

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into the 2023–24 Financial and Performance Outcomes

Melbourne – Monday 18 November 2024

MEMBERS

Sarah Connolly – Chair

Nicholas McGowan – Deputy Chair

Michael Galea

Mathew Hilakari

Lauren Kathage

Bev McArthur

Danny O’Brien

Aiv Puglielli

Meng Heang Tak

WITNESSES

John Bradley, Secretary,

Beth Jones, Deputy Secretary, Agriculture, and Chief Executive, Agriculture Victoria,

Phuong Tram, Head, Forestry Industry,

Kelly Crosthwaite, Deputy Secretary, Bushfire and Forest Services,

Kate Gavens, Chief Conservation Regulator,

Aaron Kennedy, Acting Chief Fire Officer,

Sally Fensling, Deputy Secretary, Corporate Services,

Etienne Gouws, Chief Finance Officer,

Katie Brown, Executive Director, Electrification, Efficiency and Safety,

Carolyn Jackson, Deputy Secretary, Regions, Environment, Climate Action and First Peoples, and

Kirsten Shelly, Deputy Secretary, Water and Catchments, Department of Energy, Environment and Climate Action;

Chris Miller, Chief Executive Officer, State Electricity Commission;

Matthew Jackson, Chief Executive Officer, Parks Victoria;

Lee Miezis, Chief Executive Officer, Environment Protection Authority Victoria;

Matt Vincent, Chief Executive Officer, Resources Victoria;

Stan Krpan, Chief Executive Officer, Solar Victoria; and

Alistair Parker, Chief Executive Officer, VicGrid.

The CHAIR: I declare open this hearing of the Public Accounts and Estimates Committee, and I ask that mobile telephones pleased be turned to silent.

On behalf of the Parliament, the committee is conducting this Inquiry into the 2023–24 Financial and Performance Outcomes. Its aim is to gauge what the government achieved in 2023–24 compared to what the government planned to achieve.

As Chair I expect that committee members will be respectful towards witnesses, the Victorian community joining the hearing via the live stream this afternoon and other committee members.

Witnesses will be provided with a proof version of the transcript to check, and verified transcripts, presentations and handouts will be placed on the committee's website.

I welcome the Secretary for the Department of Energy, Environment and Climate Action Mr John Bradley, as well as other officials that have joined him here this afternoon. Secretary, I am going to invite you to make an opening statement or presentation of no more than 10 minutes, after which time committee members will ask you some questions. Your time starts now.

John BRADLEY: Thanks very much for the opportunity to be with you today, and I want to begin by acknowledging the Wurundjeri people of the Kulin nation as the traditional owners of the land on which we are gathering today, to pay my respects to their elders past and present and to extend that acknowledgement to the elders from other communities who may be with us today. We really appreciate, my fellow executives and I, the opportunity to discuss the financial performance and outcomes of the department for 2023–24.

Visual presentation.

John BRADLEY: DEECA, as you know, brings together Victoria's climate action, energy and resources, environment, water and agriculture portfolios to maximise connections between the environment, community, industry and economy, and the work we do aligns to our seven departmental objectives, which had a total expenditure in the financial year of \$3.2 billion. Over that year DEECA's 6000 dedicated staff, spread across nine main business groups, closely collaborated with First Nations peoples, local government, community representatives, industry partners and our portfolio entities to undertake key functions and deliver on the government's priority outcomes.

In addition to working towards those outcomes, in 2023–24 our staff rapidly responded to emerging government priorities, including energy supply disruptions. We led the response to the energy supply disruption caused by the 13 February storm that resulted in more than 530,000 homes and businesses losing power at the peak of the event. The department then supported the independent network outage review into the system response to the storms, with a report subsequently released in September. We responded to events including dam safety and water service disruptions and identified and progressed critical actions identified from past events.

With wildlife welfare we completed wildlife emergency response activities in relation to fire, extreme heat, marine pollution, cetacean strandings and disentanglement events. We trained over 120 individuals, including vets, wildlife volunteers and DEECA staff, to support our work through the Wildlife Emergency Support Network. In relation to biosecurity of course from late May we responded to the detection of avian influenza, which impacted eight Victorian poultry farms, and we worked collaboratively with the apian industry to successfully prevent an incursion of varroa mite into Victoria and safeguard Victoria's honey bees and pollination-dependent industries following the first detection of varroa mite in New South Wales in June 2022.

In relation to bushfire preparedness our crew suppressed 1179 fires, which was 40 per cent more than the year before, impacting 50,000 hectares of public land. They also supported 50 non-fire emergency events, including the avian influenza response I referred to, and undertook planned burning across 138,000 hectares of Victoria to maintain risk at or below 70 per cent of maximum levels.

We have continued to invest in parkland, outdoor recreation and better facilities in parks and forests so Victorians can enjoy the great outdoors, created new parkland with the establishment of seven suburban pocket parks, completed the acquisition of 86 hectares of former landfill sites for the creation of the sand belt parklands and 391 hectares of land for three new regional parks, and under the co-managed parks initiative we developed parkland plans for biik wurrdha Jacksons Creek, Cardinia Creek regional parklands and marram baba Merri Creek regional parklands. We completed the mapping of 400 sites on Crown waterfrontages to enable camping opportunities. We continue to administer half-price camping, helping more Victorians to get out to the great outdoors. Our teams worked with traditional owners, Parks Victoria and the community to progress the design of the Great Ocean Road coastal trail and a new iconic walking trail in the Yallock-Bulluk Marine and Coastal Park. We reopened the Buchan Caves Reserve in March 2024 following our joint flood recovery efforts with Gunaikurnai rangers and Parks Victoria. We progressed the opening of Tarago Reservoir to on-water recreation through the investment in water treatment infrastructure which ensures that recreational fishing does not compromise water quality. Through the Coastcare program we delivered 77 Summer by the Sea events, providing more than 2000 Victorians and visitors the opportunity to connect to the coastal and marine environment.

In our net zero and emissions objectives this department supported Parliament's consideration and endorsement in March this year of the bringing forward of the net zero reductions target from 2050 to 2045, and with offshore wind energy being a key pillar in Victoria's renewable energy transition, DEECA led work to legislate offshore wind targets of at least 2 gigawatts by 2032 and 9 gigawatts by 2040. Our teams delivered key reforms in the *Gas Substitution Roadmap* update in December 2023, including new commitments towards a net zero gas emission sector that delivers lower energy bills for households. In October 2023 the new entity, the State Electricity Commission of Victoria, was incorporated and declared a state-owned company. It is now investing in renewable energy and storage projects that accelerate the transition as well as supporting households to go all-electric to reduce their energy bills. Solar Homes had a record year in 2023–24, with more than 78,000 rebate applications approved for households to install solar panels and energy-efficient hot-water

systems. You can see from the objective indicator here that total cumulative generation capacity as at 30 June 2024 was 1927 megawatts.

In the biodiversity space we supported 80 part-time Landcare facilitator positions, and as part of our activities to help Victoria achieve emission reduction targets and restore habitat for biodiversity we progressed work towards the restoration of more than 20,000 hectares of land through the BushBank program. The container deposit scheme was launched during the financial year, which facilitated the return of more than 628 million eligible drink cans during the financial year – it has now reached 1 billion – across 564 operational refund collection points since its launch on 1 November. That has created 600 jobs statewide and is now creating an important resource streams for re-use. You can see from our objective indicator the reduction in waste generation per person has decreased favourably over the past two years, with a generation rate recorded of 1.19 tonnes per person in 2021–22 and 1.18 tonnes in 2022–23. As part of our key actions to support a safer, healthier and more resilient marine and coastal environment we delivered coastal protection works at Phillip Island, Point Lonsdale, Port Welshpool and Marengo. We also delivered Victoria’s first statewide marine biodiversity values map, which ranks all locations across Victoria’s marine environment and their ability to represent key marine and coastal biodiversity features.

In relation to safe and sustainable water resources, as part of year 4 of the building flood resilience in Victoria initiative, \$2.9 million was provided in funding to 13 successful funding applications for flood studies, and their delivery partners co-contributed a total of \$1.181 million. We improved the health of Victoria’s waterways through supporting catchment management authorities in delivering 19,500 hectares of improved catchment stewardship and more than 11,000 hectares of waterway vegetation works. We released Victoria’s bushfire management strategy in May 2024, which set the 10-year vision and strategic outcomes for bushfire management in Victoria to drive Victoria towards improved outcomes for bushfire management, and during 2023–24, as I mentioned, 138,454 hectares of land was treated, which included 16,163 hectares of non-burn fuel treatments in addition to planned burning activity.

In terms of our productive and sustainable use of natural resources, we increased the productivity of our food and fibre exports, which reached a record high of \$19.6 billion, a 7 per cent increase from the previous year, and notably Victoria’s exports represented 24 per cent of the national total. Our Agriculture Victoria teams worked with external providers to deliver more than 60 on-farm emission action plans across the dairy, beef, sheep, pig, poultry, grains and horticulture industries, and we delivered innovations to Victoria’s agricultural industry through things such as the free air temperature extreme facility, which completed a \$1 million expansion, including a doubling of a field trial footprint. This is a globally unique project used to demonstrate and improve crop adaptation to heat stress events. We completed digital twins for the apple, pear, cherry, plum and nectarine orchards at Tatura SmartFarm to provide a virtual model and a visualisation of the orchard.

Lastly, I just recognise that we continued our work under Pupangarli Marnmarnepu, our Aboriginal self-determination reform strategy, and undertook preparations to become treaty-ready. Our staff appeared before the Yoorrook Justice Commission. We implemented seven *Native Title Act* and *Traditional Owner Settlement Act* related agreements, and we supported 29 cultural burns on public land and delivered the traditional owner flood recovery grants program. Thanks very much for the opportunity to be with you today, and we look forward to having discussions through the questions to come.

The CHAIR: Thank you so much, Secretary. We are going to go to Mr O’Brien.

Danny O’BRIEN: Correct. Thank you very much, Chair. Good afternoon, Secretary and team. Can I begin, Secretary, on offshore wind. Budget paper 3, page 96, had \$27.3 million last year for the Victorian renewable energy terminal. What happened to that?

John BRADLEY: The Victorian renewable energy terminal is being progressed by the Department of Transport and Planning’s portfolio. It is a project that is being progressed by the Port of Hastings Corporation, which report to the minister for ports, and they have been working through the revision of their controlled action referral that will be presented to the Commonwealth government in the near future. But the precise nature of their consideration of the development of the Victorian renewable energy terminal and that resubmission is the best addressed with that portfolio.

Danny O'BRIEN: Okay. Very obviously it is crucial to your department's offshore wind targets. Perhaps can I ask: who is in charge in that respect? Obviously, DTP will do the actual work on the port, but what is the involvement of DEECA in that?

John BRADLEY: DEECA is coordinating the government's offshore wind agenda, including working through a range of interdepartmental committees and coordination mechanisms across government. And as part of that the department is working very closely with the Department of Transport and Planning as they oversee the Port of Hastings's review of that proposal. We are confident that the Port of Hastings will provide an important construction and assembly port solution to support the offshore wind delivery in Victoria. It was identified by the whole-of-government process, including the work of the Port of Hastings, because of its benefits both in terms of its location and their confidence in the appropriateness of the port to be developed and, as an existing port which already has a significant operational footprint and has undertaken reclamation within that area, that it could be expanded in a way that appropriately recognises the important environmental values of the Ramsar wetlands there but also mitigates environmental impact. But that is a matter that the port will progress in their consideration of that resubmission of a controlled action referral to the Commonwealth environment minister.

Danny O'BRIEN: I appreciate it is not your portfolio, but what is the controlled action submission? Literally going back to the Commonwealth and asking again – is that the short answer?

John BRADLEY: Well, in the process of an EPBC referral there is an initial stage where the Commonwealth environment minister determines whether or not a proposal should be a controlled action under the *Environment Protection and Biodiversity Conservation Act*. The initial referral is made by the proponent, and the minister can at that time make a decision to accept or reject the proposal as a controlled action. As we know, the Commonwealth environment minister, in response to the initial referral, felt that there was not enough information in that referral to have confidence that it would have an acceptable impact, and so, as publicly communicated by the Port of Hastings, they are providing more information and supplementary information about the proposal that is to be put before the Commonwealth environment minister but also to go through the rigorous environment effects statements process that is undertaken in Victoria. The controlled action decision is really a decision to enable that fuller, more rigorous assessment process to be undertaken. It is not intended to pre-empt that decision, but that is the step that we are up to, where the Port of Hastings is currently undertaking that redevelopment or reconsideration of its referral.

Danny O'BRIEN: When will that resubmission occur?

John BRADLEY: That is a matter that the Port of Hastings is best placed to answer.

Danny O'BRIEN: I am sure it is, but I am sure you are also very aware of it, Secretary.

John BRADLEY: The precise timing of that will be a matter for the Port of Hastings as they and their board will want to be satisfied that they are putting their best foot forward when they resubmit to the Commonwealth environment minister.

