had been 15 megawatts for the micro scheme committed.

**THE CHAIR:** What exactly was it at, because it was over 15 megawatts when it closed?

**Mr Corbell:** It depends on whether you measure it by installations or by requests for installation and requests for connection. If you measure it by request for connection, it had effectively reached capacity—15 megawatts.

**MR RATTENBURY:** On what basis did you measure it?

**Mr Corbell:** We measured it based on the number of applications for connection.

**MR RATTENBURY:** So what was that figure when you closed it in May?

**Mr Corbell:** I would have to provide the exact figure but it was based on an assessment that the scheme was fully committed to its 15 megawatts at that point and

that any further applications would see the cap breached.

**THE CHAIR:** Why could the government not account for the capacity in the micro scheme in a more timely way with respect to being able to track and have clearer information?

**Mr Corbell:** The only information the government can rely on is the number of applications to the distributor, ActewAGL, for connection. At that point that is when you know how many—

**THE CHAIR:** Where you are up to.

**Mr Corbell:** installations want to access payments because the payments are made by the distributor. So that is the point where you anticipate where you are able to calculate how much capacity has been committed.

**THE CHAIR:** How much capacity did the government take from the medium scheme and use in the micro scheme for applications before May 2011?

**Mr Traves:** I might just take you through the whole story, from the first closure to the second closure. That might help.

**THE CHAIR:** Yes, that would be great, thank you.

**Mr Traves:** With the first closure, there was a period of time when the commonwealth had announced what they were doing with its REC certificates, which was basically the subsidy that they provided to purchasers of PV. They had announced the particular schedule and then they changed that. That caused a bit of a panic in the market. At about the same time, New South Wales abruptly closed their feed-in tariff, so there was a huge amount of supply in the country. There was panic in the market about whether they would be able to get in, and we were the available market.

So in that six weeks leading up to the first closure, as many applications arrived at ActewAGL distribution offices as used to arrive every quarter previously. They had installers turning up to the counter with boxes of applications—200 to 300 at a time. By the time they worked through and made sure all of those applications were correct and verified to go into their system, because they were on a network, it was extremely close to the 15 at that stage. So we had to draw the line at that point.

That then closed. There was then a subsequent round of amendments done through the Assembly to revamp and reopen that scheme. In the interim, the medium scheme component had not closed. So the medium scheme continued to tick over up until the 12th, when the new revamped scheme opened, which again led to another flood, and it had to close by lunchtime the following day. At that stage provision had already been made by the government, with the agreement of the Assembly, to recognise people who had, in good faith, entered into contracts, started their installations but had not put their paperwork in to ActewAGL, and there was a deadline that was set at that time. So that deadline has now passed. ActewAGL have done the calculations and are currently working their way through those connections.

The final figure will be very much dependent upon whether all of the medium-scale applications do go ahead, because they are a little bit more complicated than the household ones. They often rely on external finance and a number of them rely on finance from Europe, which, at the moment, is obviously a little bit shaky. So they may not proceed but we know what the quantum will be if everything goes ahead in a perfect world.

**MR RATTENBURY:** In regard to the first closure in May, presumably there has been an opportunity now to tally the full extent of applications received at that first closure. What was the figure for received applications at the end of that first closure?

**Mr Traves:** I would have to get that figure from ActewAGL. The cap is dealt with in terms of capacity, so I got capacity figures from them; I did not get the numbers of applications. My understanding—

**MR RATTENBURY:** Capacity is the question I am interested in, I suppose—a megawatt figure.

**Mr Traves:** Yes, we can get that figure but I cannot get you the number of applications at that time.

**MR RATTENBURY:** That is fine. I am not worried about that so much.

**THE CHAIR:** I just note that that has been taken on notice.

**MR RATTENBURY:** Thank you for that explanation, Mr Traves. I think I understand it. When the scheme reopened, in that 24-hour period, how many of the applications in that period were less than 30 kilowatts, so micro scale, and how many were above 30 kilowatts, that is, medium scale?

**Mr Traves:** I can probably talk to you in terms of the capacity. The original scheme was set up so that there was 15 for micro and 15 for medium. The eventual figures will be just short of 24 for micro and the balance for medium. So that tells you the ratio of the applications that came through.

**MR RATTENBURY:** But in that 24-hour reopening period, what was the ratio of micro scale and medium scale that came through to fill up? The decision was taken to reclose the scheme, so presumably you had a sense of how much was available, which we all understood to be about six or seven megawatts, so you must have had a sense of what came in in that 24-hour period to know to close it again.

**Mr Traves:** My advice from ActewAGL was that certainly the volume was made up of micro, but given that the medium one is the equivalent of capacity of six to seven micro ones, about two-thirds to one-third would be the actual ratio of capacity that was allocated in that final period.

**MR RATTENBURY:** Can you tell us how many applications received in that 24-hour period were from the ACT education department?

**Mr Traves:** They were received prior to that period. I believe the entire program runs to 105 schools. Probably 80 applications were lodged. They were all lodged as micro, and they were lodged under the transition provisions from the first closure, because all of the contracts had been entered into before the cut-off date that applied to everybody else in the community.

**MR RATTENBURY:** Do you know what the figure is for the education department from a capacity point of view? Is it 80 lots of about five kilowatts?

**Mr Traves:** No, it varied depending on each site and each school. They eventually ended up with a total capacity of just over one megawatt.

**MR SESELJA:** Were there any arrangements with schools being able to act in a sort of co-op type arrangement?

**Mr Traves:** No.

**Mr Corbell:** In what respect?

**MR SESELJA:** I know that there was some discussion about a possibility of the school in Jervis Bay utilising capacity that was installed in schools in the ACT.

**Mr Traves:** Jervis Bay, although notionally part of the ACT, is not connected to the ACT's electricity grid, so it would be ineligible.

**MR SESELJA:** So there were no arrangements contemplated that would allow the Jervis Bay school to access the feed-in tariff?

**Mr Traves:** No.

**Mr Corbell:** Not that we are aware of. Obviously, these are matters that are the responsibility of the Education and Training Directorate in relation to contracts entered into for solar panels and access to the feed-in tariff, but not to this directorate's knowledge, no.

**MR SESELJA:** I know that there was correspondence we received under FOI on this point. From what I can tell, it was between the department of education and the environment department. This is one from Regan East and Richard Bourne. It was in relation to this point, and it was on 5 July. It says:

I know there is no way to get an F.I.T for Jervis Bay if we put the panels on Jervis Bay because they are NSW's, they are not ACT. But if we put 10kW on a roof of a school in the ACT for Jervis Bay (so the school would have 10kW for themselves and 10kW for Jervis Bay) could we have it set up like a community co-op? Sort of a school trading co-operative?

**Mr Traves:** Certainly every school would have been able to install up to 30 kilowatts up on its roof; so if it did not use its full entitlement then education could still be the owner of that. What they do with the money once they have received it is up to them. They could have apportioned some of that to their Jervis Bay school, for instance. It would only be an allocation on paper. None of the generation would actually occur

through Jervis Bay.

**MR SESELJA:** Okay.

**Mr Traves:** It would be very similar to the co-op that was going to be established by SEE-Change, in which case one person's roof would host a number of people's installations. That would have been perfectly legal as well.

**MR SESELJA:** So a co-op was considered for schools. Was that implemented in the end?

**Mr Traves:** I believe not.

**MR SESELJA:** Why not?

**Mr Traves:** I do not know. You would have to talk to education about that.

**MR SESELJA:** They would know the reason. I am just interested in—I go back to the sort of cut-off period. What was the guidance given by the environment department in relation to that transition period when there was the second tranche of legislation, which was passed in June, which reopened the scheme? What advice was given by the environment department to schools or other—it must be schools, I guess, because they are the only government entities eligible. What advice was given to schools in relation to their eligibility under the reopened scheme?

**Mr Traves:** Certainly they were eligible under the closed scheme, because of the dates of the timing of their contracts. In terms of filling out their paperwork, they received exactly the same advice that hundreds of other people did when they rang in and spoke to the staff who were allocated to that purpose.

**MR SESELJA:** Okay, and what was that advice?

**Mr Traves:** It was basically: "What do I put in this box? Who has to sign this? Do I need to get it stamped by the distributor first?" That type of technical question.

**MR SESELJA:** Was that the key, though, for the environment department in terms of those entities? Was it about when the contract was signed or was it about when it was installed? What was the advice in relation to whether they would be eligible and how they could prove they were eligible?

**Mr Corbell:** My directorate was responsible for providing advice to consumers, including schools, as to what the criteria were for people to access the scheme in circumstances where they had entered into contracts prior to the scheme commencing—I beg your pardon; prior to the scheme closing—but had not yet lodged applications to connect with the distributor.

**MR SESELJA:** Sorry, what was that process then? What did they have to do to prove in that period—

**Mr Traves:** They had to provide a statutory declaration in support of it. That was a

form that was developed by the department and distributed to all installers, anyone who had current customers. It was also distributed through Canberra Connect. Basically, it was a statutory declaration that says, “Yes, I did enter into a contract prior to the cut-off date. It was entered into in good faith. I have made a financial commitment.” In most cases, it was supported by attached contract paperwork.

**MR SESELJA:** Okay, why did you need a statutory declaration? With the schools, for instance, why not just show the contract? What was the problem? What was the purpose of the stat dec?

**Mr Traves:** The purpose of the stat dec was that a number of the installers are quite lax in the type of paperwork in terms of the general community. So one standard had to apply to everybody. In some cases work had been completed. Things had been put on a roof and they had never actually got around to completing their paperwork. So we needed a way—and some of these then were interstate providers. So it was difficult for consumers to get hold of them to get the paperwork in place, which is why we went down this statutory declaration path.

**Mr Corbell:** Some retailers, for example, did not provide written contracts. It was simply a verbal contract to treat with each party. Some retailers and installers did not require the payment of a deposit prior to work occurring. In those circumstances, because of the variety of contractual arrangements that were in place between retailers, installers and their customers, the government felt the fairest way to manage that was through a requirement for a statutory declaration.

**MR SESELJA:** So that would not have applied, though, presumably to any schools?

**Mr Corbell:** In relation to the schools, the schools had entered into binding contracts before the first closure.

**MR SESELJA:** So none of the schools had entered into just verbal agreements or had had installations without written contracts?

**Mr Corbell:** Approved procurement had been put in place for the purchase and installation of panels at all government schools prior to the first closure.

**MR SESELJA:** So they all had written contracts, the schools did, in terms of their—

**Mr Corbell:** The Education and Training Directorate, yes, had contracts in place.

**MR SESELJA:** Okay. In terms of advice to schools on the reopening, in some of the correspondence—I think it is on 1 July—there is correspondence from yourself, Mr Traves, which talks about what they will have to do in order to claim particular rates. It says:

There is a window of opportunity for you to lodge your medium generator connection applications prior to any micro applications being eligible to be lodged. It will also allow you to claim the 75 per cent rate rather than the 66 per cent rate.