Danny O'BRIEN: We had a brief signed off by the Minister for Ports in March 2022, I think it was, with respect to a Treasurer's advance for initial works to the Port of Hastings, and it was listed as being urgent and crucial that we get going. We know that the government has provided significant funding for this project to meet its targets. Has there not now been a virtually three-year delay on a port for Victoria, and is that going to impact on the 2032 2-gigawatt target?

John BRADLEY: The timeframes for the development of the port are directly relevant to the submission that the Port of Hastings will make, and their board will be best placed to be able to revise that critical path. It is important to recognise that as part of the process of developing the EES proposal and the full consideration under the EPBC the port will be undertaking a significant amount of environmental studies that support the consideration of impact assessment and appropriate mitigation. Some of those activities that would otherwise have been undertaken in the second stage of that process, after the referral to the Commonwealth has been undertaken, are now being, effectively, brought forward and undertaken in a more substantive way as the Port of Hastings considers these issues.

Danny O'BRIEN: As I said, Secretary, we are several years on now from the original announcement of the Port of Hastings, and there is not a sod being turned in anger. It is quite a significant project because it is virtually a blank canvas. Can the department guarantee that the government's 2-gigawatt target by 2032 will be met for offshore wind?

John BRADLEY: The dependency on the Port of Hastings is something that the Port of Hastings needs to progress through the Commonwealth's referral process, and it will be undertaken in an appropriately rigorous manner. But we certainly know that offshore wind has a very significant role to play in Victoria's long-term energy transition and we will –

Danny O'BRIEN: I appreciate that, Secretary. The question I am getting to is as to whether we are actually on track to deliver the government's targets.

John BRADLEY: There has been an impact because of the decision of the Commonwealth environment minister. We are updating the market in relation to the schedule for offshore wind, as we have done through offshore wind implementation statements. We will continue to keep the market informed as we see the developments in that port development work program and will provide appropriate updates to the market as necessary. Certainly in terms of the long –

Danny O'BRIEN: When do you expect to do that? The clock is ticking.

John BRADLEY: Yes. As we revise the critical path and receive that further information from the Port of Hastings and they make their decisions in relation to that matter, then we will continue to provide updated information in the implementation schedule.

Danny O'BRIEN: Okay.

John BRADLEY: But I should say that we are confident that we will be continuing to progress the expression-of-interest process and the request-for-proposals process that have been foreshadowed to the market. We remain confident of the role of offshore wind as a contributor to Victoria's deep decarbonisation and the delivery of 2, 4 and 9 gigawatts. We are working through a range of issues not only in relation to the Port of Hastings update of its port proposal, but we are working closely with developers in the sector as they refine their plans and the Commonwealth as it implements its regulatory arrangements in relation to licensing.

Danny O'BRIEN: In that context, Secretary, can you guarantee that construction of the Victorian offshore wind farms will actually occur from a Victorian port?

John BRADLEY: The port decision, as I have said, is something that is the matter of a referral from the Port of Hastings to the Commonwealth environment minister.

Danny O'BRIEN: I understand that. I am looking –

John BRADLEY: I am answering your question. That remains the primary solution for the development of the offshore wind sector in Victoria precisely because that port has such a significant range of advantages in terms of its capacity, in terms of the management of the environmental issues associated with the port development and the ability to support the growth in the offshore wind sector, but –

Danny O'BRIEN: Has the department been advised by any of the proposed developers that they are looking at either Bell Bay in Tasmania or Eden in New South Wales as an alternative because of the delay?

John BRADLEY: It is the subject of public comment that other port operators are considering their options in relation to what role they might play in relation to offshore wind. The final scope of ports and the solutions that are provided to enable the development of what will be a massive and transformative offshore wind energy construction program may well rely on multiple ports in multiple places in south-east Australia. We continue to regard the Port of Hastings as being the most advantageous port option, but it is true to say, as is publicly reported, that there are a range of other ports that have identified their interest in taking part in what is going to be a transformational sector in the economy. We have seen this in other jurisdictions, including in the UK, the US and Europe, where the development of offshore wind ports has seen a transition that has created incredible economic dividends for regional economies and for employment and has supported the development of integrated hubs at –

Danny O'BRIEN: Yes. But I want to get to the point about a Victorian port. Secretary, can I follow up and say: the auction process that you would be planning to run for offshore wind, for government subsidies – will that require developers to contract to use a Victorian port?

John BRADLEY: We will provide our advice to the market in relation to the tender process and the auction process through the formal updates we provide both in implementation statements and then as the process commences in the EOI and the request-for-proposals documentation. As part of that we are taking into account a range of feedback that we have received through market soundings, and that addresses issues around what is common practice in the offshore wind sector, what developers are used to in other large-scale jurisdictions and then also what suits the specific circumstances of Victoria. We will be considering as part of that a range of issues, including the solutions that are needed in relation to port assembly as well as the requirements in relation to the connection point for transmission and a range of other things, including benefits for local employment and economic development that we will be including in that process.

Danny O'BRIEN: Speaking of benefits for local employment and economic development, are you still ruling out Barry Beach as a potential construction port?

John BRADLEY: Barry Beach has not appeared to us to be the best solution for a construction port given the scale of what is required. However –

Danny O'BRIEN: There is actually more land at Barry Beach than there is at the Port of Hastings, and it is a lot closer for steaming time, so therefore cheaper. But anyway –

John BRADLEY: I will answer your question if you are happy for me to answer the question you have asked. It was not preferred as a construction port because the approach channels are too shallow, at 6 metres, and a construction port requires at least 11 metres of channel depth to accommodate the vessels used in offshore wind. But it is a great candidate for operations and maintenance. As we have seen, O and M ports can be very significant economic and job drivers in other locations. It is already being used by the offshore wind sector for operational activities, including the Star of the South's recent geotechnical campaign in April 2023, which was the first of its kind for an offshore wind project in Victoria –

Danny O'BRIEN: I am aware of what it is being used for, Secretary. I just want clarity: it is not on the agenda for a construction port, from the government's perspective?

John BRADLEY: As I indicated, its approach channels are too shallow at 6 metres. What you would need for a construction port is something more like 11 metres in channel depth.

Danny O'BRIEN: Yes, which is actually one of the issues that the Port of Hastings has as well with its EPBC referral – dredging.

John BRADLEY: We are confident that the Port of Hastings can – it is an area that has seen previous reclamation at the Port of Hastings – be appropriately developed, taken in a way that manages environmental impact. But I should say, not least because the responsibility is in my department in relation to environmental assessments, that that would all be fully assessed through the rigorous EES process that is to come. And even if a controlled action approval was given by the Commonwealth environment minister, there would still be the detailed assessment under the EPBC legislation to satisfy those tests.

Danny O'BRIEN: Okay. I have got one more question on this, but could I actually also ask Mr Parker to come forward for some questions on transmission? What is the total estimated cost of the Port of Hastings development?

John BRADLEY: That would be a question for the department of transport.

Danny O'BRIEN: Okay. Have you taken control of any of the \$27.3 million in last year's budget, or is it all with DTP?

John BRADLEY: So the Department of Transport and Planning has received the portfolio allocation in relation to the Port of Hastings.

Danny O'BRIEN: None of it has gone to DEECA?

John BRADLEY: No.

Danny O'BRIEN: Okay. I wonder – I am not sure whether Mr Parker can answer this one – what the transmission infrastructure cost estimate for the 'at least 2 gigawatts by 2032' offshore wind target is.

Alistair PARKER: Thanks, Mr O'Brien. We estimated that at the upper range the construction of that 2-gigawatt transmission line would be \$1.5 billion.

Danny O'BRIEN: How much, sorry?

Alistair PARKER: \$1.5 billion. And if you had a lot more luck than big projects like this type have, at the lower end it would be \$700 million.

Danny O'BRIEN: So presumably that is just Gippsland?

Alistair PARKER: Yes, that is the transmission line from the coast.

Danny O'BRIEN: Have you done an estimate on what the impact will be on Victorian power bills on an average basis?

Alistair PARKER: I will take that on notice, if I could. We have done that analysis; I just do not have it to hand.

Danny O'BRIEN: Okay, that would be great if you could take that on notice. Thank you. In terms of the transmission infrastructure, I know you have got a process underway. Have you identified a site for a hub in Gippsland for the offshore wind?

Alistair PARKER: Yes, we are still doing that work. We have not been out in public, but we expect early next year to be able to share exactly where that will be.

Danny O'BRIEN: Okay. What about the Portland site? Is it similar for there?

Alistair PARKER: We are handling the Portland site differently. Because Gippsland was moving faster as a location, we needed to get on with that, and so we started the offshore wind transmission project in Gippsland early. How we are going to handle any further development of offshore wind in Gippsland and any further development in the Portland region is through the Victorian transmission plan, which is the comprehensive statewide plan that will deal with transmission.

Danny O'BRIEN: Okay. When do you expect to have a finalised route alignment for Gippsland transmission lines?

Alistair PARKER: I think we have said that early next year we will start – so it will be quite some time before it is a finalised easement, very narrow. We have said that we will narrow the existing corridor, which is in places up to 12 kilometres wide. We will narrow that down to 2 or 3 kilometres over the course of next year, and then in early 2025 we will come down to a precise easement. And we want to take that time. I know it causes anxiety in the community, but we really want to get the opportunity for people to give us feedback on the – to put it frankly – least impactful places for this to go.

Danny O'BRIEN: And you said, Mr Parker, that \$1.5 billion is at the top end for the 2-gigawatt target. We have got a 9-gigawatt target by 2040; do you have an estimate of the transmission costs of that as well?

Alistair PARKER: Not at this stage, no.

Danny O'BRIEN: What about the interim? Is it 2035 I think as well – 4 gigawatts by 2035?

Alistair PARKER: We do not have an estimate of that yet; that will come. But I will just make one remark on it, if I may, Mr O'Brien. The first 2 gigawatts are kind of the least efficient. As we have bigger targets it will be possible to get more capacity out of there with less stuff per gigawatt.

Danny O'BRIEN: But you will need additional transmission for –

Alistair PARKER: Yes.

Danny O'BRIEN: Okay, Secretary, continuing on renewable energy, the annual report highlights 37.8 per cent of electricity is sourced from renewables. Can you give a breakdown of what that actually was made up of, both in percentage terms and in gigawatts?

John BRADLEY: Yes, I am happy to do that. In percentage terms the 37.8 per cent – so I can tell you that hydro-electricity represented 4.8 per cent of supply, wind represented 19.2 per cent of supply, solar rooftop represented 9.3 per cent of supply –

Danny O'BRIEN: Sorry, that was 9.3?

John BRADLEY: 9.3 solar rooftop. Utility-scale solar was 3.6 per cent of supply and other renewables was 1.2 per cent. I just recognise that renewable energy in 2019–20 was about 25 per cent of the state's energy supply. Just four years later that level is now at 37.8 per cent. In that time we have added 2.3 gigawatts of wind capacity, 2.5 gigawatts of solar PV and 600 megawatts of large solar. Renewable energy capacity in 2019–20 was about 6.9 gigawatts, and it is now about 12.7 gigawatts, or an 84 per cent increase in that period since 2019–20.

Danny O'BRIEN: Can I clarify, though, what is meant by 37.8 per cent of electricity sourced from renewables? Is that an average across the year? Is it that the entire gigawatt hours across the year was 37.8 per cent renewables?

John BRADLEY: It is a measure of the total electricity energy in gigawatts hour terms, and it is the proportion of that that was sourced from renewable energy sources. It is not a proportion of capacity, it is a proportion of energy.

Danny O'BRIEN: Okay, so it is the actual – when you flick the light on. Over a year 37.8 per cent came from renewable energy.

John BRADLEY: Yes.

Danny O'BRIEN: Okay. The issues that have been raised, we saw earlier in the year AEMO's report – we had a wind drought in particular this year and a period of cold weather, which highlighted the risks of going to a fully weather-dependent system. How will the immediate electricity shortfall be met when we have those shortfalls in future?

John BRADLEY: One of the things we saw was that because of that variation in wind we did see that there was a reduction in output from renewable energy of a small amount, but we have seen a very significant increase in recent years in battery storage. We now have 540 megawatts of storage on the system. There will be another 200 megawatts by December, and there is 6912 megawatts that has planning approval but is yet to commence construction.

The CHAIR: Thank you, Secretary.

John BRADLEY: But it is fair to say that there will continue to be a need for a range of firming sources other than batteries as well.

Danny O'BRIEN: Yes.

The CHAIR: Mr Galea.

Michael GALEA: Thank you, Chair. Good afternoon, Secretary and officials. Thank you for joining us. Secretary, in your presentation you spoke about the department's response to the various biosecurity risks that we have seen in Victoria over the past 12 months. I know that this is a fundamental area in which DEECA plays a key role. In terms of the preparations for such events, Secretary, what are the ways in which DEECA is ensuring that we are as prepared as we possibly can be for such disease incursions that could obviously decimate Victorian agricultural industries?

John BRADLEY: Thank you very much for the question. Certainly it is something which has become an increasing area of focus and significant budget commitment over recent budgets from the government to protect that \$19.2 billion sector that we are reliant on. As the CEO of Agriculture Victoria joins us, I will ask her to address your question more fully, but we have seen an incredible response since the detection of avian influenza on 22 May, with 450 staff across government involved in that response, averaging about 120 to 160 people per day, the sad depopulation of about 1.3 million birds and the issuing of 1113 permits to enable the movement of 14.2 million eggs and 40 million live birds. There have been 26,000 surveillance activities during that response on avian influenza, so certainly whether it is that or varroa mite and the significant activity that has been undertaken in relation to the management of risks of varroa mite or the preparation for emergency animal diseases, we have been deeply involved in preparing for biosecurity risks. I will ask the CEO to expand.

Beth JONES: Thank you. Thank you for the question. As the Secretary said, unfortunately we have been well practised in recent years but also served very well by a real focus around emergency animal disease preparedness, sort of enabling preparedness across a range of biosecurity emergencies. As you have heard from what we have responded to this year, vigilance for plant and animal pests is unfortunately a reality of the world we live in. The Secretary has talked about the H7 avian influenza response – the biggest problem we have ever seen. I think we saw from that emergency response the benefits of that preparedness that has been undertaken for some years in terms of systems and processes, the way we surge workforce across departments and government but indeed with industry and private providers as well, the way we have built the capability and capacity of our staff and the equipment we use in real time, particularly investment in mobile labs and equipment that we can use onsite. That means we get results and intelligence about what we need to do quicker and faster, and of course that is key. Effective response is making sure we can get people back to moving trade and moving people and moving things and our way of life that is important. That is the H7 response. We also saw varroa, as the Secretary said. We had an incursion of varroa mite that we responded to in 2023–24 – again very much in step with the national approach to unfortunately having to manage varroa as a reality of our agricultural production system in Victoria. We also saw incursions of brown marmorated stink bug this year – which is just a hitchhiker pest unfortunately – a couple of incidents of that in Melbourne that were quickly responded to.

I guess that all bodes quite well for the higher risk of a potential H5 avian influenza response, which is something that is on our minds at the moment. What I would say on that is that through the unfortunate work we have had to do in the last 18 months but also through increased specific planning, informed by understanding what is happening overseas with it, we feel we are really well positioned to respond should we need to in the case of any other further emergencies.

Michael GALEA: Thank you, Ms Jones. You mentioned the H7 response in particular. You mentioned in particular the mobile response units. Can you tell me a little bit more about what these are and how they have been used to respond in a more speedy way?

Beth JONES: Yes, certainly. The mobile response units are basically on-the-ground specialised lab equipment, if you like. For those of you who have seen them, they are not easy to miss – they are pretty conspicuous green vehicles that really are mobile diagnostic vans. They allowed us to deal with a surge in the need for sampling in field and being able to get results to our lab quickly. We have invested in two trucks that serve as mobile incident command centres in an emergency animal disease event, which are crucial equipment for our delivery in an EAD response. We lived that. It really did make a difference through the H7 response in Meredith and Terang. It ensures that we can provide mobile command capability that can be actively deployed with a minimal amount of resources, so it is a very efficient way of managing. Their key functionalities for that are they house about 10 people with the ability for communications and IT connection and they allow us to work very effectively also with other agencies and others in emergency settings. If we reflect on some of the learnings from the H7 response, that mobile ability has been, I would say, a game changer in our ability to respond rapidly.

Michael GALEA: That is really good to know, and I am assuming it provides that really critical support for the community, giving them those answers as they need them as well.

Beth JONES: One hundred per cent. I guess at the heart of it that underpins our ability to provide rapid advice to government and to community to see how things are moving in real time and be able to tailor information needs, updates and decisions about the response in a quicker way.

Michael GALEA: Those mobile units are probably a key part of the lessons learned from H7 and preparing for a potential risk of an H5 incursion.

Beth JONES: Correct.

Michael GALEA: Are there any other particular lessons that you have learned or that the department has learned from this most recent outbreak that will help to inform a future response?

Beth JONES: Yes, certainly. What I would say, Mr Galea, is we are certainly at the stage of the response now where we are turning our mind to lessons learned. Obviously the priority for 2023–24 has very much been about managing the disease spread, and we have certainly got to that point. In terms of lessons learned to date, I would say the obvious one is that out-of-control viral disease can have really significant impacts and needs to be managed very, very quickly and efficiently. But we would say that that was done well and the industry did an exceptional job to keep it to those two districts and those eight properties, given the potential for what could have happened. I think we will always look at traceability and how you can stop things quicker as being key to any biosecurity emergency. At the moment the team are working through about 5500 individual trace records on animals and produce, and I think that plus looking at the genetics and the epidemiology of the event will be really critical in what we can learn, and that is work that is happening now.

Michael GALEA: Thank you, and I am assuming that would be in a similar vein to the lessons learned from the varroa mite incidents up north.

Beth JONES: Yes.

John BRADLEY: I might just reflect on one of the benefits the H7 responses brought out, which is the way the departments work together. In relation to FFMVic emergency management capability coupling then with the Agriculture Victoria state biodiversity operations centre, we have seen not only deployment of FFMVic staff into that AI response but also now, when we are thinking about the coming summer, we have engaged 40 FTEs as part of our seasonal recruitment for project firefighters that are being used to support the H7 avian influenza response and are also available for us on call as we start to see more significant risks, including, as we have seen in more recent days, some significant bushfire activity. Those staff are obviously helping to give us that flex to be able to move between long-running emergencies and then peaking incidents that are occurring, as we have seen in recent days. That has been a really important part of the model.

The third component of it has been the work that has happened across the Agriculture Victoria team and the Regions, Environment, Climate Action and First Peoples Group led by Carolyn Jackson. The biodiversity division is directly engaging with the Commonwealth department of environment in relation to those national preparations for the H5 virus risk. We are the last continent on the globe to actually receive H5 and would like to remain so as long as possible, but there is a really detailed plan now underway. I am sure Ms Jackson would be happy to expand on how that is working if you would like to hear more on that.

Michael GALEA: I would be quite interested actually in particular on that but also on FFMVic's role, because that is quite a good surge capacity I would imagine that the department will be able to deploy. Ms Jackson, if there is anything you would like to –

Carolyn JACKSON: Thank you. And as John mentioned, Agriculture Victoria and my group are working quite closely on these biosecurity issues, which is fantastic. In terms of the preparedness that I oversee, noting that Agriculture Victoria is the control agency, that relates obviously to the impacts on wildlife. As John, the Secretary, has said, we are fortunate at the moment to be the only continent that has not been impacted by H5, but there is a risk of it occurring any day. It is likely to arrive. If it does, and we are hoping it does not, over spring or summer, and that is because it is carried by migratory birds coming from overseas, there is a range of preparedness works that are in train or have already occurred, and we are working quite closely with other government agencies.

In addition to Agriculture Victoria, there is a range of work happening with our catchment management authorities and our water corporations; land managers, including Parks Victoria and the Phillip Island Nature Parks, because penguins can be one of the species that are impacted by H5; of course the wildlife welfare sector, including Wildlife Victoria, BirdLife Victoria and the RSPCA; as well as traditional owners and other relevant organisations. Some of the preparedness activities that have occurred, and there is a huge list, include

identifying and prioritising at-risk species. We have done a full analysis of the species that we think are most likely to be impacted by an incursion of H5. We have done quite a bit of scenario planning to look at how we could slow the spread of the virus and manage the impacts of the virus on wildlife and public health. We are working with the Commonwealth, other states and territories to prepare for a potential detection. We have also established a wildlife-focused expert advisory group as well as the development of a response doctrine for wildlife impacted, so there is quite a bit of work happening in my space, and of course it is being done in consultation with Agriculture Victoria.

Michael GALEA: Terrific, thank you, and it is great to hear of the involvement of a lot of those sectors, including Wildlife Victoria, who do incredibly good work in supporting our state's wildlife too. Just before we move off this topic – I am not sure who is best to address this to, but I will put it through to you, Secretary – I understand in terms of traceability, which we have been discussing as well, Victoria leads the nation in regard to horse tracing. Can you tell us a bit more about that work and how that helps set us up?

John BRADLEY: The CEO of AgVic Beth Jones will be really happy to address that. There has certainly been, as you were saying, a very significant position of leadership around the national work in relation to horse traceability.

Beth JONES: Yes. Horse traceability is a piece of work that, as the Secretary said, the Victorian government is working collectively with other jurisdictions on. There is some active work on the way – there has been for some time – and really working closely with industry in other jurisdictions, looking at a range of issues and uses of horses and how traceability can be achieved. I think that builds on, as the Secretary said, a pretty strong record of traceability in Victoria across a range of sectors, most notably the sheep and goat electronic identification that was developed some years back now for Victoria and is now being rolled out nationally. That experience for Agriculture Victoria is heavily influencing the way we are thinking about that horse traceability work and other traceability work and the ways we think about industry and some of the opportunities and issues, and of course we continue to also work to assist other jurisdictions with the rollout of traceability work for EID with that knowledge too, just given that we have sort of been where a lot of the other jurisdictions are now. We have built a very, very strong expertise in Victoria that is nationally recognised in traceability, so we are called on quite regularly, whether it is horses or EID or other things.

Michael GALEA: That is very good to hear. Thank you very much. Changing pace a little bit now. Secretary, in terms of climate action, another very important function of your department, as part of your annual report you have highlighted the publication of the most recent greenhouse gas emissions data for Victoria. Can you talk us through some of the key trends that we have seen in the most recent greenhouse gas and climate target data and how we are tracking against various targets that we are trying to achieve?

John BRADLEY: Thank you. I might just see if you are happy to go first, Carolyn.

Carolyn JACKSON: Yes, I certainly can. Thank you. Thank you for your question, Mr Galea. In terms of how Victoria is tracking against its targets that have been set in relation to emissions, the Victorian government did achieve its 2020 target, and quite substantially met it as well, and is on track to meet the 2025 target as well. The Victorian government's 2035 target builds on trends and actions already underway, including investments in clean energy, zero emissions transport and the circular economy, and without any additional action the department is already projecting a cut in Victoria's emissions of almost 60 per cent compared to 2005 levels by 2035, creating thousands of new jobs and bringing benefits to the Victorian economy, community and environment. As intended in the *Climate Change Act 2017*, Victoria's emission reduction targets will drive further climate action over the coming years, and the Victorian government is continuing to work with communities and businesses to put in place new and strengthened emissions reduction policies, including in the next round of sector pledges, which are due in 2025. I guess all of that is underpinned by a significant amount of investment that has occurred over the last number of years.

If I direct you to 2023–24 in particular, obviously it is beyond what I oversee – it is across government – but the government announced \$1.73 billion to support climate action. That included \$20 million provided across four years for delivering climate action, which relates to the team in my group. There was the \$1 billion provided for the State Electricity Commission; over \$194 million to support the transition to renewable energy; over \$88 million in the skills and jobs needed for the transition to a renewable energy future; \$166 million for climate resilience, which included \$142 million for cooling our public housing towers, to install air

conditioners; and just under \$14 million for VicCoasts. Since the release of the climate change strategy in 2021, the government has invested over \$5.5 billion. That is a significant amount of government investment in the last few years to drive performance, achieve those targets and hopefully continue to achieve.

Michael GALEA: Thank you, Ms Jackson. So you can see the effects of that investment already coming through in that data, which is good to see, and indeed the other side of that coin which you touched on, which is climate resilience, needing to be not just addressing the cause but dealing more and more these days with the effects that we are seeing in regional areas especially over the last couple of years. In terms of those greenhouse gas figures that we have seen published through that report, have there been any changes to the ways or the methodologies with which those results have come about?

Carolyn JACKSON: Thank you for the question. The greenhouse gas inventory is something that is done by the Commonwealth, so they are always looking at their methodology and looking at whether there need to be changes to things, so that will continue to be the case, but that is something that is driven by the Commonwealth.

Michael GALEA: Thank you. Either again to you, Ms Jackson, or to the Secretary, another significant outcome that was achieved this year was the passing through our chambers in the Parliament of the *Climate Change and Energy Legislation Amendment (Renewable Energy and Storage Targets) Act 2024*. Either one of you, if you could please talk us through some of the key measures in this Act and what it will achieve.

John BRADLEY: Thanks very much for the question. I might start, and then maybe, Carolyn, feel free to add if you would like to. Certainly the significant inclusions within that legislation that was passed during the financial year were legislating those renewable energy targets of 65 per cent renewable electricity generation by 2030 and 95 per cent by 2035, legislating energy storage targets of at least 2.6 gigawatts by 2030 and 6.3 gigawatts by 2035, and then also updating those climate emission reduction targets, including the specification of a net zero target, brought forward by five years from 2050 to 2045. The legislation is premised on the understanding that the most efficient approach to managing the decarbonisation of the economy and emissions reduction is to have long-term plans that are transparent and explicit, as per the climate change legislation, and to update both emission reduction plans and adaptation action plans on a five-yearly cycle.