I am just trying to get a handle on why that advice was given. My understanding was that, from when the legislation passed, the new arrangements applied. So what was happening on 1 July that allowed them a window of opportunity to get the higher rate?

**Mr Traves:** The legislation itself does not commence upon passage; it commences upon gazettal. At that stage, it took approximately four to five days for that to occur; so the scheme itself could not reopen until the 12th. I believe that gazettal happened on Friday prior to the reopening.

So during that period, the medium scheme remained in effect because that had not reached its cap and had not been amended at that stage, because the new amendments had not taken effect, it kept on going. That email—probably the email you are referring to was in response to an inquiry from education to say, “If we wanted to aggregate a number of our panels onto several schools rather than every school and we fell into the medium category, what would be the arrangements?” That is a question we answered for many proponents during this period.

**MR SESELJA:** So the schools rushed in to get that higher rate whilst—

**Mr Traves:** No, the schools inquired as to what rate they would be eligible for. A number of—probably also around this time we were dealing with the facilities people who were in charge of installing them. They were not exact—they were not the same people who had undertaken the contractual arrangements, and so there was a slight disconnect in education as to what the eligibility was.

Once that had been clarified and they were all deemed to be micro and they were all deemed to be prior to the date when the transition applied, then it all went through from there.

**MR SESELJA:** So what was the delay—

**Mr Corbell:** So the point to make there is that all schools were eligible for the price, the feed-in tariff price that was available prior to the first closure of the scheme because they had entered into contracts to supply and install panels prior to the first closure of the scheme. So schools did not receive any beneficial or additional treatment in this regard. They were treated the same as any other consumer who had entered into a contract prior to the first closure and, therefore, were entitled to the feed-in price operating prior to the first closure.

**MR SESELJA:** What was the talk of the window of opportunity? If they had signed the contracts, surely that allowed them to access the scheme regardless of what happened after that? Why was there a window of opportunity for them to lodge their medium generator connection applications prior to any micro applications being eligible to be lodged?

**Mr Traves:** There was an inquiry from an education officer who said, “If we wanted to do something in the medium scale, what would we have to do?” That is the advice that was given.

**MR SESELJA:** So you were giving them advice after the legislation had passed,

prior to the minister notifying it so that they could get in at the higher rate; is that correct?

**Mr Traves:** Yes. We are just saying that they would get into the rate that they would be entitled to. Any medium proponent was entitled to that rate during that period because the medium had never reached its cap.

**Mr Corbell:** So the advice that was being provided by my directorate to the Education and Training Directorate was the same advice being offered to other proponents who were considering medium-scale generation. The inquiry from the Education and Training Directorate was: what if we created a medium-scale generator rather than a series of micro-scale generators? Can we access support in those circumstances? My directorate provided factual advice about what the rules were at that time in the same way they provided that advice to other proponents outside government.

**MR SESELJA:** So why was there such a delay from the passage of legislation to when it commenced?

**THE CHAIR:** We will finish up on this and then we will move on.

**MR SESELJA:** Why did it not start until 11 July?

**Mr Corbell:** Four to five days is not a delay from the passage of legislation until its gazettal and notification.

**MR SESELJA:** This says, "I am advised the new amendments will take effect from 11 July." Now that legislation passed in June. That is not four to five days.

**MS PORTER:** It depends when in June.

**MR SESELJA:** Well, it is more than 11 days, no matter when in June.

**Mr Corbell:** The period—the process of notification relies on legislation being ready to be notified. A series of checks has to occur in terms of the completeness and accuracy of the legislation based on what has been agreed to by the Assembly. The Speaker brings legislation into effect in most instances, unless the act specified otherwise, and that is the normal process that occurred in this instance.

**MR SESELJA:** But why—you said it is normally four to five days. Why—

**THE CHAIR:** We will move on to you, Mr Rattenbury, in a moment.

**MR SESELJA:** What was the delay—

**Mr Corbell:** No, what I said was that four to five days is not an unusual period of time between passage and notification.

**MR SESELJA:** So is 11-plus days an unusual length of time?

**Mr Corbell:** It would depend on the length of the legislation, the complexity of it, how long it takes to verify the accuracy of the legislation against the record of the Assembly's votes and debates. As you would appreciate, there is a requirement to check the amendments to make sure that they are accurate and consistent with the record of debate in the Assembly. It is a normal process that is undertaken by the Assembly Secretariat, Parliamentary Counsel's Office and advice to the Speaker on the notification of that legislation on the legislation register.

**MR SESELJA:** But during that delay—

**THE CHAIR:** Okay, Mr Rattenbury, you will have a question in a moment.

**MR SESELJA:** a number of schools were able to get in at a higher rate, despite the Assembly having passed legislation saying that it would be a lower rate.

**Mr Corbell:** No, you are not correct. Schools did not get in at a higher rate. As Mr Traves has already indicated to you, Mr Seselja, the schools all applied for the micro rate, which was the rate they were entitled to because they entered into contracts before the scheme was first closed. Therefore, they were eligible, in the same way that other households were eligible in exactly the same circumstances.

**THE CHAIR:** Mr Rattenbury.

**MR RATTENBURY:** I wanted to ask about the energy policy that has been released and which is referred to in the annual report. I want to ask why in that strategy or policy the government did not map out where the ACT would need to achieve its emissions reductions from, given that it is supposed to be a 10-year strategic plan?

**Mr Corbell:** Because emissions reduction strategy overall is the role of action plan 2 as an action plan under the climate change strategy.

**MR RATTENBURY:** The government did not use energy policy to set any targets or indicate any specific direction in regard to how much local generation it would be striving for over the next 10 years versus, say, how much green power and how much black power. So why were none of those targets put into a strategic energy document?

**Mr Corbell:** That is not correct. The sustainable energy policy does set targets in relation to the percentage of renewable energy to be utilised within the territory. Those are outlined as 15 per cent by 2012 and 25 per cent by 2020.

**MR RATTENBURY:** I was also asking about local generation. There does not seem to have been any sense of strategic direction of how much would come from inside the ACT, for example. I am interested in why some of those issues were not explored.

**Mr Corbell:** If you were to read the detail of the strategy, Mr Rattenbury, you would be aware that the purpose of the strategy fits within the framework of the fact that we operate in a national energy market where power is sourced from a broad range of generation activities within the NEM. Our policy supports the operation of the NEM and the role of the NEM in supplying sustainable, secure power supplies for the territory.

That does not mean that we do not support the development of generation locally, because we do. That is outlined specifically in the legislation that is currently before the Assembly to support the establishment of large-scale renewable energy generators within the territory. But it is important to remember that the operation of all generators, whether they are within or outside of the territory is based upon the operation of the NEM. In any event, regardless of where generation occurs, if it is sustainable or renewable energy generation, we believe that makes a contribution to the overall sustainability of our energy supply.

**MR RATTENBURY:** During the past year you have ruled out any deregulation of the electricity retail price for another two years.

**Mr Corbell:** Yes.

**MR RATTENBURY:** If I recall correctly, the draft energy policy flagged that as something the government was considering. Can you just elaborate as to why there was a change in the government's view on that?

**Mr Corbell:** There is not a change or any difference between the two. The sustainable energy policy reflects the fact that, in the longer term, the government believes price deregulation is still the appropriate course of action, but only when it can be demonstrated that there will be a net benefit to consumers. In the short term, we are not convinced that that is the case. In the short term we believe, based on all of the advice before us, including advice from the ICRC, that any removal of the transitional franchise tariff for small electricity customers will result in an increase in the average price, the average tariff. That is not consistent with the overall objectives of our energy policy. It is not good for consumers. Whilst we believe in the longer term we will see the removal of the TFT, in the short term we do not believe that is the appropriate course of action.

**MRS DUNNE:** Talking about the energy policy and the targets, how much of the feed-in tariff scheme will contribute to the 15 per cent target of energy from renewable sources by 2012?

**Mr Traves:** It will represent a very small proportion of that at present. The micro and medium schemes as they exist at the moment contribute a little bit less than one per cent of our total electricity use. The minister has already spoken about the capacity of the large-scale tranche to be released shortly. That is contributing to two per cent of our electricity use. That will be 100 per cent emissions free, therefore, it represents between them, say, a three per cent reduction.

Most of the short-term reduction is going to be in green power purchases. The ACT is the leading purchaser, if you like, through the community of the green power product, and there will be increased purchases of green power by the government for its own use. Those are the principal things.

The other thing which will also indirectly help us is the progressive greening of the national electricity market itself. Driven by the carbon tax and by some of the initiatives like the large-scale solar process that the commonwealth entered into last

year, the average greenhouse intensity of every unit of electricity in the grid will reduce over time. So we will also benefit indirectly that way.

There is some work to be done in this area, and the 40 megawatt tranche, which is proposed by the government as the first release, will be the first step along that path.

**MRS DUNNE:** So if I could just clarify: the micro, medium and large scale will produce three per cent. Is that three percentage points out of 15—

**Mr Traves:** That is three per cent of our total electricity use.

**MRS DUNNE:** Okay.

**Mr Traves:** And so, at the moment, electricity represents about 63 per cent of our emissions. Therefore, electricity, at the end of that, barring any other improvements, would represent 60 per cent of our emissions.

**Mr Corbell:** As a percentage of the target set out in the energy policy, I would have to get some advice on that for you, Mrs Dunne.

**MRS DUNNE:** Would I be right in assuming that that three per cent would be one-fifth of the 15 per cent 2012 target?

**Mr Traves:** That would be right.

**MRS DUNNE:** How are we getting the other four-fifths?

**THE CHAIR:** Yes, and how are we going with meeting that 2012 target?

**Mr Corbell:** The remainder will be driven by purchases of green power.

**MRS DUNNE:** Are we on target for that?

**Mr Corbell:** At this point in time we have the highest purchase of green power of any jurisdiction in the country at—

**MRS DUNNE:** Will we by next year be purchasing 12 per cent of our energy from green power?

**Mr Corbell:** It is 15 per cent by 2012.

**MRS DUNNE:** Yes, I was presuming we were getting three per cent, according to Mr Traves, out of the feed-in tariff.

**Mr Corbell:** That is yet to be seen. But we expect a continued increase in the uptake of green power, particularly as non-renewable power supply continues to increase in price.

**MRS DUNNE:** So where are we now?

**Mr Corbell:** At the moment, I think about nine per cent of all consumers use green power product.

**MRS DUNNE:** But what proportion of our electricity comes from green power, because they may not have 100 per cent green power.