Our economic analysis is indicating that the Victorian economy can continue to grow strongly while emissions are cut to meet our targets. The analysis is consistent with historical experience. For instance, between 2005 and 2022 the economy grew by 51.9 per cent, while emissions fell by 31.3 per cent, and there is a record then of achieving the decarbonisation of the economy in a way that supports not only significant economic growth but significant regional employment and green jobs. We know that taking action to achieve that 2035 target is projected to deliver economic benefits that are estimated at \$63 billion between now and 2070. Ms Jackson, you may want to add, if I have missed anything.

Carolyn JACKSON: I think you have covered it. Thanks, Secretary.

Michael GALEA: Excellent. Those figures in particular about the 17-year period of economic growth compared to the cut in emissions are quite interesting too. Secretary, on the targets that you have outlined that Victoria has, be they for net zero, for offshore wind production or for battery storage, how do they compare with other Australian states?

John BRADLEY: We think that Victoria's approach to climate action and to the energy transition is more comprehensive than other jurisdictions in terms of the quite explicit published documents that we have produced in a range of different spaces. You will have seen the agriculture emissions reduction strategy released, and we are continuing to do more work as we prepare to update that agricultural sectoral plan. There are sectoral plans for other parts of the economy as well, but it all connects to things like the government's Recycling Victoria strategy as well, where we know that the actions in relation to the circular economy will significantly decarbonise our use of materials in the economy as well.

Michael GALEA: Thank you.

The CHAIR: Thank you, Mr Galea. We will go to Mrs McArthur.

Bev McARTHUR: Thank you, Chair. Thank you, team. In December last year the government's Victorian Environmental Assessment Council recommended the government should create one national park that linked the Yarra Ranges, Kinglake, Lake Eildon and Baw Baw national parks and the Bunyip, Cathedral Range and Moondarra state parks. Has the department been instructed to investigate, plan or otherwise consider the creation of this and other new national parks?

John BRADLEY: Ms Jackson might be best placed to answer in relation to that.

Carolyn JACKSON: Thank you. In terms of those national parks, that is not something that my group is looking at. I do not know if you want to speak to it, but there is certainly work which I am happy to talk about in relation to VEAC's report into Central West, and that is something that has been –

Bev McARTHUR: Is anybody investigating this proposed park? Mr Jackson perhaps. Is that his responsibility?

John BRADLEY: I think it is fair to say no is the answer.

Bev McARTHUR: No investigation of these national parks?

John BRADLEY: We are not currently working on that.

Bev McARTHUR: You are not currently moving any public parks into national parks?

John BRADLEY: Sorry. That particular proposal you are referring to is not currently the subject –

Bev McARTHUR: Any others? Are any other state parks being moved into national parks?

John BRADLEY: Thank you. As Ms Jackson was alluding to, and I know you are very aware, Mrs McArthur, there is the implementation of the VEAC Central West assessment, and the government has a stepwise approach to undertaking those activities. There is detailed surveying activity underway as part of a four-year program in relation to the first two national parks in that space, and then there will be a need for more surveying activity in relation to the third, while also recognising that the government departed from VEAC's recommendations in a significant number of areas in order to make sure that there was continued use and accessibility in relation to the tenure that was the subject of the assessment and 20,000 hectares as part of that being in focus for a broader use of activities that would not be made possible as part of the status of national park.

Bev McARTHUR: So we all know that when you create a national park the activities are severely restricted, and I know that the Premier said in August that she would never put a padlock on our public forests. So if you create a national park, are all the user groups that normally use a park going to have access to it?

John BRADLEY: Thank you. I might just ask Ms Jackson to speak to the differences in use of particular tenure, and then I might just add to that.

Carolyn JACKSON: Thank you. As the Secretary noted, in terms of the Central West example what VEAC recommended and what government decided to implement are different, and that is on the basis of government wanting to expand the recreational opportunities available by creating additional regional park areas instead of national parks. So if I can give you some examples: of the approximately 65,000 hectares of new national parks there will be no change to the current recreational opportunities in 22,585 hectares already managed under the *National Parks Act* – i.e. the Lerderderg and Mount Buangor state parks – or in the 4443 hectares that are currently nature conservation reserves. And in terms of some of the activities, if I can give you an example, so if I use Wombat–Lerderderg National Park as an example: bushwalking, picnicking and nature observation can still occur, as can camping, as can fishing, as can car touring, including four-wheel driving. Trail bike riding can also occur, as can mountain biking and cycling. Horseriding and dog walking can occur in areas specified by the land manager. Seasonal deer hunting by stalking can occur in the state forest addition, and there are also adjacent parks where other activities can occur. So there is still –

Bev McARTHUR: Gold prospecting?

Carolyn JACKSON: In that particular example, no, but it is available in the nearby Hepburn Regional Park and the proposed Barkstead, Blackwood, Fingerpost and Spargo Creek regional parks as well as state forests, bushland reserves and historic reserves across the region, so still significant opportunity for recreational prospecting.

Bev McARTHUR: What you are doing, though, is you are stopping rock climbing at Mount Arapiles, and you have consulted with basically nobody in the climbing community. Exactly who have you consulted with on the rock climbing ban at Mount Arapiles?

John BRADLEY: Thank you. It might be best if we ask Matt Jackson, the CEO of Parks Victoria, to join us at the table. While he is joining us I will just recognise that across the Parks Victoria estate there are 90 million estimated visits per year in an estate which is absolutely massive, with 3000 land and marine park reserves, 18 per cent of Victoria's land mass, 75 per cent of its wetlands and 70 per cent of its coastline. So the scale of park and the opportunities that are there for people to take advantage of the incredible natural environment we have in Victoria is a huge drawcard.

Bev McARTHUR: Yes, it is all wonderful. So Mr Jackson, why have you cut a hundred employees out of Parks Victoria?

Matthew JACKSON: Would you like me to answer the first question, Secretary, which would be the rock climbing, or would you like to – which one would you like?

Bev McARTHUR: We just waxed lyrical about how many acres we have got in parklands, and you have also got an awful lot to maintain.

Matthew JACKSON: We do.

Bev McARTHUR: So let us go to how many employees you have cut, and then you can tell us how many you have got, and then we will go to rock climbing.

Matthew JACKSON: Sure. So Mrs McArthur, to answer your question – thank you for the question – I will come back, Secretary, on the first question if there is anything on rock climbing. In May this year Parks Victoria looked at its corporate plan for 2024–28, which has one key area as you would expect of our organisation to be financially sustainable. We have gone into doing our own operating review. We have commenced and finished a corporate review. The review's intent is to reduce duplication and get more resources back on ground, so that process has completed. To answer your first question, there have been 37 redundancies made in the corporate part of that role, with 19 roles to come back into the role, so a net effect of 18, and we are just finishing the conservation and planning point of view. The last stage of the operations review, which I think is where you were referring to in your last question, has been paused as we are still working through some of the detailed questions for our change process under our EBA and in the timing we need at least six weeks for consultation. We are looking at that part of our review. We are being more efficient in duplication, putting more rangers on ground to deliver, as the Secretary quite rightly said, a large estate, 18 per cent of Victoria –

Bev McARTHUR: How many are you going to increase on the ground, as field workers out maintaining all these beautiful facilities?

Matthew JACKSON: I think, Ms McArthur, to that question directly, we would have to finish the whole change process. So we are –

Bev McARTHUR: How long is that going to take?

Matthew JACKSON: As I mentioned before, we have just in the last two months, since May, been finishing the corporate part of that review. That is complete. What we call the conservation and planning has finished consultation. We are just reviewing submissions by staff under the enterprise agreement, and then we will go back and look at the operation review in the new year. Once we have that total picture, we will be able to make sure that we have reduced duplication and purified the ranger's role, how many more rangers on the ground. So that is the intention of the review.

Danny O'BRIEN: It has been suggested that there are a hundred jobs to go, Mr Jackson, as in the *Weekly Times* a couple of weeks ago. Is that correct?

Matthew JACKSON: Well, you have read that from the *Weekly Times*, Mr O'Brien. You have not read that from me or had a statement from me, so I am happy to say that we are still looking at the part of the operation review. As I mentioned before, to date 37 roles have been made redundant across corporate, and 19 new roles. Once we go through the change process, it would be appropriate to go through the change process with the staff involved or the departments, once we have that final process. So I am happy to answer that question down the track, but I think it is inappropriate whilst we are still going through a change process.

Bev McARTHUR: We look forward to seeing you in the next session.

Matthew JACKSON: Sure.

Bev McARTHUR: Going back to Mount Arapiles, who did you consult to produce the ban?

Matthew JACKSON: Two things: there is a proposal, and we can go back to the statements. So the 1991 plan for Mount Arapiles is out and is being reassessed under its current 28-day consultation period on the grounds that, one, we have worked with the Barengi Gadjin Land Council, the registered Aboriginal party and the native title holder, and they have an agreement with the state to preserve and protect their cultural heritage. Parks Victoria also has obligations under the *National Parks Act* and the *Aboriginal Cultural Heritage Act* to make sure that once those values are known we need to appropriately manage those values into perpetuity and into the future.

However, we do understand that rock climbing and other outdoor recreation activities are important in all parks, including the Grampians. We have had this discussion I think, Ms McArthur, over many years with rock climbing in the Grampians (Gariwerd) National Park. 153 areas have been surveyed, and I just want to point out the main thing here is to get certainty where rock climbing can happen, bouldering and outdoor recreation. We are proposing out of the 153 sites that 80 of those sites will remain open, so about 52 per cent. So when you say that we are closing, banning or reducing rock climbing, that is not correct. About 17 of those sites are what they call the large or most popular sites, and 73 sites, under guidance from cultural heritage, will be closed.

We do not consult for cultural heritage. We have the Barengi Gadjin Wotjobaluk people and it is their cultural heritage, and under legislation they have the remit to provide advice on cultural heritage. What we do is work then with First Peoples–State Relations, who are the regulator under that. Once the assets or the heritage has been notified as registered, then we work through a process to make sure there is no harm into the future and to protect those parts of the heritage. We are proposing right now that under that assessment process there are those sites that will be restricted from rock climbing; however, 52 per cent, over a thousand routes, remain open for walking and recreation, and to note the government has also committed \$1.7 million to upgrade the current campground, which does demonstrate a commitment too.

John BRADLEY: Ms McArthur, would you mind if I just add to that response by Mr Jackson. He can confirm it. It is simply to note that in relation to the consultation there is obviously a public consultation on foot at the moment until 2 December. As part of that there has been both an online seminar, which has had participation by hundreds of people in that recently, and also a survey, which as of last week had seen around 668 surveys completed and 190 separate submissions received. So there is a significant engagement occurring as part of this process, which will see –

Bev McARTHUR: But you based a decision on the 54-page report from the Gariwerd Wimmera Reconciliation Network, didn't you?

Matthew JACKSON: That report was commissioned by the request of the Barengi Gadjin Land Council under reconciliation. The GWRN – if I can abbreviate GWRN – were provided advice into climbing routes and/or areas of recreation. They are not decision-makers; they only provided advice for consideration, for the traditional owners to consider during the process.

Bev McARTHUR: But that document has been kept secret from the wider climbing community, hasn't it?

Matthew JACKSON: Well, that is not my document. Parks Victoria – it is not our document.

Bev McARTHUR: You used it, though.

Matthew JACKSON: That has been provided to – again, it is only one methodology. We do assessments – we do on-site assessments. These independent reports, these history assets – a lot of things go into decision-making. While I can confirm GWRN are not decision-makers in any part of this process.

Bev McARTHUR: Secretary, you said about what is going to be left open, but my information is that some of the banned areas will include sites particularly suited to beginners and moderate-grade climbers – for instance, the Tiptoe Ridge area and Mitre Rock. This is a significant restriction on people learning how to climb and developing climbing skills. Why would you ban those areas?

John BRADLEY: Again, it is appropriate for Parks Victoria to respond to that. It is important to recognise that the process we are in at the moment is receiving that engagement, and every piece of feedback that is received will be fully considered by Parks Victoria. Matt, you might want to add –

Matthew JACKSON: Thanks, Secretary. I would have to say, Ms McArthur, I appreciate that point, but cultural heritage where it is found is irrelevant. It is in the landscape, it is there for a reason, it needs to be protected. So there is no discrimination or picking on any demographic or use of the rock climbing community; it is where it is. Whilst it displaces some of those, and you were mentioning some of those areas, there are other parts of rock climbing that are still there – 52 per cent are still open, over a thousand routes, 80 sites in there. And we understand the impacts on the town of Natimuk and the history there, so we are very clear on that, but again, our obligation is under the cultural heritage Act, the *National Parks Act*, working with the regulators and protecting them for future generations – these are the proposed areas.

Bev McARTHUR: So cultural heritage will take precedence over the use of everybody else in Australia – 300,000 climbers in Australia.

Matthew JACKSON: Climbing is very popular, Ms McArthur. If I go back to Mount Arapiles, the Grampians, Werribee Gorge, Mount Buffalo – we offer climbing right across the state. We do understand there are impacts and we do understand the recreational benefits, health and wellbeing. What we are saying here, if I go back to Mount Arapiles, is the assessments are clear. What the assessments have done is indicated certainty for rock climbing to stay in Mount Arapiles. It has allowed 52 per cent of the park to be open, over a thousand routes, and there is investment going into the campgrounds to make sure that we have better practices, noting that not only rock climbers go to Mount Arapiles. We can celebrate the cultural heritage in the future with tourism, so we are hoping that divestment and that investment into the park will make sure that we have got a strong product and we are protecting cultural heritage but allowing the health and wellbeing benefits of getting out in the park and recreation. We see it as an obligation.

Bev McARTHUR: Secretary, you have said about consultation, but as I understand it in your feedback management plan, it says consultation will not be reviewing any changes to the areas that need to be protected. How is that consultation?

John BRADLEY: It is consultation being undertaken by Parks Victoria –

Matthew JACKSON: I can answer, Ms McArthur.

Bev McARTHUR: But no changes?

Matthew JACKSON: Ms McArthur, I go back to state again cultural heritage is the expert and the legislation requires Barengi Gadjin Land Council, with Parks Victoria, to nominate where the cultural heritage is. Then we go through a clear decision-making process, and that will be published on our website. That is consistent with the process we went through with Grampians rock climbing many years ago. That will provide certainty of where cultural heritage is to be protected. We are not consulting on protecting cultural heritage. We are consulting on certainty – where you can climb. We need to know about the maps that are in the documents, the signage, the chalking that can be used, how do you want the education programs to run out and people talking to the community, but we are not, obviously, clearly – the Barengi Gadjin or Wotjobaluk people will comment on their cultural rights and their cultural heritage.

Bev McARTHUR: So what you are saying is that cultural heritage will take total precedence over anything else, so there is a complete absence of recognition of the importance of rock climbing. That is just being disregarded, is it?

Matthew JACKSON: No. I think the Acts require us, Ms McArthur, to look after cultural heritage. If I flip that around the other way, we are saying 80 climbing areas of the park are still open – 1000 climbing routes; bushwalking; camping; an investment into the campgrounds, which is overnight stay; increasing the length of stay; bringing international visitors to this great place; and also making sure that local communities can benefit from the visitor economy. Rock climbing, as I mentioned, is not only in Mount Arapiles; it is in the Grampians, it is in other parts of Victoria. We understand how important it is for local community and also from Healthy Parks Healthy People, getting out in the state –

Bev McARTHUR: Have you done any modelling on these bans, how they will affect the communities of Natimuk or Horsham, the economic outcomes?

Matthew JACKSON: There are two things. We are aware of the issue with the local opinion down in Natimuk. We understand those concerns. We were very clear working with the tourism boards in the Grampians, for example, and the growth in tourism in the Grampians was not withdrawn or reduced because of the removal of 50 designated areas in the Grampians because there were still open over 100 sites in the Grampians – 103, to be precise. We are seeing the same place. We are not here to model – we are a land manager. We protect cultural heritage under the Act, and we are doing that. We understand, again, 52 per cent of the park is open, and rock climbing continues. We should turn this into a celebration and make sure we look after the cultural heritage but also allow people to get into the park, and the investment and the assets are there to make sure we bring that campground up to standard as well.

Bev McARTHUR: Are you in charge of dingoes?

Matthew JACKSON: Dingoes are in our park, but no, I am not in charge of dingoes.

Bev McARTHUR: Who is responsible for dingoes?

Matthew JACKSON: I have got everything else, Mrs McArthur, but not dingoes.

Bev McARTHUR: This is speed dating.

John BRADLEY: The department has supported the remaking of the unprotection order and also administers the wild dog management program.

Bev McARTHUR: So who is going to answer? Secretary, are you in charge of dingoes? When is a wild dog a dingo, Secretary?

The CHAIR: Excuse me, Secretary. Mrs McArthur, I think if you ask a question, what the Secretary is saying is that he can refer it to the person who is going to be able to give a comprehensive answer. Ask your question, please.

Bev McARTHUR: All right. In relation to the decision to protect dingoes in the north-west of the state, did the department consider using geo-tracker collars on dingoes to prevent them from attacking livestock?

John BRADLEY: Thanks very much, Mrs McArthur, for that question. I will ask Carolyn Jackson to address this as best as she can.

Carolyn JACKSON: Thank you. Mrs McArthur, as you will be aware, there was a new unprotection order that was made earlier this year, and that did exclude the north-west of the state. That was in response to dingo population estimates that we had updated in our population estimates, and that was undertaken by a population expert from the Arthur Rylah Institute, which calculated estimates for the dingo population using data from camera traps. That found that for north-west Victoria the total dingo population was within the range of 40 to 230.

Bev McARTHUR: That is a pretty big range – 40 to 230. Did you have a DNA test on them all or what?

Carolyn JACKSON: No. The camera trapping was an update from an expert as to the number of dingoes that were there. There has certainly been research separate to that which was undertaken by a researcher with New South Wales, and that did show that the Big Desert dingo population has low genetic diversity and is experiencing inbreeding, so while there might be up to 230, you can see it in the photos from the trapping that there are definite signs of inbreeding and genetic challenges.

Bev McARTHUR: Deformities.

Carolyn JACKSON: Yes.

Bev McARTHUR: Are there any plans to reintroduce dingoes into the Grampians?

Carolyn JACKSON: No, there are none.

Bev McARTHUR: It is definitely ruled out, permanently?

Carolyn JACKSON: I cannot guarantee what will happen down the track, Mrs McArthur, but at the moment there are definitely no plans.

Bev McARTHUR: Just going back to the Mount Arapiles issue – and you have closed some of the best climbs in the Grampians as well – is there any opportunity for anybody to appeal this decision of the ban?

John BRADLEY: Thanks very much, Mrs McArthur, for the question. It is important to recognise that, as part of the consultation process, we do want to make sure that there is feedback being provided to Parks Victoria in relation to the way this important cultural heritage is protected and how to make sure that that is as accommodating as possible of the climbers.

Bev McARTHUR: So can they appeal the decision?

John BRADLEY: As part of that process, we will take their feedback in relation to the implementation of the regime, but the Parliament has passed legislation that requires the protection of cultural heritage as it is discovered. What has happened in this case is that Parks Victoria has become aware of cultural heritage. There is a formal process for recognising that cultural heritage in the Aboriginal heritage information system that is maintained by the Department of Premier and Cabinet, and this process is ensuring that that legislative obligation that has been put in place by the Parliament is observed by this entity.

Bev McARTHUR: Also, previously, you could be fined up to \$297,000 if you disturbed anything in these areas. Is that going to continue?

The CHAIR: Apologies, Mrs McArthur. We will be swinging back this way. We are now going to go to Ms Kathage.

Lauren KATHAGE: Thank you, Chair, Secretary and officials. I have been wanting to ask about some of your solar programs. I see in your annual report on page 44 the outcomes related to solar PV rebates and hot water rebates. I just want to focus on those for a while if that is all right. The rebates for renters to install solar panels was obviously wildly successful. It has got an actual result of more than three times what the target was. Can you talk a bit about why you think so many renters took it up, how they can take it up and how that works when it is not your property?

John BRADLEY: Thank you very much, and anticipating the question, Stan Krpan has joined us at the table. Certainly one of the things that the government has tried to do in relation to the solar for renters program is to address this split incentives issue that emerges where you have got landlords and tenants where the tenant is paying the electricity bill but the landlord owns the asset on which the solar panel needs to be installed. It is fair to say that Solar Victoria and this program were innovators nationally in terms of initiating a scheme that was trying to help tenants with this sort of support. Mr Krpan can talk about the response we have had as part of the program.

Stan KRSPAN: Thank you, Secretary. Good afternoon, committee. Thanks for the question. As the Secretary has pointed out, we have tried to innovate with this program. For the first time in 2018 we provided an incentive that was specifically targeted towards landlords for the benefit of renters. The rebate that applies to

owner-occupiers of \$1400 also applies to either landlords or renters. Obviously we encourage those conversations to happen given that the asset belongs to the landlord but the renter bears the benefit. In fact that is part of the challenge that we are trying to overcome, that split incentive. We also offer a zero-interest loan of \$1400, and just over 30 per cent of landlords take up that option as well. There is an option to split the repayments for the loan between the landlord and the renter, and very few landlords do that. In fact they just bear the costs, usually for the benefit obviously of the tenant or for the property if they are going to be letting it out. We know that it is more attractive to new tenants to go into a property where there is going to be cheaper bills, and obviously solar provides cheaper bills and that is guaranteed.

About 6800 applications have been approved under the program for the benefit of renters, and there have been 5490 installations so far. As you have pointed out, there was a significant uptick last year – three times what we were expecting. That was partly because in 2023–24 we launched for the first time a program co-funded by the Commonwealth for the benefit of renters in apartments.

Lauren KATHAGE: This renters in apartments program you co-funded with the federal government, so can you explain a bit about how that co-funding works and then which side the implementation sits on and how that is implemented?

Stan KR PAN: Yes, sure. It is a \$16 million program for the benefit of 5000 apartments in its first year, and we had a fantastic response to that first round, which ran in the first half of the year. We have since launched a second round, and again that is proving to be very popular. It is \$8 million each from the Commonwealth and the state government. The state government's contribution obviously is funded from the core of the Solar Homes program, but it is then matched with Commonwealth funding, and that is under a Commonwealth program called solar banks. We were the first state to implement that program. I understand that it has since been followed in New South Wales and that there is interest from other jurisdictions. But we have had a really pleasing response to that. It effectively allows us to offer double the rebate for people in apartments, so instead of \$1400 every apartment can benefit from \$2800 by way of a rebate. The sweet spot is apartment buildings that are less than 50 apartments. So if you multiply 50 by \$2800, it is up to \$140,000, and in some cases we are able to pay for the solar panel installation without any cost to either the landlords or the tenants. But obviously it is benefiting the tenants. We estimate it is about \$500 per apartment dweller.

Lauren KATHAGE: And is that then negotiated through the body corporate? How does that work?

Stan KR PAN: Yes, because generally in an apartment building the roof will be a single roof that covers the apartments in a multi-storey – say two or three storeys, which is the sort of sweet spot we are looking for. That roof will be owned by the owners corporation, and so it requires the consent of the owners corporation and what is called a special resolution. So effectively it is like any other special resolution that is made for a significant investment in the property. What we find is that we often have really passionate tenants or landlords that want to work with their owners corporation or indeed all the owners are engaged. They go through that special resolution process and the owners corporation agrees to the installation. In fact we target the owners corporation and our rebate application is made by the owners corporation or on behalf of the owners corporation for the benefit of all of the owners. We designed the program in a way where we provide preapprovals to the owners corporation, so we made it as easy as possible for owners corporations to come forward. We then support them through the process of that special resolution. Obviously, they go and get their own quotes and they work out how much it is going to cost them, who they should go with, whether there is any impact on the building for instance and how it will be shared amongst the various tenants. All that is left for the OC, and then we provide the funding.

Lauren KATHAGE: And are those interest-free loans also available?

Stan KR PAN: They are just rebates in the case of apartments, so the interest-free loans are not available. That is just because of the complexity of owners corporations and the rules that govern how they borrow money. They can still borrow money as an owners corporation to co-invest, if you like, in the solar panels, but that loan is not provided by us.

Lauren KATHAGE: It is a double rebate.

Stan KR PAN: Absolutely. That would be a little bit too complex and require us to negotiate then with individual landlords or renters, which is a bit difficult and I think cost prohibitive probably at this stage.

Lauren KATHAGE: There is another good result under the hot water rebates program. There was an original approval target of 4510, and you ended up with over 25,000 – well over 25,000. Can you tell us a bit about the factors leading up to that result and how you met that demand that was five times what was planned. How did you meet the demand then when it became apparent?

Stan KR PAN: We have been working on this for some years. Hot water was always a part of the Solar Homes program. It was initially conceived as a solar hot water program, so the incentive of \$1000 has been available since 2018. It was intended for, as the name would suggest, solar-heated water. What we have found since that time is in fact the traditional either gas-boosted or electric-boosted hot water has become more expensive compared to much cheaper solar panels. So what is more attractive now, through a combination of things – both solar panels becoming much cheaper as well as heat pump technologies, which are energy-efficient electric water-heating technologies, being cheaper and a variety of brands coming into the market – the market has shifted and with the benefit of our rebates and also the Victorian energy upgrades the outlay for a heat pump hot-water system has reduced. In fact we have had now two years of record increases in the number of heat pump hot-water systems installed in Victoria – really leading the country in that respect – and as you say more than 25,000 hot water rebates going out the door. The government's commitment was to 60,000 over the life of the program, and we are expecting that that commitment will be met in this financial year.

We know that for those customers they are saving somewhere around \$300 per year just on electrifying their water, so getting off gas in the main part. And for those customers who have got solar – about 700,000 Victorian homes now enjoy the benefits of solar panels on their roofs and are generating that power – they are optimising that. One of the ways they can optimise that is to get off gas hot water heating, get it onto energy-efficient electric hot-water heat pumps, and they are then able to benefit from both.