**Mr Corbell:** I would have to get that figure. I will take that on notice, Mrs Dunne.

**THE CHAIR:** I note that that has been taken on notice. I would like to go to some questions around energy efficiency, particularly on page 243, which talks about the outreach program. At first I thought that was the WEST Plus program, but it seems that it is, in fact, a different program. Maybe we can get a bit more information around the outreach program and the key differences between that and the WEST Plus program.

**Mr Corbell:** Ms Hunter, the government provided funding in the most recent budget of \$8 million over four years to provide an enhanced outreach program. This is designed to assist low income households to improve energy efficiency in their homes, to reduce greenhouse gas emissions and to also reduce the cost of utility bills.

The program is developed and delivered in consultation with a range of community-based welfare organisations, such as Communities@Work, Belconnen Community Service, the Salvation Army, I think, and other similar non-government charitable organisations and has been built on the successful outreach trial which was run in 2009-10.

This program provides targeted assistance to low income households to take steps to reduce their energy use and, indeed, their water use as well. The purpose of the program is basically to recognise that low income households are particularly vulnerable to increases in utility costs and there are a range of practical steps and measures that can be funded to assist them to reduce those costs.

A great example was used at the launch of the expanded program earlier this year, which I participated in, where Northside Community Service were aware of a family with a husband and wife and their children. The husband was unable to work because he was suffering from illness. His wife worked but was on a low income. They had a very old fridge. It was not working efficiently any more, in fact, it was struggling to keep meat cool and food cool in summer in particular, and it was obviously very expensive.

Northside Community Service were already engaged with this family because of the other vulnerabilities they were experiencing. They identified this issue as a problem and, through money available through the outreach program, they funded the purchase of a new fridge for that household. That addressed immediately the food safety concern, but it also had the impact of reducing their electricity bills significantly.

That is an example of the type of work that the outreach program participates in and which is delivered by non-government organisations in the field which are already engaged with low income households. That is the purpose of the program. The program provides things such as the purchase of more energy efficient appliances,

particularly fridges, washing machines, dishwashers and so on. It also provides assistance with insulation, window coverings and other treatments, draft sealing and a range of the other measures that we are all familiar with. We anticipate that the average saving per household is quite significant. What was the saving?

**Ms Lyons Wright:** We estimated in the trial that around \$300 could be saved per household, obviously depending on the number of people in the household and the sorts of appliances provided or refit to the household.

**THE CHAIR:** So how much was spent on the outreach program during the 2010-11 financial year?

**Ms Farnsworth:** The budget allocation in the 2010-11 financial year was \$1.64 million. I have not got the exact expenditure against that allocation.

**THE CHAIR:** Are you able to take that on notice?

**Ms Farnsworth:** Yes.

**THE CHAIR:** How much is budgeted for 2011-12?

**Ms Lyons Wright:** That is about \$1.79 million.

**MRS DUNNE:** Could I add to the things you might take on notice and ask: from that expenditure, what do you estimate to be the annual household saving for the aggregate of that, and also the annual aggregate saving of energy?

**Mr Corbell:** In 2010-11 during the trial of the program, 895 low income households participated in the trial. Energy savings have been estimated at 920 megawatt hours. Greenhouse gas savings were approximately 800 tonnes of CO<sub>2</sub> equivalent, and their energy bill savings combined of around \$130,000.

**MRS DUNNE:** For how much expenditure?

**Mr Corbell:** The funding was for \$1.64 million. The exact acquittal of that I would have to take on notice.

**MRS DUNNE:** So the savings in energy consumption would be about 10 per cent of the expenditure. So we would be taking 10 years to see the investment returned?

**Mr Corbell:** That is a saving per annum.

**MRS DUNNE:** Yes, that is why I am saying it would take 10 years.

**Mr Corbell:** An ongoing saving to those households.

**MRS DUNNE:** Yes.

**THE CHAIR:** Are we also able to get the figures on the WEST and WEST Plus programs of the amount that was spent?

**Mr Corbell:** Yes.

**THE CHAIR:** And also of those greenhouse gas reduction savings and the money savings?

**Mr Corbell:** Yes. WEST and WEST Plus offer targeted assistance to low income households who are referred by the Civil and Administrative Tribunal because of problems with utility bills. So it is a more targeted group of households compared to outreach. The purpose of outreach is to go broader and not just deal with people who are in financial strife before the ACAT, but a broader range of low income households, including low income households who are in private rental. That is one of the great strengths of outreach—it is not just targeting people in public or social housing; it is also targeting people in private rental circumstances, which is a significant number of people on low incomes.

In 2010-11 for WEST and WEST Plus, approximately 80 audits of households, 22 education sessions and 22 retrofits were undertaken. The savings are estimated at 1,034 megawatt hours in terms of energy, 1,914 kilolitres in terms of water savings and a greenhouse gas equivalent of 477 tonnes.

**THE CHAIR:** You are going to get the actuals in expenditure on those programs?

**Mr Corbell:** Yes, we can get the actuals in expenditure.

**THE CHAIR:** Thank you.

**MR SESELJA:** I have a quick follow-up on energy. Could we go back to the solar feed-in, the large-scale solar? I just want to clarify something. It lists for Macarthur House south wing that the percentage of renewable energy is 164 per cent. I think it ascribes that because there is an offset against the gas use as well as the renewable energy. How much has been spent comparatively in those two financial years that are listed in the annual report on electricity, both in Macarthur House and anywhere else where it is reported?

**Mr Corbell:** I am afraid that data is not available right now, Mr Seselja. I would have to take it on notice.

**MR SESELJA:** Thank you. Could you also, perhaps on notice, confirm that my reading of the 164 per cent, which struck me as odd at first, is correct and that it is to do with offsetting against gas use as well as electricity use?

**Mr Rutledge:** Yes, Mr Seselja, that is the case. As you know, the government is committed to, on average, around 32.5 per cent in green power purchases. As our directorate tries to lead the way, we made additional purchases of green power throughout the year, so, in effect, it is 164 per cent.

**MR SESELJA:** Just explain the 164 per cent for us. Of your electricity use, how much is green power and then how is that used in relation to gas as well?

**Mr Rutledge:** For the purpose of measuring the intensities, rather than divide by a negative number and get no result, we decided to offset against our gas use. So we subscribed to an amount of green power and then when we checked it against our power usage we had oversubscribed by green power. For the intensity use, we decided to roll in the gas so that we get, I suppose, a comparable figure.

**MRS DUNNE:** Does that mean, Mr Rutledge, that you bought more power than you used?

**Mr Rutledge:** That is correct, Mrs Dunne.

**MRS DUNNE:** Why?

**Mr Rutledge:** For the purpose of offsetting some of our other energy use.

**MRS DUNNE:** Who used the power?

**Mr Rutledge:** When you purchase green power, as you know, Mrs Dunne, in your home, you might subscribe to 15 kilowatts a day but you might only use eight. So it is just an overpurchase.

**Mr Corbell:** So it is an offset for other consumption, such as gas. You cannot buy a green power product for gas, so you offset your emissions by purchasing additional renewable energy.

**MR SESELJA:** But is green power the most cost-effective offset?

**Mr Rutledge:** We did not do that. As we have spoken about today, the purchase of green power is a good use of purchasing and supporting renewable energy. That is why as a directorate we purchased more green power product than we used in electricity.

**MR SESELJA:** Would it not make more sense to purchase 100 per cent green power and then purchase the most cost-effective offsets to cover your gas use?

**Mr Rutledge:** That would be one approach.

**MR SESELJA:** How much cheaper might that be?

**Mr Corbell:** We would have to provide you with some assessment of that, Mr Seselja.

**MR SESELJA:** Okay, thank you.

**MRS DUNNE:** Sorry, my blood sugar might be low or something, but I am not quite sure how it is that you purchased more power than you used and what you did with it.

**MR SESELJA:** Where does the extra power go?

**MRS DUNNE:** Where does the extra power go?

**Mr Corbell:** As you appreciate, Mrs Dunne, just because you purchase a set amount of green power it does not mean that it—

**MRS DUNNE:** Sorry, I am asking—

**Mr Corbell:** You only are physically delivered the power that you need.

**MRS DUNNE:** The question I asked was: did you purchase more power than you used? It was not: did you purchase more green power than you needed to? My question was: did you purchase more power than you used?

**Mr Corbell:** No, what you do is you pay a tariff. That is how green power works.

**MRS DUNNE:** Yes, I know that.

**Mr Corbell:** You pay a tariff based on the value of the generation of green power versus the value of the generation of non-green power. So DECCEW chose to pay a tariff at a higher level to reflect the cost of green power, and they chose to pay that tariff for a certain amount of electricity. The surplus regarding what would be their electricity bill otherwise in terms of consumption was to offset the generation of greenhouse gas emissions to other parts of the directorate's activities, such as gas, use of gas, use of motor vehicles and so on.

**MR RATTENBURY:** That is a rather unique offsetting program.

**Mr Corbell:** It is not unusual. Some consumers do that. They choose to purchase more renewable energy than they require for their own use as a way of supporting renewable energy generation.

**MR SESELJA:** I was looking to go back to the large-scale solar. I want some clarification of what is in the legislation and what has been given to industry. Can you clarify what that change is. I have had it put to me by some in the industry that the concern they wish to raise is about the change to increasing the minimum size of generation systems from 200 kilowatts to two megawatts. I want to confirm whether that understanding of that person in the industry is correct. Has there been a change from the industry briefings to the legislation that has been drafted?

**Mr Corbell:** Yes, that is correct.

**MR SESELJA:** What has been the reason for moving from that 200 kilowatts to two megawatts?

**Mr Traves:** When the original discussion paper was issued, a decision was taken that, because the medium existing category finished at 200, logically the large category would start at 200 and work its way up from there. Feedback that came back from industry, particularly from the distributor and the national energy market organising bodies, said, "No, that is just too low," and therefore two would be the minimum—they would prefer five—which could be effectively connected and integrated within the grid. That is the figure we have now gone with. If you go back to the discussion paper, you will find that it is heavily caveated. It was a discussion paper. It was not a

promise that was made to them. Industry was well aware that it was subject to quite significant change.

**MR SESELJA:** Have you done an assessment of how many operators potentially will now be excluded as a result of that change?

**Mr Traves:** Personally we have had no contact with anyone who was looking at anything less than megawatt scales.

**MR SESELJA:** So you do not think it will exclude anyone?

**Mr Traves:** I am sure someone could find a reason to put an application in and then consider themselves excluded. Certainly the businesses who spoke to us during the consultation periods—

**MR SESELJA:** Would someone bother going to that trouble?

**Mr Traves:** Certainly the industries that spoke to us during the consultation periods were all looking at megawatt-scale installations, and that is their understanding of “large”.

**MR RATTENBURY:** When you said it was too low, and you got the feedback from the national energy market and various others that it was too low, it was too low by what measure?

**Mr Traves:** “Too low” means that there are far too many connection points to be managed and far too many points of input to be balanced inside the grid in terms of the management of the frequencies within the grid. Certainly ActewAGL drew our attention to the fact that it is much more efficient for them to know where single large connection points are going to be and to either custom build substations to service that or augment particular substations than just to have a plethora of very small connections scattered all over the city so that they have to, on an ad hoc basis, upgrade a whole lot of substations. Therefore they said that two would be the minimum that they could effectively deal with.

**MR RATTENBURY:** I want to ask about the energy efficiency scheme which is mentioned on page 218 of the report. Minister, I know you spoke about this at SEE-Change last week. Are you able to give us an update on when we might expect to see the legislation tabled?

**Mr Corbell:** The final legislation is subject to some final clearances by cabinet. At this point in time, I envisage that legislation being introduced in the first sittings next year, subject to cabinet clearances, of course.

**MR RATTENBURY:** Obviously the development of such an energy efficiency scheme will open up an entirely new energy services sector. What consideration has the government given to some kind of harmonisation between what is offered through the HEAT team and what is offered through the new companies entering this space? Is that something you have worked through?

**Mr Corbell:** The government has been giving consideration to that. The future of the HEAT team is subject to budget analysis and consideration in the forthcoming budget. However, I would make the general observation that the introduction of mandatory energy efficiency legislation and the supply of energy services by electricity retailers will result in a lessening in the requirement for the government to provide a range of grants and other programs to average income earners and above to assist them with their energy efficiency, because those services will now be delivered through energy retailers.

The government will be looking at our existing range of programs and grants in this space and making assessments as to what is the most efficient way to continue to provide support to those households that need support. For example, low income households in particular will continue to need support. It has certainly been my view that as a matter of principle taxpayers' money should be used to support those on low incomes who are most vulnerable, and market-based schemes such as the proposed new energy efficiency legislation should be used to support the broader range of households outside that low income group. So that will continue to be the general approach I will take in making these assessments.

**MR RATTENBURY:** In a vein of trying to ensure that we do target those opportunities to the most appropriate places, I understand that under the current rules somebody living in a unit title, an apartment, is not able to access a HEAT assessment. Am I correct in my understanding of that?

**Mr Corbell:** I will just get some advice for you, Mr Rattenbury.

**MR RATTENBURY:** I feel like I should know but I am not sure.

**Ms Lyons Wright:** If they own the unit, it should be eligible. At the moment the rebate can go to the owner. So obviously people who own a unit, in a unit title, should still be eligible.

**MRS DUNNE:** I have a swag of nature conservation questions. Are we going to move on to nature conservation?

**THE CHAIR:** We can move to those in a moment. I want to ask about the national energy customer framework, which is mentioned on page 218. What consultation has happened with the community and the community sector in relation to the framework?

**Mr Corbell:** Next year will see legislative changes to provide for the new national energy customer framework, which are the consumer protection provisions for energy utility customers. The government has undertaken consultation with a broad range of stakeholders in relation to the introduction of the new regime. Generally speaking, the changes that will be required will consist of a new national energy retail law ACT bill and a utilities and related energy legislation amendment bill, which will make consequential amendments to the Utilities Act and to other local energy laws, such as the feed-in tariff act.

Drafting instructions have been issued. Industry and technical codes will also need to

be amended. An information paper for industry was released in November to inform them of the NECF implementation process. Consultation with retailers and distributors is ongoing. The government has also relied on consultation through national arrangements for the purposes of engagement with consumer representatives.

It is worth making the observation that, in the ACT, there is no weakening of the existing regulatory framework for consumers, and the territory's position has been that it will not support any changes to our utilities legislation because of the adoption of the national regime if it leads to a lessening of protection for consumers. Our analysis is that the existing protections are maintained and, in many respects, are enhanced through the adoption of the national framework and, therefore, we are comfortable with its adoption.

In terms of consultation with non-government bodies, Care Inc. Financial Counselling Services has been consulted and the ACAT in its role as the utilities tribunal and the members involved in that body have also been consulted. No major issues of concern have been raised in consultation with those groups.

**THE CHAIR:** Minister, has the government given any further consideration to budgeting a small amount of money to support the community sector to employ an energy advocate who could represent the community on some of these issues?

**Mr Corbell:** Governments that participate in the national electricity market contribute jointly to consumer advocacy and research bodies, and we make our contribution in that manner.

**THE CHAIR:** Does that show up at a local level, or is that more a national—

**Mr Corbell:** There are national bodies. I think there is a national electricity consumers advocacy organisation based out of Melbourne that does national advocacy work on consumer protections within the national electricity market. The ministerial council on energy—sorry, I forget its new name—provides support, and all participating governments contribute to that.

**MR SESELJA:** What is the rate at which green power is bought by the environment department? How much does it cost per kilowatt hour?

**Mr Corbell:** I would have to take that on notice, Mr Seselja. We do not have that price.

**MR SESELJA:** I thought Mr Traves had it and was about to tell us.

**Mr Traves:** I was going to provide the clarification that we operate under the whole-of-government electricity contract, and it would be a standard rate that applies to all agencies. We would have to get that figure off the contract manager, who I believe currently is TAMS.

**THE CHAIR:** I note that has been taken on notice.

**MR RATTENBURY:** I understand there is no whole-of-government contract; it is

still being negotiated or renegotiated?

**Mr Corbell:** There is a whole-of-government electricity contract. It is currently up for a new tender.

**MR RATTENBURY:** Right. I started to ask before about the government's climate neutral target, which is listed on page 213. How you are progressing with the carbon neutral framework?

**Mr Corbell:** A draft carbon neutral ACT government framework is being developed in consultation with all directorates. In October this year, as part of the development of the final framework, formal comments and the draft framework were received from six directorates. In response, ESDD is incorporating more detail in the framework in relation to likely costs and options for achieving government carbon neutrality by 2020.

In addition, a whole-of-government sustainability data management system will be fully operational by March 2012. This system will allow the government to compile a more complete and accurate reporting of sustainability data and active monitoring of energy use and performance. In addition, the government has provided increased funding from \$1 million to \$3 million through the resource management fund, which is designed to provide government agencies with the opportunity to access loan funding for resource efficiency projects.

**MR RATTENBURY:** Will that carbon neutral framework contain carbon budgets for each directorate? Is that the way you are thinking of putting it together?

**Mr Corbell:** The final detail is yet to be agreed to by the government as a whole. It would be pre-emptive for me to provide further detail in relation to that matter at this stage.

**MR RATTENBURY:** Do you believe the government has got the necessary information to establish accurate baselines across all the departments, or across the whole of government, depending on which way you are thinking about it?

**Mr Corbell:** I believe our data collection capacity is significantly improved as a result of the investment that has been made in the most recent budget. As I say, the whole-of-government sustainability data management system will be fully operational by March next year.

**MR RATTENBURY:** Will we need to wait for the new system to sort of create those baselines, or are we going to try and operate off the existing data?

**Mr Corbell:** Obviously it would be preferable to operate on the most reliable and most contemporary data sets. The exact data sets that we rely on are yet to be presented to government for its consideration.

**MR RATTENBURY:** Will the government release to this committee the work done by the environment commissioner on the audit of ACT departments for their environmental performance?

**Mr Corbell:** Yes, Ms Hunter asked me this question before the tea break, Mr Rattenbury. I indicated we would be tabling that report next week.

**MR RATTENBURY:** One last question on this front: is there an interdirectorate committee operating to implement the weathering the change action plan? I realise you are waiting for the new one, but presumably action plan 1 is still in force? Is there an IDC operating to implement that?

**Ms Farnsworth:** Yes, there has been. I do not believe it has met recently, because the focus has been on contributing to the development of action plan 2. Many of the actions in action plan 1 are complete. There are a couple that are ongoing. But the focus of the directorate has been more on the next plan.

Ongoing groups are involved in monitoring the sustainability performance across directorates, such as the sustainable property working group. That one is currently ongoing and still meeting. But, in short, yes, there is a climate change IDC across government. It was looking retrospectively; it is now looking forward.

**MR SESELJA:** So when did it last meet?

**Ms Farnsworth:** I would have to get that date for you.

**THE CHAIR:** I note that has been taken on notice. Does the Commissioner for the Environment sit on that IDC or have anything to do with it?

**Ms Farnsworth:** No, I do not believe so. I am not sure whether a representative of the office has attended. I can check that.

**Mr Corbell:** It is probably worth making the point that the role of the Commissioner for the Environment is an investigation and complaints handling role under the legislation. Their role under their legislation is complaints handling and investigation. It is not generally the role of the commissioner to contribute to policy development, except insofar as they may investigate matters, for example, such as tree management, which will then inform government policy and procedure.

**MR RATTENBURY:** Are you able to tell us—perhaps it is a question on notice—which directorates are represented on that IDC?

**Ms Farnsworth:** Yes, it is all directorates.

**MR RATTENBURY:** And do all directorates come to the meetings?

**Ms Farnsworth:** There might be some occasions when some directorates have not been able to send a representative, but it is my understanding in all cases that they have been covered. But I can check on past attendances.

**MR RATTENBURY:** Thank you, that would be helpful.

**THE CHAIR:** I want to move to the Nature Conservation Act review. Could you give

us an updated time line and the progress of that review?

**MRS DUNNE:** That is my question. I ask it every year. I have asked it for seven years.

**THE CHAIR:** I am sorry, Mrs Dunne. Would you like to repeat the question?

**MR SESELJA:** Funny how you have to keep asking it every year.

**MRS DUNNE:** Yes, I know. It is about seven years I have been asking that question.

**Mr Corbell:** Thirty-two written submissions have been received from interested individuals and organisations in relation to this discussion paper that was released in December 2010 on options for review of the Nature Conservation Act. In February this year 39 people attended a public community forum. At this point in time, the complex nature of amendments proposed by the community has meant that further analysis and consultation across directorates has been necessary. For this reason, I am advised that the exposure draft bill is now expected to be released for public comment in early 2012.

**THE CHAIR:** So we will expect to see an exposure draft in early 2012?

**Mr Corbell:** Yes.

**THE CHAIR:** I want to go to the Kingston Foreshore at page 229. There is a mention of a requirement to amend the Lakes Act 1976 to facilitate the development of the Kingston Foreshore harbour. What is the purpose of those amendments?

**Mr Corbell:** Mr Walters can assist you with this.

**MRS DUNNE:** I thought we were going to have the Environment Protection Authority later?

**Mr Corbell:** Mr Walters is not appearing in his function as the EPA at this point.

**Mr Walters:** I also hold the statutory position of Delegate for Lakes, which comes to the question about the amendment. When the transfer of Kingston Foreshore occurred, that used to be part of the lake, basically. We need to make it part of one of our lakes, not the commonwealth's lake. Similar to Lake Ginninderra and Lake Tuggeranong and the Molonglo water ski area, under the Lakes Act we need to gazette it as an ACT waterway so that we can control users of it, license the operators and things like that.