Lauren KATHAGE: Thank you. I think people would have forgiven the department, considering that massive demand that ended up coming in, if response times or application processing times became longer or more difficult. But looking at the annual report, you have actually exceeded your targets as well for application processing. So are there some nimble fingers in the department or –

Stan KR PAN: Absolutely. Our customer experience team in Morwell does a fantastic job, and over the years they have gotten more and more efficient at processing these applications and working with customers across the state for their benefit and to take up the applications. In some cases we have repeat customers, and that was a deliberate strategy to develop an enduring relationship, if you like, with those customers. We have also invested significantly in our IT systems and capacity both through DEECA's systems as well as Service Victoria, which provides some of the back end – or the front end, depending on which way you look at it – of our customer relationship management system, and that means that about half of our applications now go through digitally without requiring any intervention from a customer service officer.

Lauren KATHAGE: Wow!

Stan KR PAN: That has just made us more efficient. So notwithstanding that we have had a record year in terms of transactions – almost 80,000 transactions, the biggest ever year across all of our various streams – that has been achieved with no increase in staff, and as you say, we met the service level of agreements of how many days it takes to process an application.

Lauren KATHAGE: Under those targets it notes that there have been improvements made to document verification processes. Can you detail that for the committee, please?

Stan KR PAN: Well, partly that is the relationship and the partnership that we established in 2018 with Service Victoria, which provides services across the Victorian government for things like identity verification but also transaction processing, and that has improved over time such that most of our customers, as I say, now go through digitally. If they have created a Service Victoria account, as many Victorians have – particularly during, obviously, the requirements that existed during the COVID lockdowns et cetera – if you have got an account, that just streamlines your ability then to transact with the government on a variety of different transactions, and we are obviously one of those original transactions, both for solar PV and for hot water rebates. Once you verify your identification with Service Victoria or you have got an account, that effectively gives you a bit of a green light then to proceed with the rest of the application.

Lauren KATHAGE: Okay, that is great. Great results. Thank you.

Stan KRPAN: Thank you.

Lauren KATHAGE: I wanted to ask now about the Victorian Energy Compare program. I am not sure if that is the same executive, but we saw that part of driving people to that website is so that people can review and see that they are getting the best offer and that your annual report says that 41 per cent of people who used that VEC website planned to switch offers. That site is a government site, and I would trust it, but there are other sites available, so how are you different to the other sites that are available if people are googling for cheaper energy and how are you making sure that you are providing that service to people that come to the site?

John BRADLEY: Thank you. It is a really important question and a really important program, particularly as we are trying to support customers facing cost-of-living concerns. Some energy market observers and commentators have referred to the ‘confusopoly’, where you see a confusion of energy retailer information leading to customers staying on higher cost offers than they should, so one of the important benefits of the Victorian Energy Compare program is that it allows a single point of truth to enable the comparison of all of the offers available in the market. Between July 2023 and June 2024 the VEC website could typically save around \$240 per customer switching to the best electricity offer in the market. The survey feedback is telling us that although that particular financial year also saw a really significant use of people coming to the website as part of the promotion via the power saving bonus program, what we also see is that the experience of people using that website is incredibly positive, with 81 per cent of people indicating a very positive experience and 65 per cent of users better understanding their usage and costs after using the website.

That is one way of providing that kind of confidence and point of comparison for retail offers, but there is also a really important program that was launched in February 2023 called the energy assistance program, which saw the department partnering with trusted community groups – Anglicare Victoria, Community Information & Support Victoria – to provide a tailored, one-on-one form of assistance for more vulnerable customers who are struggling to navigate the energy market and save money on their energy bills. Those participants receive assistance to apply for energy concessions and get relief grants which they may otherwise not be aware of and know they are entitled to but also to understand their energy bills and engage with energy retailers. Since it was launched in February 2023 there have been more than 12,000 households that have received support through the program, delivering more than \$2 million of financial benefits. I can give you some breakdown. Of 10,000 households that received support, more than 80 per cent were concession card holders, with 16 per cent receiving help to access energy concessions, and over 60 per cent received support comparing energy offers using that Victorian Energy Compare website. Because they tend to have smaller energy bills this cohort of people, while still being significant bills for them, the median savings was in excess of \$120 for that targeted cohort.

Lauren KATHAGE: Thank you, and I have constituents that have used that program, so I know that is really beneficial for the community. For the existing website, how many users have accessed the site across 2023 and 2024? And I am right that the federal government is also using that as a platform for their –

John BRADLEY: I will see if my colleague Katie Brown can find the data for 2024. There are two different websites. The Australian Energy Regulator has a comparator website that is available for non-Victorian households, and that is called Energy Made Easy. Victorian Energy Compare recognises the history of Victoria’s retail market where we have got smart meters deployed across the community and it provides a bespoke Victorian service that is delivered by the Victorian government and is then able to be used to leverage things like the power saving bonus program when the government is putting its focus on the power saving bonus program. That is probably one of the reasons why we see Victorian retail energy bills and the Victorian default offer being so much more competitive than other jurisdictions and other member states, but I will just see if my colleague has managed to find the data for 2023–24 usage.

Katie BROWN: Thank you very much, Secretary. I do not have the data for 2023–24. We will take that on notice, but I will say that since October 2015 the website has been visited more than 27 million times, so we do know that it is a service that is used by Victorians.

Lauren KATHAGE: Wow, that is a lot. And besides the energy assistance program that you outlined, are there any other initiatives that are supporting customers to understand the market, to lower their energy costs, to ensure they are on the right wicket?

John BRADLEY: There certainly are a range of things that are provided as supports. One of them that we have not discussed yet is the household energy subscriber service. It supports a large group of engaged Victorian energy consumers who have opted to receive quarterly reminders to compare their energy prices using the Victorian Energy Compare website and learn more about energy affordability programs. As at the end of the financial year there were more than a million recipients of the household energy subscriber service, and the data indicates that 80 per cent of those recipients opened the newsletters they are getting. This is a way of pushing the latest information into the inboxes of households, and it gives information about how to get a better energy deal, again energy assistances and supports that are available, incentives through Mr Krpan's Solar Homes programs but also the Victorian energy upgrades program, which is providing direct subsidies to lower the cost of an increasing range of appliances that can lower energy costs for customers.

I might also mention the solar savings calculator that is delivered in conjunction with the Victorian Energy Compare website, and that is a calculator that allows users to import their own electricity consumption data to receive independent advice on the financial benefits of installing solar panels. Between July and June the solar savings calculator was used more than 39,000 times, and the users could typically save around \$765 by installing solar panels.

They are just a few of the broader ranges of direct support. In addition to that, the Victorian government, as part of its retail market reform some years ago, introduced the Victorian default offer, which was a first in the country in terms of setting a reference price, a fair price, for electricity that is set by the Essential Services Commission. It is the default price, if you like, for customers who are unwilling or unable to engage in the retail market to find a lower priced offer.

Lauren KATHAGE: Thank you. I like the sound of the quarterly reminders. It would be amazing to go one step further and for it to automatically calculate savings available for you and say 'Click here to change your offer.' That would be amazing. I think lots of people would take that up. We have talked a bit about the power saving bonus. How many people ended up accessing that in the 2023–24 year?

John BRADLEY: Thank you. I will just see if I can find that figure for you.

The CHAIR: Apologies, Ms Kathage. As much as I love the power saving bonus, I am going to stop you there. We are going to take a short break and resume at 3:15. I declare this hearing adjourned.

Thank you. The committee will now resume its consideration of the Department of Energy, Environment and Climate Action. We will go straight to Mrs McArthur.

Bev McARTHUR: Ms Jones, can I go to you about agriculture? Have you done any modelling on the effects of renewables on agricultural land?

Beth JONES: Ms McArthur, what I would say is that we are involved in a range of conversations and projects across government, including with VicGrid, on the use of agricultural land. We have not commissioned any modelling by AgVic, no, but we are sitting at the table informing other parts of government who are looking at modelling, providing information and policy considerations.

Bev McARTHUR: Are you doing any modelling in relation to the transmission lines?

Beth JONES: No, Agriculture Victoria is not.

Bev McARTHUR: Going to Mr Parker, Mr Parker can you tell us what the current working assumption is for the commencement and the commission completion of the Western Renewables Link and the VNI West interconnector? So the commencement time, and then the commissioning and the completion.

Alistair PARKER: Thank you, Mrs Arthur. For Western Renewables Link, AusNet Services, as you know, is the proponent of that project. They advise us that they are targeting a 2027 delivery date. They have said that in public. As you may be aware, they are working on the environmental effects statement. We expect them to submit that next year, and that would allow them – it usually takes a couple of years – to actually construct transmission lines of this length.

Bev McARTHUR: As we know, there is not a spade in the ground yet.

Alistair PARKER: No, but that is not unexpected, given you need the EES completed.

Bev McARTHUR: The Western Renewables Link was expected to be completed by now.

Alistair PARKER: Yes.

Bev McARTHUR: It has not even been started. Have you continued any discussion about undergrounding around Melton?

Alistair PARKER: Not to my knowledge. I do know that as the EES – AusNet will have to consider undergrounding and provide information on that.

Bev McARTHUR: They were considering it. There was discussion. Do you know where it is at?

Alistair PARKER: I am not right up to date with that as at the minute. I know they were looking –

Bev McARTHUR: Are you able to find out for us, perhaps?

Alistair PARKER: Yes, of course.

Bev McARTHUR: Thank you very much. Also, on the issue of compensation for landholders, you have got a proposal of \$8000 per kilometre per year, but that is the figure before payments begin, and they are indexed for 25 years when payouts start. That is at the \$8000 figure, if that remains static until then. It might be in five or 10 years time before it starts; it will not be worth anything if it is still \$8000 in 10 years time before it even gets underway. Have you got consideration for that?

Alistair PARKER: Yes, it is something we are looking at at the minute.

Bev McARTHUR: You are looking at it?

Alistair PARKER: Yes.

Bev McARTHUR: Are you able to come back to us with any information about it?

Alistair PARKER: Certainly as we look at it we will consult on the matter.

Bev McARTHUR: You will provide PAEC with information?

Alistair PARKER: For sure.

Bev McARTHUR: Great. Okay, thank you. Danny.

Danny O'BRIEN: I returned just in time. Thank you, Mrs McArthur. Secretary, I have got some questions for Mr Miller, but I have got one for you first while he is coming up. What was the cost to retailers buying Victorian energy efficiency certificates last financial year?

John BRADLEY: Thanks very much for the question. I will just be a moment; I will pull up the data. I can indicate to you that, because it is based on a calendar year period, the average settlement price for 2024 was \$92.53, and between 2021 and 2025 the VEU program will avoid \$3.8 billion in energy system costs – so even those who do not participate in the program will save on their bills – with households estimated to save a total of \$150 and businesses saving \$870 over the next 10 years, even if they do not engage with the program, because of the effect the program has in reducing demand on energy and wholesale prices and the cost of meeting wholesale supply in the market.

Danny O'BRIEN: The retailers have to purchase these, and they come at a cost. While you say the average was \$92, I think it was up as high as \$108 during the year, much higher than other states. What is the total cost expected when added to Victorians' power bills?

John BRADLEY: The total cost of a retailer retailing to customers – this will be one of the input costs into it. But you have to take into account the depressive effect that it has on wholesale prices as well because of that estimated benefit that I was referring to of \$3.8 billion in energy system costs that are avoided.

Danny O'BRIEN: Okay, so no-one has seen reductions in their electricity bills in the last few years. What is the net outcome?

John BRADLEY: The precise VEEC cost is published in the Victorian default offer estimates that are produced by the Essential Services Commission each year, and that is a publicly available report. But what needs to be taken into account is the offsetting benefit to wholesale cost savings that occur because of the impact the scheme is having on those system costs. That estimated \$3.8 billion in system costs does also drive down wholesale costs from what they would otherwise be, which is one of the reasons why the total Victorian default offer is so substantially below that seen in New South Wales, in South Australia and in Queensland. Our Victorian default offer is hundreds of dollars below, on an annual basis, the standing offer prices in those other jurisdictions because of the range of regulatory settings, including the impact of the Victorian energy upgrades program.

Danny O'BRIEN: Okay. With respect to the SEC – and I am not sure whether this is sort of a policy question, so it may be for the Secretary – the government, as we know, said it would take a majority stake in all the projects it was investing in, and the government's approach was that there would be absolute public ownership and control of all the assets. I note the SEC infrastructure annual report, on page 27, states the following:

... investment agreements in relation to the MREH project require unanimous consent from both parties for relevant activities that impact returns such as decisions on entering funding arrangements, material acquisition or disposal of assets ...

et cetera. Therefore I ask: isn't it a fact that the SEC will have to obtain the approval of its private sector partners Equis before any major decisions are made?

John BRADLEY: Mr Miller is going to answer that question.

Chris MILLER: Good afternoon, committee. It is really good to be here with you this afternoon. I think there are a few aspects to the question and the matters you have raised, Mr O'Brien. The first is the government's overall commitment to ensuring over time that the government and SEC has a 51 per cent commitment and stake in its projects, and the government has been quite clear around this in articulating that this is a commitment that will be delivered over time. The public commentary about the SEC is quite clear on this as well.

Danny O'BRIEN: But clearly not on a project-by-project basis.