We are currently in the process of defining the boundaries so we get it just right. Because of the close proximity to the wetlands there, we want to get that right. Then that will be gazetted and form part of the defined waterways under the Lakes Act.

**MR SESELJA:** And will that delineation be in some way marked? When you are rowing, will you know you have gone from a commonwealth lake to an ACT lake?

**Mr Walters:** I am not sure I want to comment on rowing. But, yes, it will be very

clear in terms of the requirements for power boats and commercial vessels. There are very strict requirements in terms of buoys and markers and things like that. Obviously the safety aspects will need to be very carefully considered. We are working with LDA on the design of the harbour with the different users that we have—which is quite an interesting mix—as to how that will work.

**MR SESELJA:** In rough terms, the delineation will be the harbour itself and then the water ski area of Molonglo River?

**Mr Walters:** Molonglo River is already gazetted, so that is all done. It is really just the harbour and just of out the mouth so it can get into the lake, basically. We would not want to make it straight across, otherwise you could not get from one to the other. So it is purely the harbour. It is really an administrative thing that needs to be done because of the change over-land swap.

**MRS DUNNE:** I wanted to have a look at the ACT Natural Resource Management Council. There is a brief three-paragraph reference to it on page 235 of the annual report, but there is not any exposition on the detail of the work that it has done. I was wondering if someone could give me an outline of the programs that are being conducted by the Natural Resource Management Council in concert with the other natural resource councils and committees across the country.

**Mr Corbell:** The ACT NRMC is essentially established to provide advice and make assessments on a range of projects involving natural resource management in the territory. It is primarily established to provide assistance and to assess and provide advice on applications for funding under commonwealth programs, such as caring for country. That remains one of its key roles—to facilitate liaison and to make assessments about applications in relation to programs such as caring for country.

The council met six times during 2010-11. Key items of work included development of the \$2.718 million caring for our country regional natural resource management investment project for the ACT, which was approved by the Australian government; development and submission of a successful application for \$300,000 in contestable caring for our country funding for addressing weeds of national significance in the ACT; implementation of the two-year caring for our country Yurung Dhaura strong earth caring for the Cotter catchment project valued at \$877,000; delivery of the regional landcare facilitator project for the ACT; and an assessment of ACT environment grant applications for the 2011-12 funding round. So those are the general functions that the council conducts.

**MRS DUNNE:** Could I go back to the weed project? Was that for \$700,000? What was that for?

**Mr Corbell:** Weeds, \$300,000.

**MRS DUNNE:** Sorry, \$300,000.

**Mr Corbell:** It was for addressing weeds of national significance in the territory through a targeted grant program.

**MRS DUNNE:** What does that mean—\$300,000 to address which weeds and who did the grants go to?

**Mr Corbell:** I will just have a quick look.

**MRS DUNNE:** That is commonwealth money—that is in addition to ACT money that is allocated for weed management?

**Mr Corbell:** I am sorry. I seem to have information on every other program except the weeds program, Mrs Dunne. I apologise.

**MRS DUNNE:** Okay.

**Mr Corbell:** I will have to get some advice for you.

**MRS DUNNE:** If you could take that on notice, but could you also for the committee provide some advice on the quantum of the national program on significant weeds and the proportion that the ACT receives? Do we receive a sort of capitation grant, essentially, from caring for country or do we have to put up proposals and then we go into a larger pool?

**Mr Corbell:** A large number of these programs are delivered by Territory and Municipal Services or in conjunction with Territory and Municipal Services as the land manager. I would have to seek some further advice; so I will take your question on notice.

**MRS DUNNE:** Thanks.

**THE CHAIR:** Mr Seselja.

**MR SESELJA:** Yes, pages 318 and 319 deal with government contracts. I am interested in some of these single select processes for procurement. I am interested particularly in the five that are listed on those two pages that all have the same explanation, which is “limited number of suitably qualified providers”. I might get you to explain how the department came to that conclusion on some of these contracts. We have got the provision of advice on large-scale solar generation for \$21,000 and the provision of consultancy advice on the ACT solar power option for \$158,000. We have got final development of the irrigation smart program for \$96,000, weathering the change action plan 2 development, \$147,000 and, finally, we have a \$485,000 contract for the provision of energy efficiency audits, education and retrofitting for the WEST Plus and outreach programs. Could you explain to us why it is particularly the case that for all of those there is such a limited number of suitably qualified providers that there was no formal process?

**Ms Farnsworth:** In relation to those particular tenders, of which there are a few, it has been a combination of both limited expertise in the market, and the energy market in particular has a limited number of suppliers, and also critical time frames for the projects.

**MR SESELJA:** Let us take the Sustainability Advice Team contract for \$485,000.

What was the time period for the provision of those energy efficiencies?

**Ms Farnsworth:** Sorry, I just missed which one that was.

**MR SESELJA:** The Sustainability Advice Team is the contractor. It is \$485,000. It is for the provision of energy efficiency audits and other things. It was April 2010. What was the time frame? What was the urgency there where you did not go to a tender process?

**Ms Farnsworth:** It was not possible in the time frames there to conduct an open tender process and to fully expend the funds within that financial year. We will be commencing an open tender process for the delivery of WEST Plus and outreach.

**MR SESELJA:** When was the decision made to spend that money as opposed to when that contract was signed?

**Ms Farnsworth:** I do not have that detail with me. I can get back to you on that.

**MR SESELJA:** Okay. But it was an urgent process, was it? It was a very contracted process?

**THE CHAIR:** I will just note that that has been taken on notice.

**MR SESELJA:** You have said before the end of the financial year, but the contract was in April; so you still had a couple of months, at least, before the end of the financial year.

**Ms Farnsworth:** Yes. I understand that approval to proceed with the program was received in February.

**MR SESELJA:** Okay.

**Ms Farnsworth:** That left a limited time within that financial year for expenditure.

**MR SESELJA:** That is five months. Is that not enough time to do at least a limited tender process or some other form of process where you could test value for money?

**Ms Farnsworth:** It is a very big program with a significant amount of funding attached to it. It was an agency that has been used in the past. An assessment was made at that time that there was not sufficient time to do a full, open process and then implement the program within the time frames.

**MR SESELJA:** So is—

**Ms Farnsworth:** Sorry—

**MR SESELJA:** Is five months normally not enough time to do a tender process?

**Ms Farnsworth:** You can complete a tender process within five months usually, but then the expenditure was to occur within that financial year; so the delivery

component is also taken into account in considering those time frames.

**MR SESELJA:** So all of that was delivered in that financial year, was it?

**Ms Farnsworth:** I would need to check the expenditure against the budget allocation. That was certainly our aspiration.

**MR SESELJA:** What was the urgency with particularly completing it in that financial year?

**Ms Farnsworth:** It is desirable generally when we have funds allocated to a financial year to expend them in that financial year. Treasury is not always keen on rollovers.

**MR SESELJA:** So it was to avoid a rollover?

**Ms Farnsworth:** Yes, that is right, and because it is an important program, we considered it important to get that money out into the community as soon as we could. But we are going to—I believe we have commenced an open tender process for the remaining program.

**MR SESELJA:** Minister, is that a good enough reason? You have got five months before the end of the financial year. There is an urgency to want to spend money, but it is a large contract. Is that a good enough reason not to even have a limited tender process?

**Mr Corbell:** As I understand it, the firm that was selected to deliver the program in the short term was a firm that was already providing the same types of services to government—that is, the Sustainability Advice Team, as I understand it, already delivers the HEAT program, which many people would be familiar with. We have been very comfortable with the level of service provided under that program. Given that this was an expansion of the same sorts of services for the purposes of WEST Plus and outreach, that we were dealing with a firm that already had established credentials in this area, that was already delivering services in this area, and that the single select was for a limited period of time to allow an expansion of those types of services to the community prior to a competitive tender being commenced for the delivery of WEST Plus and outreach from 1 October this year—all those things considered—I think that was a reasonable decision.

**MR SESELJA:** What was the size of the previous contract that the Sustainability Advice Team got that you referred to?

**Mr Corbell:** They undertake the HEAT program, as I understand it, which provides audits and advice on retrofitting and energy efficiency in private dwellings. The value of that project I would have to get advice on. I do not have it immediately at hand.

**MR SESELJA:** What was the nature of that procurement?

**Mr Corbell:** The HEAT program has been provided in the ACT for an extended period of time now. I do not have further advice on that to hand.

**MR SESELJA:** So you will take that on notice also—

**Mr Corbell:** I will take that on notice.

**MR SESELJA:** as to how that was procured.

**Mr Corbell:** Yes.

**MR SESELJA:** Thank you.

**MRS DUNNE:** So this money for the provision of audits was provided in the 2009-10 budget; is that right? But you did not get go-ahead for the program until February 2010?

**Ms Farnsworth:** There were some complex issues around program design for that particular program, because the capacity within one provider or within the department to deliver that was limited. So we looked interstate and at other mechanisms for delivery. There was a process of complex program design.

**MRS DUNNE:** This was an initiative in the 2009-10 budget; is that right?

**Ms Farnsworth:** Yes.

**MRS DUNNE:** What was the initiative and what was the allocation in the 2009-10 budget?

**Ms Farnsworth:** I do not have the allocation in front of me. Ultimately, it evolved into what is now the outreach program. That is ultimately now being delivered through the community groups.

**MRS DUNNE:** Yes.

**THE CHAIR:** I wanted to pick up on the Flora and Fauna Committee. It is noted in a number of spots throughout the annual report but it is a little hard to get a sense of what the committee has actually been doing. Given the important function of that committee, does that concern you a bit, minister? Do you have a clear view of what that committee is actually doing?

**Mr Corbell:** The Flora and Fauna Committee is a very expert committee which provides advice on native species and ecological communities that are threatened with extinction. The Flora and Fauna Committee met three times during the 2010-11 reporting period. During this period, the committee undertook the following key items of work: one species nomination was assessed by the committee for the shrub *Bossiaea grayi*. The committee determined that this species satisfied criteria for declaration under the Nature Conservation Act. The declaration is currently being progressed. This species was retained on the committee's rare working category until declaration is finalised.

The committee also undertook a review of progress towards implementation for the ACT lowlands wetlands conservation strategy, the northern corroboree frog action

plan and the smoky mouse action plan. The committee provided advice to government for reviews. The northern corroboree frog action plan was subsequently revised. The committee also provided advice on the first draft little eagle action plan.

In addition to this, the committee provided advice to government regarding strategic conservation for the Gungahlin district, the eastern broadacre study, the role of the Conservator of Flora and Fauna, the Nature Conservation Act 1980 review, the draft woodland restoration strategy and the Throsby future urban development area.

Members were also involved in out-of-session consultations, including a roundtable meeting with the Chief Minister to discuss the draft woodlands restoration strategy and a meeting to develop a submission to the Nature Conservation Act review. The committee also liaised with the New South Wales scientific committee during the reporting period to exchange information. The ACT provides information on ACT determinations for vulnerable and endangered species made under the Nature Conservation Act and, in turn, New South Wales provides information on preliminary and final determinations under their Threatened Species Conservation Act 1995.

The committee is chaired by Professor Arthur Georges, who is a professor in applied ecology at the Institute for Applied Ecology at the University of Canberra. The deputy chair is Dr Penny Olsen, an ornithologist and an associate professor at the ANU. Other committee members are Dr Barry Richardson, an honorary research fellow from the CSIRO division of entomology, Mr Paul Stevenson, a senior planning officer with Parks Australia in the commonwealth, Dr Margaret Kitchin, a senior forest ecologist with specialised knowledge in fire ecology and native vegetation, who works in Parks, Conservation and Lands in the ACT government, and Dr Richard Schodde who has undertaken part-time honorary work at the Australian National Botanic Gardens with expertise in non-volant mammals, systemics and evolution, population genetics, biodiversity theory and field survey work.

**THE CHAIR:** That is quite an impressive number of things they have been involved in. So it would be quite useful in the annual report to be able to see that in one place and to see the work that they have been doing. Mr Seselja, you had a supplementary?

**MR SESELJA:** Yes. Minister, you mentioned in your answer advice received on Throsby. What is the government's latest information from the commonwealth in relation to the EPBC assessment for the site for Throsby Catholic school?

**Mr Corbell:** I think as I indicated, Mr Seselja, during the earlier hearings involving the planning authority, referral has been made for a number of sites at Throsby to the commonwealth under EPBC legislation. The commonwealth is yet to make a decision in relation to those referrals.

**MR SESELJA:** In doing that referral, what contact has there been with the government on that?

**Mr Corbell:** Contact is ongoing between the relevant officials on the detail in the referral and the issues of concern to the commonwealth.

**MR SESELJA:** Has the government been given an indication as to the likely

completion of that assessment?

**Mr Corbell:** Not that I am aware of.

**THE CHAIR:** We might move to the EPA now, and after that we will finish the afternoon with questions for the Conservator of Flora and Fauna. I have a question from page 229, about EPA monitoring. It is mentioned that one of the roles of the EPA has been to monitor the land development activities at Gungahlin, Dunlop and Molonglo. Have there been any breaches by developers on these sites or other sites?

**Mr Walters:** To get to specifics about individual sites would be quite difficult. I would have to go back and look at the actual details. All developers are required to hold environment protection agreements with the authority. As part of the normal program, our officers go out and do site inspections and ensure that those measures are in place. Generally the industry is pretty good. We have had some particularly wet weather in recent times, so it has been quite difficult. The guidelines are based on accepting a reasonable amount of rain, and we have had some quite significant storm events.

The EPA works cooperatively with them to try and make sure that they can meet their general environmental duty. You could build a massive sediment dam to try and control the sediment, but that would take up half of the site. The national guidelines have been developed. Ours are based on the New South Wales guidelines, which give a measure of what is deemed to be a satisfactory level of protection. I would have to get back to you about specific issues in relation to—

**THE CHAIR:** That would be good, if you could take it on notice. You mentioned all of the rain that has been going on. There is that issue of run-off. Obviously that can cause a high level of turbidity in local waterways. Has that been a particular issue this year?

**Mr Walters:** The water quality report, I suppose, is the mechanism for us to look at how we are trending in terms of those things. Obviously when we get significant rain events, the levels of sediment do increase, so it is not unusual to see that. You will also get those in areas where development is occurring, so obviously as Tuggeranong stabilises, we are seeing less there. With Ginninderra, the catchment in Gungahlin is obviously seeing impacts. Overall, the water quality is actually improving over time. We had a very long period of drought, so there were not a lot of impacts occurring. It comes into people's minds when we see the water start to run brown, so to speak.

Having said that, there are controls in place to mitigate those measures as best as can be practicably done. On all large greenfield sites, just to give you a technical example, for every hectare they are required to have 150 cubic metres of detention—the big ponds that you see around development sites.

The ACT is also fortunate that it is a planned city and with its protection of the Murrumbidgee River downstream we have other waterways such as our larger lakes, which also provide the ultimate backstop, I suppose, for that. But each site must be dealt with on its own. We do not rely on Lake Ginninderra or whatever to do that. It is the responsibility of developers to do that.

**MR SESELJA:** Since the plastic bag ban came in, have you noticed a dramatic decrease in the number of plastic bags in our waterways?

**Mr Walters:** Plastic bags are primarily dealt with by the Litter Act in terms of what we look at in the field in terms of construction sites. We work very cooperatively with the rangers if those issues are identified. Predominantly it is not plastic bags; it is wrappers on insulation and that sort of thing. A fair bit of litter gets blown around in the construction industry.

**THE CHAIR:** The sort of thing you would find on a construction site?

**Mr Walters:** Yes, that is the primary issue that we look at in that context. We work primarily in greenfields areas or redevelopment sites, so we are not really in the retail areas, I suppose, in that context.

**MR SESELJA:** But in terms of the waterways themselves, you have some responsibility for them. Are you noticing a decrease there?

**Mr Walters:** Not particularly—GPTs are cleared by Territory and Municipal Services. They may have some idea, maybe through the litter indexes, as to whether there is an increase in that. But nothing has come to my attention.

**MR RATTENBURY:** It warms my heart to see Mr Seselja fighting for Canberrans' right to free plastic bags. I want to ask a couple of questions about the EPA report.

**MR SESELJA:** Fighting for the turtles, Shane.

**MR RATTENBURY:** I notice on page 351, under "Complaint handling", that there seems to have been quite a trend upwards of light pollution complaints. Is there something you can tell us about that apparent trend?

**Mr Walters:** Let me have a look at the numbers. I will just explain the actual complaints, so that you get a context for how it works. We report on every complaint that we receive. Often you might get a very difficult complaint that keeps coming back as the person continues to have the issue that is continuing to be recorded. With light complaints, we have a particularly difficult one at the moment that involves national sovereign land. That essentially means representatives of other countries, which can be quite difficult to resolve because of the formalities in the process we have to go through with the commonwealth government. A lot of those particular groups have high security needs.

Generally, to get to the nub of your question, light pollution is about security lighting, usually on residential properties. They can be quite contentious neighbourhood disputes. You can imagine that a person wants to protect their—the amenity of the next-door neighbour. It is a very clear line. There is an Australian standard that is pretty black and white and which says how you shield it and where you should point it, but that does not mean we do not get those disputes happening.

**MRS DUNNE:** It obviously is not black and white on this occasion.

**Mr Walters:** The EPA deals with some very interesting complaints.

**MR RATTENBURY:** I imagine so. Would those Australian standards apply to those sites?

**Mr Walters:** Yes, definitely. When we comment on planning developments, for example, obviously we do not see residential, but on tennis courts and on any significant commercial developments, it is a standard requirement from the EPA, and the planning authority incorporate that. It is actually in their codes that they must comply with AS—I cannot remember what the exact number is.

**MR RATTENBURY:** Does that apply to the embassies as well—or national sovereign land, as you called it?

**Mr Walters:** If we do get a complaint on residential, yes, that is the guidance. That is the standard that should apply to try and resolve the matter.

**MR RATTENBURY:** I also want to ask about page 352, the next page, where there is a table that talks about enforcement action. It has got, helpfully, some years of numbers there, and then the far right-hand column talks about the total. It is just a reading issue. Where does that total figure come from because it does not—

**MRS DUNNE:** 39, 26 and 13 do not add up to 335.

**Mr Walters:** We are talking about complaints?

**MR RATTENBURY:** No, this is enforcement on page 352. I do not actually understand the table.

**Mr Walters:** The enforcement is a rolling thing that has been going on since we have been doing annual reporting, essentially. A lot of the reporting you will see here is from the inception of the act. So if you have got all of the—

**THE CHAIR:** Is that from 1998?

**Mr Walters:** Yes.

**MR RATTENBURY:** Thank you. That answers my question.

**Mr Walters:** What the committee asked for last year, I believe, was some pre-dates, so we have included that to give you a bit of a trend so you can see how things are going.

**MR RATTENBURY:** Thank you, I see the explanation there.

**Mr Walters:** We do that for the other things as well, for the complaint handling. So you get an idea of where the numbers are moving.

**MR RATTENBURY:** I understand from page 230 that there is to be a review of the

Environment Protection Act?

**Mr Walters:** Yes.

**MR RATTENBURY:** Can you tell us the time line for this review and perhaps a little bit about what you think needs to be addressed in that review?

**Mr Walters:** The review process has commenced. An IDC was established, as is the normal process, in getting all the directorates involved to canvass the issues. We have developed a discussion paper. All the directorates have concurred with the issues. A lot of the discussion, as you would imagine, was about actual things rather than a discussion paper. So it was about: “Can we fix this? Can we do that?” That is the normal conversation you would get in how we interact with the planning authority and other agencies. They will be matters considered through the actual review process.

The discussion paper was trying to highlight some of the aspects that need to be looked at. I am just trying to think of some of the key issues. Obviously there are the objectives of the legislation and whether they are current. So the currency of the legislation and those sorts of matters are very much in people’s minds. Are we meeting those objectives—looking at analysing that in detail. How does it work with other legislation? Is it complementary? Are there inconsistencies there?

You might remember there was a review done in 2003-04 which recommended some fairly relationship-based improvements, and a lot of those have been done. This one really is looking at the nuts and bolts of legislation and how we can improve it to make it work more efficiently and effectively. We are expecting that in early 2012 the discussion paper will come out.

**MR RATTENBURY:** A public one?

**Mr Walters:** Yes, definitely. Even though in the act it is not mentioned about reviews—it talks about consultation for EPPs and things like that—we are applying the same principles. Obviously if you are reviewing legislation, you put it out for public discussion. We are already highlighting that with a lot of industry groups. I had a roundtable today with the MBA and HIA on a number of matters of interest for them. So we are putting it out there that we really are seeking some feedback to say: “How is it working? How do you think it is working? If we can improve it, talk to us.” So we will see that in the new year.

**MR RATTENBURY:** There is the inquiry into the state of the lakes in the ACT being conducted by the environment commissioner. Have you played any role in that so far?

**Mr Walters:** Yes, having Bob’s move to the commissioner—

**MR RATTENBURY:** Yes, indeed.

**Mr Walters:** Yes, we had a meeting last week, I believe, that we went to with Ian Falconer and Ian Lawrence and all the people. Papers have been finished. It is probably commented on where the process is at. The staff of the EPA have reviewed

all the technical papers, so we have been fully engaged with that process. Some of the papers being done are excellent and will make good reading for people to understand the issues with the lake. I think that is where some of the issues have been—trying to clarify what are the issues so people get a real understanding. It is a bit difficult with a lot of water issues. They are very complex and they are not easy fixes. So it is working through that.