Chris MILLER: I know this has been the subject of some discussions previously. We do look at our investments on a project-by-project basis, ensuring that the project delivers tangibly for the transition and accelerates the transition. In relation to the first investment, which is the investment you have referred to and which is outlined in the SEC infrastructure annual report, it is right to say the SEC has a minority but significant interest in that investment. It was actually very important for us, as we looked at the structure of that investment, that the SEC had a significant say in those matters as outlined. Matters which go to the value of the project, which go to the operation of the project and which can essentially materially impact the way in which that project is delivered, are all requiring unanimous consent, and therefore the consent of the SEC directors that are represented on that board.

Danny O'BRIEN: Yes, but I guess what I am saying, Mr Miller, is we all very clearly remember the former Premier saying 'we are bringing back the SEC; we are bringing back public ownership', and yet the very first investment is minority ownership. But more than that, the annual report makes it clear that even if the government wants to do something, it cannot do so without the unanimous approval of its partner. Is that correct?

Chris MILLER: I think, Mr O'Brien, the way that I would describe those particular powers is actually in the reverse. What was really important for the SEC with our first investment is that it absolutely delivered on the benefits of public ownership through the SEC's stake in it, which is why, through the negotiations with that particular project partner, we were able to secure the delivery of that project in a more timely fashion than it would have otherwise been delivered. But also we were able to upsize one of the battery components. One of the battery components, as a result of our involvement, moved from a 2-hour duration storage to a 4-hour duration storage, which increases the overall storage capacity of the project. In relation to that particular matter,

what was important to us was that our project partner could not make those significant decisions without unanimous consent and the consent of the SEC.

Danny O'BRIEN: Okay. Nonetheless. That is all on the SEC. Thank, Mr Miller. Can I ask Mr Jackson to come up, but I have got a few quick questions in the meantime to the Secretary. The annual report, page 21, highlights that Quantum Market Research was paid \$107,000 for research on residential battery and electrification. We know that Quantum Market Research is a fairly well-known company and provides insights about voters in addition to insights about individuals and markets. Why did the department commission research about voter reactions to residential battery and electrification?

John BRADLEY: Thanks very much for the question. Because we as a department are responsible for essential services, we do a lot of work, as per the conversation we were just having in the last bracket, around how consumers respond to the energy market and how consumers take up new services and offerings in an environment where we are seeing such transformational technology developments in solar and storage, heat pumps and these other technologies. So we do do research about customers, the value they place on the new service offerings and their willingness to pay. You will see material in the SEC's publications that were produced during the time that the implementation office was in the department which talks about the benefit for customer savings that can be achieved through the deployment of solar battery programs, and that helps to give us, if you like, quantifiable feedback before the SEC then looks at the kind of trial and pilot programs, which it is doing at the moment, in relation to supporting customers to electrify and making that as easy as possible.

Danny O'BRIEN: Okay. Can the QMR research be provided to the committee?

John BRADLEY: I am happy to look to do that, Mr O'Brien; I just do not have the details of the research. But I am happy to take that on notice.

Danny O'BRIEN: If it is not possible to get the research, can I ask whether the questions asked during their research to survey respondents could be provided to the committee?

John BRADLEY: I am happy to take that on notice.

Danny O'BRIEN: Thank you. Likewise, page 18 of the annual report indicates that the Nous Group was paid \$1.846 million of an \$11.6 million contract for commercial advisory services on offshore wind, but it indicates that future expenditure is zero. What is the discrepancy? Why was there \$11.6 million allocated but only \$1.8 million delivered?

John BRADLEY: Mr O'Brien, if it suits, I will take that on notice to get you the most accurate answer. Certainly they were involved in the earlier stage of the government's development of the offshore wind strategic framework, and then as we have got into the implementation mode and implementation statements, the activities that are underway at the moment, with the approach to the establishment of Offshore Wind Energy Victoria, have evolved. I expect that is the explanation, but I will get you a proper answer on notice.

Danny O'BRIEN: Could provide what you can on what they did, what it was for and why it seems to have stopped? Finally, again on page 19, KPMG Australia were awarded \$837,000 for superannuation reconciliation. What was that, and was there some sort of underpayment or mispayment of superannuation to the staff of DEECA?

John BRADLEY: Yes, Mr O'Brien. Some time ago that there were – because of our complex payroll frameworks, particularly for our operational workforce – some variations in payments from what our operational workforce were entitled to. We communicated that really clearly at the time, and it has been the subject of publicly available information, including to our workforce and in working with the union on that issue. But what we used KPMG to do was to provide absolute confidence to staff, as we corrected those payroll interpretation administrative issues, that they had been made whole and more in the way we corrected that error.

Danny O'BRIEN: Was it a superannuation error or a payroll error?

John BRADLEY: I will ask Ms Crosthwaite to answer the question.

Kelly CROSTHWAITE: It relates to the superannuation scheme for FFMVic staff, so it relates to the additional superannuation that they receive. There are two streams within the scheme. If you are deemed to have an operational role, you get the extra super on all of your earnings. If you are in what we call a non-operational role, which is where part of your time is spent on emergency work, you get the additional super on the earnings when you are doing that emergency work. It is quite a complicated scheme. That is where the errors have arrived. It has got nothing to do with core super, just the additional. There have been underpayments and overpayments, and KPMG have been working with us and the partner agencies within FFMVic to make the reconciliation.

Danny O'BRIEN: What was the quantum of the underpayment?

Kelly CROSTHWAITE: There were a range of underpayments and overpayments.

Danny O'BRIEN: Is there a net figure?

Kelly CROSTHWAITE: I will have to take that on notice.

Danny O'BRIEN: Okay. How many staff did it impact as well? Do you have to take that on notice too?

Kelly CROSTHWAITE: Yes.

Danny O'BRIEN: Thank you. That might be one for the wage theft inspectorate, Mr Hilakari. I am surprised you did not ask that one yourself.

Mathew HILAKARI: I did not have my chance. Give me a go.

Danny O'BRIEN: Mr Jackson, you talked earlier about the review that you are putting off for another six weeks for further consultation. How many enforcement officers will be on the ground when that review is complete?

Matthew JACKSON: Mr O'Brien, just to clarify the process, we are intending to get six weeks of consultation, so the review will be put off to early in the new year, not in six weeks time. Currently we have about 250 enforcement officers across the state. Around 40 of those are authorised officers. There is no change to any of those roles, and ideally, as I mentioned before, we are looking at purifying ranger roles and putting more rangers on the ground as a result – no changes to our enforcement results.

Danny O'BRIEN: This is probably a specifics question, but I am talking about the actual enforcement officers, who prepare briefs against people and assist the rangers and the like.

Matthew JACKSON: That is part of our conservation and planning directorate, not the on-ground field, so that is where we work with the conservation regulator and likewise with our system called Gumnut on advice. We will continue to provide advice, whether it is through the conservation regulator, whether it is through our obligations on land enforcing our regulations or whether it is firewood theft and so forth. We are talking about a centralisation change in proposed staff. That is still going through a consultation process, so I just want to be clear that is still being responded to under our enterprise agreement.

Danny O'BRIEN: I understand there are six currently – two do policy and the other four are to be retrenched. Is that accurate?

Matthew JACKSON: It is proposed that we are looking at being more efficient in that, using the conservation regulator's processes and then making sure that we have a dispersed workforce of enforcement officers across the state targeting, whether it is duck or fire season. We are still closing off that part of the process, Mr O'Brien, so I just want to make sure it is clear that that has not been finally resolved, with us reviewing the responses from the staff.

Danny O'BRIEN: Okay. Mr Jackson, the Parks Victoria annual report shows a \$95 million reduction in government funding last financial year, yet you are about to get another 44,000 hectares of national parks. It would be my contention that we cannot regulate or look after the national parks we have now. How is Parks Victoria going to manage another 44,000 hectares with a \$95 million budget cut –

Bev McARTHUR: And a staff cut.

Danny O'BRIEN: and another hundred staff going?

John BRADLEY: If it suits Mr O'Brien, I might just address that, as it does relate to a change in the structure within the operations between Parks Victoria and the department. The lower than budgeted output cost is due to the reprofiling of the output allocation from Parks Victoria to fire and emergency management, management of public lands and forest outputs to the department.

Danny O'BRIEN: But that does not go close to covering the \$95 million, Secretary, does it?

John BRADLEY: Well, the figure in question for the resources for fire management being transferred from Parks Victoria to DEECA was a material driver of that change in the Parks Victoria expenditure.

Danny O'BRIEN: How much?

John BRADLEY: I am just looking for that figure for you. I am not sure, Carolyn, if you have a better figure for me.

Danny O'BRIEN: Could I ask you to take it on notice what the breakdown of the \$95 million reduction was?

John BRADLEY: We can take it on notice, yes.

Danny O'BRIEN: Thank you. I mean, the question still stands. There is nothing extra in the 2024–25 budget for national parks. We understand the government is about to introduce legislation for them. How the hell is the government going to manage these new national parks?

Bev McARTHUR: You have been duded.

John BRADLEY: Ms Jackson was referring earlier to the process of establishing those additional parks. As those parks are yet to be designated, the appropriate resourcing and management plans associated with those new tenure forms will be determined as that work progresses. It does take some time to establish the new tenure, and as part of that we would make sure that there is a resourcing strategy that is appropriate for Parks Victoria. But at this time –

Danny O'BRIEN: They will be funded like the SRL.

John BRADLEY: they are yet to be declared.

Bev McARTHUR: You cannot look after what you have got now. It is a shambles.

Danny O'BRIEN: Thank you.

The CHAIR: Thank you, Secretary. We are now going to go straight to Mr Tak.

Meng Heang TAK: Thank you, Chair. Secretary, I just would like to follow on from where my colleague left off in terms of the power saving bonus, the \$250. My office assists with many applications; we certainly do not know how many. Can you tell the committee how many Victorians have accessed the payment?

John BRADLEY: Thank you. I am hopeful that my colleague Katie Brown is about to be able to advise you of the figure.

Meng Heang TAK: If I can refer to page 37.

John BRADLEY: Thank you.

Katie BROWN: Yes. Thank you very much, Mr Tak. I understand you are after information about the number of households that received the power saving bonus. During the fourth round of the power saving bonus, more than 1.8 million households received a \$250 payment, with more than 67,000 of these payments relating to participants of the power saving bonus community outreach program, which was a really important

program which provided in-person and over-the-phone support for vulnerable and hard-to-reach Victorian households to be able to access that power saving bonus.

Meng Heang TAK: Thank you. You may have already answered part of my other question, but on the same page, page 37, the annual report makes reference to the community outreach program, which you just referred to. That was established as part of the PSB implementation. Can you outline how this program helped people and whether any similar programs are now in place?

Katie BROWN: Thank you very much, Mr Tak. As I mentioned, about 67,000 of the payments for the power saving bonus were through that community outreach program, and that was particularly important to support those Victorians for whom perhaps English is a second language or who are not digitally literate. And so that in-person and over-the-phone support was particularly helpful for them to be able to access that program.

In relation to your question – is there anything at the moment that provides support similar to that program? – the Secretary earlier mentioned the energy assistance program, which was launched in February 2023 and is seeing the Victorian government partnering with Anglicare Victoria and Community Information and Support Victoria to provide tailored one-on-one assistance for consumers to navigate the energy market and save money on their energy bills. Since that was launched in February 2023, more than 12,000 households have received support through that program, delivering more than \$2 million worth of financial benefits. As the Secretary mentioned earlier, many of those households that have received support through the program are concession card holders. A number of those – 16 per cent – received help to access energy concession discounts they were missing out on, and over 60 per cent of them received support comparing energy offers using Victorian Energy Compare and accessing their retailers' best offers.

Meng Heang TAK: Just a supplementary question in terms of the assistance, was any of that received assistance in language – in different languages?

Katie BROWN: Yes, they were. Thank you. Of the 10,000 households that have received support through the energy assistance program, more than 25 per cent were from households where the primary language spoken is not English. The other significant benefit through this program has been the key role in collecting data and insights about vulnerable energy consumers, and those insights are being used to inform and support the policy development for programs aimed at further supporting energy consumers.

Meng Heang TAK: Thank you. Good to know. I would like to move on to VicGrid, Secretary. I note that on page 38 of the annual report that in May 2024 the 'Energy Legislation Amendment (Renewable Energy – VicGrid) Bill' received royal assent. The Bill established a new legislative framework to enable VicGrid to deliver the Victorian transmission investment framework and provide VicGrid with the necessary authority for publication of the first Victorian transmission plan 2025. Secretary, can you tell us what the Victorian transmission plan entails?

John BRADLEY: Thanks very much for that question. Mr Parker is at the table with us and may wish to elaborate in a moment. I think it is right to recognise the significance for Victoria in terms of the history of our energy system to actually have that legislative reform you referred to, which established for VicGrid that new electricity transmission planning objective and the supporting framework for electricity transmission infrastructure to establish some interim measures for the CEO of VicGrid to support the delivery of high-priority electricity transmission projects and to manage renewable energy zone planning functions. These were all things which were put in place in order to have a better model for delivering Victorian transmission planning, a model that takes more up-front, earlier consideration of strategic land use considerations and assessments in order to avoid a sector that is delivered through a proponent-led model but instead guides the development of transmission in a way that engages with the community and key stakeholders up-front and avoids some of the challenges that come when transmission is developed in response to proposals. Mr Parker may wish to explain the significance of the Victorian transmission plan and the work that is underway at the moment.