**MR RATTENBURY:** And the EPA monitors blue-green algae in all three lakes, does it?

**Mr Walters:** Yes, we actually provide the service to the NCA as well, mainly for their visual stuff. They do the actual sampling themselves. So my inspectors once a week will go around and visibly check. They are trained to see what it is. Everyone is familiar with the blue-green algae, but, as you know, we get the winter one as well, which was the one that, I think, a couple of years ago some dogs actually died from. Humans are not generally in the lake in Canberra in winter. There are these algal issues all year round.

**MR RATTENBURY:** I am unclear whether it is yourselves or TAMS or perhaps Health, but who sets the standards around usage of the lakes in terms of what the thresholds are? I have had it raised particularly in regard to the use of Lake Tuggeranong by rowers. There seem to be different standards applied to Lake Tuggeranong to those being applied to Lake Burley Griffin.

**Mr Walters:** You are probably talking about that recent incident with Tuggeranong where it was actually closed.

**MR RATTENBURY:** No, this has been raised with me for a while.

**Mr Walters:** The health development guidelines for recreational water use—essentially the blue-green algae guidelines—as you know, were revised fairly recently to look at the issue of secondary use, your rowers and those not coming into as direct contact with the water as swimmers, for example. These are consistent with the NHMRC guidelines that have been developed. Health have taken those and put them into a framework for the ACT. That was obviously a fairly robust part of the discussion with the commissioner’s work that they are doing, so that will be looked at again to see if there can be further improvements to that risk framework to allow users to use the lakes where the risks are acceptable.

With the last incident at Lake Tuggeranong there was quite a significant algal bloom in terms of its toxicity. It went beyond anything we had seen because of the recent flush with the rains and all the organic matter. We have had a lot of drought, we get this hit of all this organics and phosphate and everything else gets released and, unfortunately, the blooms come.

What will be interesting with the commissioner’s report is that it will put some sort of context in terms of how often we are seeing them. I think there is more reporting, more lake use now, and that is why it is appearing that there is more, but, in reality, there is not greater incidence generally, if you look at the longer term trends. It is a balance of that public interest, the use, the value of the lake and its water quality

control purposes.

The NCA look after Burley Griffin. The EPA has the statutory role under the Lakes Act to close the lakes, as I did yesterday with the water ski area because of safety concerns in there. But our officers look at all three lakes.

**MRS DUNNE:** I want to go to the slightly declined number of noise complaints. They are not cumulative, are they?

**Mr Walters:** They are the actual numbers.

**MRS DUNNE:** Where are complaints for noise turning up? Are we seeing a change in a pattern of noise?

**Mr Walters:** No, not really. Most complaints are from residential basically. Unfortunately, the stereo you can buy for 50 bucks and the bass that it can put out is enough to penetrate the well-insulated houses we have. So a lot of it comes with noise between neighbours. Air conditioners are a particular challenge as well in terms of location. We have guidelines about how they should do that, and we work with industry on that.

A lot of people have a perception that it comes from live music events. We have very few incidents in relation to that. Just to give you an example, for the last concert, which was Foreshore—we licence all concerts—we only had three complaints in relation to that. Summernats was a particular success last year. We had one complaint that related to fireworks. But they are a challenge for us, and we have to work hard. EPIC, in particular, have worked very hard with us to try and get the balance. The concert promoters obviously want to crank it up and obviously we have to balance that against the community. The UC is probably the biggest challenge we have had in recent times.

**MR RATTENBURY:** Groovin the Moo?

**Mr Walters:** Yes, because of the type of music and the proximity to houses.

**MRS DUNNE:** Foreshore is probably a little more remote from houses. I want to touch on not so much big live music events but issues around where residential areas are encroaching around places where there is hospitality. When we are looking at building units or refurbishing buildings, is noise attenuation part of your remit?

**Mr Walters:** Yes, most definitely. Through the planning process, commercial developments—there is a list basically of restaurants, nightclubs, anything potentially that could cause noise—are now required to have a noise management plan under the codes and it has to be approved—

**MRS DUNNE:** Yes, I know that. I was actually thinking the other way—if somebody is building a block of units next to the business, to what extent is noise attenuation an issue?

**Mr Walters:** For example, when we work on the EDPs, like for the new Amaroo

group centre, we are actually now looking at requirements for those residential developments to have consideration of those potentially noisy activities and, in a lot of cases, to have a higher level of noise attenuation. Obviously we are getting more and more mixed use, so we look at it from both perspectives, particularly with loading docks and things like that.

When we see the commercial development, they are required to have noise management plans, and we look at those additional attenuation measures. For example, if units have a frontage on to the local group centre, often you will see 10 millimetre glass on those rather than only six millimetre. The engineers do an analysis of that. It always comes in through the transport anyway for road noise, but now we are looking very closely at that as we recognise we are getting more and more mixed use development.

Pollution is always about the polluter; it is the responsibility of the person generating the noise. That does not mean we should not look in a broader planning context at what we put next to what. We are even looking at things like avoiding those conflicts if we can through the planning code. We work very closely with our planning colleagues at the really early stage to try and avoid those interactions.

**MRS DUNNE:** Minister, this is going to create a problem in the future if we are talking about more infill—the polluter is always responsible for the noise. There is that old adage if they build an airport next to your house, you should be compensated, but if you build a house next to an airport, that is your problem. But if the polluter is always to blame, the place from where the noise emanates is always to blame, that is going to create substantial problems in the future for planning for infill, do you not agree?

**Mr Corbell:** Yes, and I think it is more appropriate that there is a balanced response, so looking at both noise mitigation by the polluter and measures to reduce noise impacts in construction standards. I think both have a role to play. That is very much the approach the government is seeking to adopt as it looks at its planning policies and its noise pollution regulatory framework and so on. We are looking at both those sides of the equation.

**Mr Walters:** I would like to add one thing there. We are unique in the ACT in that we actually have noise zones for each of our land uses. In New South Wales it is based on the background. In the ACT when the development is proposed, even if nothing is around it, it still needs to meet that which would be satisfactory for adjacent users. In talking to my noise colleagues interstate, I know the ACT has the great luxury because of our planned nature that we do not have some of the problems they have. As I say, we have the tools to actually deal with that a lot more effectively than the other jurisdictions.

**THE CHAIR:** On page 351 you have the list of complaints under about 15 different categories.

**Mr Walters:** Yes.

**THE CHAIR:** We note the numbers there. What of those complaints have been

sorted out and how many are ongoing? Are you able to take that on notice if you do not have it on the top of your head?

**Mr Walters:** Because it is a moving feast, that would be quite difficult. All complaints are resolved essentially. There is really none that I can think of that go on forever. Others go on longer than some, so I would have to cut it at a certain time. You need to appreciate that I would have to physically go through every single record—

**THE CHAIR:** I would not want you to do that.

**Mr Walters:** What I can say, though, is that there are some that do go on, like the one I mentioned earlier, but I cannot think of any recalcitrants, in a sense, where they do not get resolution in one sense. We generally get to a resolution. Some of the basis for that statement is that we have never appeared in ACAT in relation to these matters. That is testament to the fact that they get resolved. Some of them are more difficult to resolve than others. But, yes, it would be a very difficult task to give you that sort of answer.

**THE CHAIR:** That is fine. As you say, a way to monitor that is the fact that none of them have been appealed and turned up in ACAT.

**Mr Walters:** Yes, and what this committee asked for last time was to have a look at the trends and where the issues are going. The noise campaign was fairly effective by the looks of it, if you look at the two years of data.

**THE CHAIR:** Yes.

**Mr Walters:** It seems to have plateaued a bit now, and we are obviously considering again looking at another campaign. Air quality is another aspect obviously for CM increases, but when we have the cold weather we will look at those. So the statistics are good in providing that.

**MS PORTER:** I am curious about what “Other hazardous materials” are on page 351. Asbestos is specifically mentioned, as it should be, and pesticides are also mentioned, but what are “Other hazardous materials”? I am happy for you to take that on notice, if you could just give us an idea.

**Mr Walters:** They are things like drums that are dumped, which is not uncommon, unfortunately. There can be a 44 or 20-litre drum that does not have any markings on it. You can get batteries and things. Asbestos is the obvious one that we see. But generally it is chemicals containers. People have done the wrong thing—they have gone and chucked it out the back of a ute or it has fallen out. Generally that is it. The bombs is an unusual one that was a recent—

**MS PORTER:** I note that that has substantially reduced over this three-year period from 22 to one, so that must mean something.

**Mr Walters:** I think it is a testament to our programs on waste collection. We have very efficient waste collection. Territory and Municipal Services have set up

collection points. The EPA runs a voluntary service for householders to pick up their household chemicals. We run that service free. People ring us up when they are doing their spring cleaning and want to get rid of their pesticides. We have found that very valuable. The recovery centres are establishing contracts to do that as well. The ACT is a very educated population, and I think that maybe it is testament to that.

**MS PORTER:** So it is obviously working.

**Mr Walters:** I think so, yes.

**THE CHAIR:** Interestingly, the solid fuel heaters did drop quite a bit in 2009-10 and then went up again in 2010-11. Considering we do have the don't burn tonight program and the replacement of solid fuel heaters with gas heaters, rebates and so forth, what is going on there?

**Mr Walters:** Once again, we did have the drought, which had fairly mild winters. We had a big spike that year and a very cold winter. As I explained earlier in terms of how we keep the stats, smoking chimneys are ones where one complaint will generate a lot, with one person being affected. So that could be made up of four complainants. We do keep that data so that we look at those trends.

For information, with wood heaters, we are up to 934 that have been removed, so that has been successful. But it is tapering off a little bit because we are probably starting to plateau regarding people who want them and will keep them and those for whom it is economic to replace them. With any program you get to that point. The next year will be an interesting test to see if there is a trend in that regard.

You would notice that the air quality report that the EPA put out is indicating that our air quality is very good. There was a bushfire and a few other things that caused us grief, but we met the standards, basically. The programs appear to be working. It is always hard to be definitive with climate work but it would appear to be working.

**THE CHAIR:** The other one on that page is around the contaminated land searches. You responded to 219 inquiries. Are you feeling confident that we are pretty much getting quite a comprehensive map of where contaminated sites are across the territory or are there still a few surprises that crop up?

**Mr Corbell:** Before Mr Walters answers, Madam Chair, you will have to excuse me as I have to depart. I know you are now dealing with the EPA and also with the conservator, so I will leave those two statutory officers to assist you with the remainder of the hearing.

**THE CHAIR:** Okay, and thank you for appearing this afternoon, minister.

**Mr Walters:** The ACT has had fairly comprehensive legislation since 1999 for contaminated sites. There were significant programs, because of the sheep dips that they found, of getting all the data we had on landfills, which is becoming a vexed issue for the territory and its infill program. We have all the sites that have been found on our records. The only one in recent times that was unexpected—quite honestly, it looked like a building had been smashed up a bit and spread around—was at

Southwell park. So all of the ones that we have found have been in the Weston ponds; they are all recorded.

**THE CHAIR:** With the Southwell park incident just recently, there was digging up for other works and asbestos was found; is that right?

**Mr Walters:** There were two aspects. There were pipes there that should have been dealt with better than they were. That was an OH&S matter essentially. And when they were digging out to put the irrigation in, they found asbestos there. As you can imagine, for those that know the area, it used to be a waterway. I would imagine it was filled. There was talk of an old stable being there or something. You have to remember that before we all became aware of the issue of asbestos, this would have occurred. People just used to knock things down and bury it. With the old landfills we have, such as at Ainslie—we have got them all over the ACT from the commonwealth era—those things are there. But we are aware of them and they have management plans.

TAMS obviously are the land custodian in 90 per cent of the cases, and they work with them. But they can be difficult for people because of the costs involved. The territory will encounter more and more of these sites as it tries to go into areas where people say, “Why was that left vacant?” There is a kink in the road in Curtin, for example, because it had a landfill on it. It was used when they were constructing, to put things in. So you get those sorts of sites all over Canberra.

In Canberra you had the little Deakin landfill, you had the Ainslie one and one up near the hospital somewhere. They just had these little ones. It was not until the first tips around Mugga and Belconnen started to be created that the territory consolidated its landfills. The potential environmental damage they can cause to our waterways if they do not look after them started to be recognised.

I think we have a good handle on it. Part of that roundtable I went to today with industry was about them making sure that they check for these things and having processes in place. Most environmental consultants or land purchasers do a contaminated land search. That number is only a very small part, because we actually link that to the conveyancing inquiry. So every single conveyancing inquiry links to the data we have. So if you purchase a house it says, “Is there any information recorded by the EPA, yes or no?” If there are 5,000 or 10,000 conveyancing inquiries, they are picked up through that process as well. So we think we have got a pretty good handle on it.

**THE CHAIR:** Thank you for that update. Are there any more questions for the EPA? If not, thank you very much, Mr Walters.

**Mr Walters:** Thank you, Madam Chair.

**THE CHAIR:** We will now move to the Conservator of Flora and Fauna. We will go to our first question, from Mr Rattenbury.

**MR RATTENBURY:** I want to understand what the situation is now with the conservator, because the head of the directorate was previously the conservator. Now

that he has become the chief planning executive, I gather somebody else is now the conservator?

**Ms Farnsworth:** Yes. It is probably not written quite correctly there. He was the conservator when he was the Chief Executive of DECCEW and it is not considered appropriate for him to be head of the directorate, chief planning executive and Conservator of Flora and Fauna; hence I have been appointed to that role. I am acting director-general, so I am currently not actually the Conservator of Flora and Fauna at the moment, either. That is John Meyer, who, unfortunately, has a medical appointment and is unable to be with us. However, neither of us were conservator in the reporting era, but we will do our best with Helen McKeown, the conservator liaison officer, to answer any questions you have for that period.

**MR RATTENBURY:** I am not so worried about the individuals; I am interested in where the conservator actually sits within the directorate structure.

**Ms Farnsworth:** Yes. I hold the position of deputy director-general. As such, I also hold the position of Conservator of Flora and Fauna. We are going through a process of finalising the structure of the directorate and levels, so it may not necessarily always reside with that position. But it certainly cannot reside with the chief planning executive, because the chief planning executive can override, and overriding yourself is not good.

**MR RATTENBURY:** I would be interested to understand from a theoretical or a policy point of view how it gets determined who becomes the conservator—where that position sits?

**Ms Farnsworth:** It was determined where it sits in this particular instance because all the areas that provide advice to the conservator report through the ED policy to my position. So I have responsibility for conservator liaison and for our conservation and research area. Those two areas combined provide all the technical support to the Conservator of Flora and Fauna. So it follows a reporting line up.

**MR RATTENBURY:** Thank you. Can you tell us a bit about the workload of the conservator position? Is there any sense of how much time it takes?

**Ms Farnsworth:** Helen would probably have to help contribute to that answer. It is a full-time role for her, plus the advice that is provided from other areas of conservation, planning and research. In terms of my workload, it would comprise around 10 per cent or less. Sometimes I get large piles of documentation for reviewing tree decisions, applications for licences, I am required to provide environmental opinions, all of which is based on advice. But in comparison to my other reporting and deputy functions, it is not a large component.

**THE CHAIR:** If the conservator is unavailable or for some reason is not able to perform the duties at that time, who picks up those duties?

**Ms Farnsworth:** In my absence, John Meyer, who is the Executive Director of Regulation and Services, has been filling that role. He backfilled when I was overseas on extended leave, and he acted as deputy and as conservator in that period.

**THE CHAIR:** So there are provisions to be able to ensure that the role is—

**Ms Farnsworth:** There are. There is also a range of delegations for functions under the conservator. So a lot of the functions of the conservator are actually carried out under delegation anyway.

**THE CHAIR:** I want to go to an issue around hazard reduction burns. We have heard from the Commissioner for Sustainability and the Environment, and the commissioner was supporting the idea of the conservator being an independent assessor in the process of determining when a hazard reduction burn should be undertaken. What is your position on that?

**Ms McKeown:** There is a fire ecologist that works for the conservation, planning and research area that has input into how hazard reduction is done, whether it is by burning or by manual fuel removal or grazing. She, in her reporting role, actually reports through to the conservator as well. She looks at every area that has ecological values that requires hazard reduction.

**THE CHAIR:** There was an issue with a particular burn that happened at the Mulanggari nature reserve. I am not sure if you—

**Ms McKeown:** Yes, there was one complaint about that from a researcher, who was rightly concerned about the research project that they were doing. While it possibly would have been nice not to have had to do the burn that year because of the research that was happening, it was determined it was not going to cause significant ecological damage and it needed to be done because of the construction of Franklin—people moving into the houses in Franklin.

**MR RATTENBURY:** Was the researcher consulted?

**Ms McKeown:** I could not tell you that. I would have to take that on notice.

**MR RATTENBURY:** Would it be normal for the researcher to be consulted?

**Ms McKeown:** I do not know how many researchers we have got out in the parks areas. Certainly if it was in Gorooyarroo or one of those other areas where the large research projects are happening, yes, they would definitely be consulted. This was a smaller one, and I do not know.

**MR RATTENBURY:** I am interested, again, in how it works. It seems unfortunate that a researcher's work may have been interrupted or diminished in some way because of a lack of communication.

**Ms McKeown:** I think they very carefully planned the burn and it did not actually impact on the research. I think he was more concerned that it would, because fires, as we know, do not always do what they are supposed to do.

**Ms Farnsworth:** But the conservator is not the proponent of the burn and therefore is not responsible for the consultation.

**THE CHAIR:** I think there was a complaint about the burn that was not acted upon until later. Therefore there was a recommendation made by the Commissioner for Sustainability and the Environment that the conservator did have some role around referral under the EPBC.

**Ms McKeown:** That would possibly just be adding another level of bureaucracy, because the conservator would go to the fire ecologist who was involved right from the beginning. So it would be the same paperwork. It would just go through an extra couple of hands.

**THE CHAIR:** You do not see that as a worthwhile recommendation or something to follow through?

**Ms McKeown:** I am not sure it would value add in the long term.

**Ms Farnsworth:** It is most important that the appropriate advice is sought rather than leaving it where it lies. Maybe you could talk through the normal process.

**Ms McKeown:** The bushfire operational plan is prepared by TAMS and ESA, which identifies all the areas that need to have some sort of fuel reduction over the whole of the ACT. That is referred to the conservation, planning and research area, who go over it and give advice as to the timing, if it was a burn or some sort of reduction, the likely impacts and whether it is too frequent. So there are areas with vegetation types where they say, “No, that can’t be burnt more frequently than a certain number of years, because it would change the structure.” So all of that gets fed into it and then they work through the burns and the other hazard reduction methods throughout the year.

**THE CHAIR:** How many trees do we have on the tree register? It was going a little slowly there for a while.

**Ms McKeown:** This month—because it does change—there are 19 individual trees provisionally registered, 13 groups of trees provisionally registered, 82 trees fully registered and 10 groups of trees fully registered. They include Haig park, City Hill and the Olims Hotel trees. We can give you a total on both registered—that is, 101 individual trees and 23 groups of trees.

**MR RATTENBURY:** I am interested in the trend for applications for tree damaging activity. Between 2009 and 2010 there was an increase of around 300, which is, on rough maths, about a 20 per cent increase. Can you give us any insight? It seems to be quite a substantial increase. Is there anything you can tell us about that?

**Ms McKeown:** That could be because it started to rain; therefore trees started to grow. It could be that it was at the end of the drought. There are lots of reasons. It does tend to go in cycles. Winter, of course, is a quiet time. Spring comes and the trees start to grow and start getting more leaves and the number of applications does increase dramatically. It is also the time of year we start to get the storms and rain events. There could be any number of reasons as to why the applications—

**THE CHAIR:** So that is either trees falling over in very heavy storms or people going out and chopping and hacking away at trees—

**Ms McKeown:** Possibly after the storm there would have been a lot of people putting in applications because the tree was damaged. We have had quite a few of those, asking for urgent circumstances. Sometimes it is just the fact that a tree has grown and the tree is now overhanging the house, so the branch has got bigger and it is overhanging the house. After a few storms, people want to take out the tree.

**Ms Farnsworth:** So 243 of those were approved under urgent circumstances.

**THE CHAIR:** There being no further questions, thank you very much to the officials who appeared before the committee this afternoon. A number of questions have been taken on notice. We will expect members to put in any questions on notice within the next five days. We will then send them over, and then I think there is about a three-week turnaround. That will be confirmed by the secretary. Obviously a copy of the transcript will be sent when we do have a proof. Apart from that, thank you very much for appearing before us this afternoon.

**MS PORTER:** A point that has been made in other committees is that because we are approaching the Christmas break, there is some flexibility with that three-week reporting date.

**THE CHAIR:** We will confirm those reporting times with you, and thank you very much.

**Ms Farnsworth:** Could I go back to an earlier question, not as conservator?

**THE CHAIR:** Yes.

**Ms Farnsworth:** In response to a question from Mr Rattenbury about access to HEAT services in units, we would like to provide further clarification on that, but if it is all right, I will do that in writing when I have more information.

**MR RATTENBURY:** That would be great, thank you.

**THE CHAIR:** I think it is safe to say that this hearing is now adjourned.

**The committee adjourned at 5.29 pm.**