Alistair PARKER: Thank you, Secretary. We have commenced work on the Victorian transmission plan, as I referred to earlier, and the Secretary has outlined the important objectives of the reform. We have been out across the state consulting with communities and asking their opinion on a number of matters. Most relevantly,

we have been seeking feedback on the REZ community benefits fund. We have also published what we call the Victorian transmission plan guidelines, and they lay out how we will carry out the establishment of the Victorian transmission plan. We have published what is called a renewable energy zone study area. It is seeking feedback from communities across the state. Sorry. I have to modulate my voice as the horns stop. I do not want to shout. It is seeking feedback across the state for community feedback on geographic information that they have, and we have had a huge response to that consultation.

Just to give you some statistics on that consultation, in the 10 weeks during which we consulted on the Victorian transmission plan guidelines and the REZ study map that ran for 10 weeks we had 25 community events, we got feedback from 1323 people, we had 171 submissions, we spoke to 450 people around the community and we had 150 meetings with local councils, community groups and community members. We expect when we publish the draft Victorian transmission plan we will come out again – of course we have stood up VicGrid. There was not an existing organisation there. We learned a lot about where people want to hear from us, where they want to take part in that engagement, so we will really have a renewed engagement program when we publish the Victorian transmission plan.

Meng Heang TAK: Thank you. I would just like to follow that on. The program engaged with, you said, 25 community consultations. Does it also involve landholders and industry in developing that plan?

Alistair PARKER: In terms of landholders, we obviously have landholders come to our events, and I hope we treat them with real respect as they come out. Mr O'Brien asked about offshore wind transmission earlier, and we are developing a project, as he said, for 2 gigawatts of transmission in Gippsland. So we have been engaging directly with landholders there about that project really in detail about how it affects them.

In terms of industry engagement, we have been engaging with renewables developers and potential transmission proponents over the past couple of years. We had a very successful industry engagement event I would say two or three months ago, where we got a terrific turnout from right across the industry. They are of course interested in how the Victorian transmission plan will develop capacity for their projects and how they will get access to that. We are building good relationships with them.

Meng Heang TAK: Thank you, Mr Parker. Secretary, perhaps through you, I am interested in the renewable energy zones. Page 38 of the annual report references the \$480 million that has been allocated from the Renewable Energy Zone Fund. Can you outline which projects have been funded and the benefit that they bring?

John BRADLEY: Thank you. I will rely on Mr Parker again to provide the detail of the question, but the renewable energy zone development program was initiated by the government some years ago, recognising the challenges for the grid as it transitions and as we see more renewables connecting to the network using inverter-based technology for managing system strength. It is really important, from AEMO's perspective as the market operator, to maintain the system in a secure operating state. The renewable energy zone development program was a competitive process that saw the government provide funding that supported AEMO to go to market and find innovative solutions that would help to address points in the grid where there were challenges with maintaining system strength, and that helps to unlock hosting capacity without requiring development of new poles-and-wires assets, because the system is being strengthened through these individual projects. Mr Parker might be in a position to expand on the renewable energy zone development program.

Alistair PARKER: Thank you, Secretary. What I will do is give a flavour of what some of those projects have actually involved. Firstly, and this was really exciting, through that program and through working with the Australian Energy Market Operator there is being commissioned a battery in north-west Victoria. This has what is called a grid-forming inverter, so it will enable that battery to help enable the stable operation of the grid in that area. This actually allows an increase in the amount of renewable energy that can be connected.

In another part of the state we are putting in what is called a synchronous condenser. This is almost like a power station except it does not produce any real power, but it does enable power stability in those parts of the network. Again, it allows the connection of additional renewable power without having to make individual investments. And then we have also sponsored, for want of a better word, various minor augmentations around the state where, by, for want of a better term, tuning up parts of the network, you enable greater capacity. We have also with AusNet Services increased the interconnection at Moorabool terminal station so that there will

be a double connection in there as well – so, a range of projects that will turbocharge the connection of renewable plant.

Meng Heang TAK: Thank you. Just to follow on from that, Secretary and Mr Parker, in the same sections the work that VicGrid is doing for the transmission required to connect offshore wind energy is referred to. Can you explain the process for planning the routes, with specific reference to community engagement?

John BRADLEY: Thank you. I have got it if you do not, Alistair.

Alistair PARKER: Would you like to?

John BRADLEY: No, no.

Alistair PARKER: Thank you. We have carried out a huge amount of engagement around the Gippsland transmission line and really tried to get out and talk to people where they are and about what they want to hear. I am never really comfortable with these statistics. They are important, but it is more important that we listen to people and talk to people. We have had 14 community drop-in sessions. We attracted over 300 people. We have organised 25 pop-ups; that is where we will stand and explain what we are doing to anybody who is interested, and that included at events like the Fulham airshow and at Farm World, which is a huge event. And so we have spoken to over 400 people at those events. We have also facilitated a few roundtable sessions at those events. They tend to come about as local community leaders want to get some of their neighbours together and want to hear in a bit more detail what is going on, and so we will face into that and are very happy to come out and talk to people. We spoke to about 78 different subjects when we were doing that.

As I said earlier, we currently have a corridor which is between 3 and 12 kilometres wide running from the coast up to Loy Yang power station, and at the moment the proposed technology is either a 330,000-volt or a 500,000-volt overhead line. As I said earlier, the cost will be up to \$1.5 billion. And if I may, I might just answer your question from earlier about the impact on bills. I have said the cost is between \$700 million and \$1.5 billion. If the project was to be in the middle of that cost range at \$1.069 billion, so broadly halfway between the two extremes, the first-year increase in annual electricity bills for a typical residential customer would be \$12.23, so a relatively modest increase given the scale of the transmission that will be enabled.

Danny O'BRIEN: That is one, though – one line.

Alistair PARKER: Yes.

Meng Heang TAK: I have a question, thank you. Moving on to the next interesting part, which is the Victorian energy upgrades. Secretary, through you, I refer to page 40 of the annual report, which shows the Victorian energy upgrades program's progress. Over half a million households and businesses have taken up the Victorian energy upgrades from 2023–24, which is the highest uptake since its inception. Can you please explain to the committee how the program is benefiting Victorians with the cost of living?

John BRADLEY: Thanks very much. The CEO of Solar Victoria, which is administering the program, has joined me. I might ask Mr Krpan if he is ready to respond to that.

Stan KRPAN: Thanks, Secretary, and thanks for the question. In 2023–24 the program cut Victoria's emissions by 4.5 million tonnes, more than 552,000 households participated in the program and 23,000 businesses benefited as well – as you say, at record levels. In total over 2.5 million Victorian energy consumers have taken up the Victorian energy upgrades since it started, including 178,000 businesses. Collectively they have saved \$2 billion on their energy bills, and businesses that have participated have saved \$750 million as a result.

One of the things that we have been doing in the last couple of years, given the government's policy direction and commitments to gas substitution and supporting Victorian customers to take up electrification, is that the program has shifted very much towards supporting electrification at scale. There is more work to be done there of course, and the government has announced a review of the program to make it more fit for purpose, but we have seen now that in the last year, or currently, the most common activity that is taken up is heating and cooling upgrades. So if you think of air conditioners and reverse-cycle split systems and replacing ducted gas heating with energy-efficient whole-of-home heating, they are now the most common activities. About

20,000 Victorians have taken up space heating and cooling and over 30,000 have taken up energy-efficient hot-water heat pumps.

Bev McARTHUR: What do we do when the power goes out?

The CHAIR: Mrs McArthur. Shh, shh.

Bev McARTHUR: My whole area, no power.

The CHAIR: Mrs McArthur.

Bev McARTHUR: Cannot cook.

The CHAIR: Mr Tak.

Meng Heang TAK: I move on to my supplementary question. The annual report also states the program expanded to include all the activity that you have just mentioned. So what has the uptake been since this was introduced, and what discounts and savings can Victorians expect if they decide to choose these options?

Stan KR PAN: In addition to heating and cooling and energy-efficient water heating, on 25 October we commenced implementing the government's regulations around induction cooktops, and that is the latest activity which allows people to swap out gas cooking with an induction cooktop, which is obviously energy-efficient, and allows them to make that further progress towards electrification. Victorians are saving between \$120 to \$1100 on their annual energy bills as a result, and for businesses it includes \$500 –

The CHAIR: I am going to keep to time. We are going to go straight to Mr Puglielli.

Aiv PUGLIELLI: Thank you, Chair. Good afternoon. At the 2023 budget outcomes hearings the secretaries were asked about three overdue biodiversity updates. Now, a year later and all three are still overdue. The first one is the government's response to Victoria's inquiry into the biodiversity crisis, which was due in June 2022. Secondly, an independent review into the *Wildlife Act 1975*, which was delivered to the government in December 2021. We still do not have that report, let alone the government's response. Now, finally, we have not received an annual report for the *Biodiversity 2037* initiative since 2020. You said at the time the 2021 and 2022 reports were being finalised, but we are still waiting for them and now the 2023 report. Has the government simply made a political decision not to release these three reports into Victoria's biodiversity crisis?

John BRADLEY: Thank you very much for the question. I will ask Ms Jackson to speak to those specific reports in just a moment, but it is important to recognise that, through the material that has been presented, including before the committee in our annual report, there is a significant amount of transparency in relation to the performance against key targets in relation to biodiversity targets of the government. You can see that within our reports against our budget paper 3 measures. We have significantly exceeded the targets for permanently protecting native vegetation on private land, at 1844 hectares versus 800 hectares. Pest herbivore control in priority locations was more than doubled. Priority conservation actions for threatened species targets were almost doubled, achieving 38 instead of 20 as the target. The number of hours on biodiversity by environment volunteers was 330,000 hours instead of 281,000 hours. So there is a significant amount of transparency that does occur through our annual report. In relation to those specific reports and the government's response on those matters, I will ask the Deputy Secretary to reply.

Carolyn JACKSON: Thank you for the question. In terms of the *Biodiversity 2037* progress reports, I can confirm that both the 2021 and 2022 reports were on the Department of Energy, Environment and Climate Action website. They are a combined report, but they are there. I double-checked this morning.

Aiv PUGLIELLI: Great. Terrific.

Carolyn JACKSON: And in terms of the 2023 *Biodiversity 2037* report, that is currently going through its final stages of completion, and we are hopeful that it will be released soon. With the *Biodiversity 2037* targets, they are over and above what the department does. So in terms of our budget paper 3 targets, they are what the department oversees, and so we can report on those more readily and quickly with *Biodiversity 2037*. That does

pick up activities outside the department and outside the portfolio, and so it does take us a little bit more time to complete it. But definitely 2021 and 2022 are on the website.

Bev McARTHUR: But they would be out of date by now, wouldn't they?

Aiv PUGLIELLI: Just to take up that interjection, something from 2021 one could argue is a bit out of date given that it is now 2024. But just to make sure that I have heard correctly, so the government response to the inquiry into the biodiversity crisis – we still do not have that one, do we?

Carolyn JACKSON: That is correct.

Aiv PUGLIELLI: Okay. Just making sure about that.

Carolyn JACKSON: Sorry to interrupt. My response there in terms of what is on the website is the *Biodiversity 2037* progress reports.

Aiv PUGLIELLI: Yes, which was sort of relating to the third item, so the independent review into the *Wildlife Act* – we do not have that one either, do we?

Carolyn JACKSON: No, we do not. The *Wildlife Act*, and I think you are referring to the parliamentary inquiry into ecosystem decline –

Aiv PUGLIELLI: The first one was an inquiry into the biodiversity crisis. The second one is the independent review into the *Wildlife Act*.

Carolyn JACKSON: I think they are one and the same. For those two the government response has not yet been tabled, but in terms of the progress reports for *Biodiversity 2037* the two for 2021 and 2022 are online.

Aiv PUGLIELLI: Okay, thank you for that update. Just to quote from last year really – I believe it was you, Deputy Secretary, that actually said this:

We have –
worked on a response –

... I believe the former minister, Minister Stitt, wrote to Parliament to flag that a response to that would be provided in the coming months. So even though the Parliament when that was presented no longer exists, I guess, Minister Stitt at the time did write to say that a response would be provided in the coming months.

With respect to the outstanding documents, has the government simply not prioritised responding to this crisis, or has something else happened?

Carolyn JACKSON: We certainly are prioritising the response. I think it is worth noting that since the expert advisory panel provided its report to the then minister there have been a number of policy developments that have impacted on the timing of the report or particularly the government response. They are things such as the inquiry into and also the government response to Victoria's recreational native bird hunting arrangements report, the reset of duck hunting arrangements for the 2024 season, dingo conservation and management and commercial kangaroo harvesting. Given those changes and things that have occurred recently, we are expecting to finalise the review and are aiming to have that released in the first half of next year.

Aiv PUGLIELLI: Thank you. Relating to the independent review of the *Wildlife Act*, my understanding is Jane Brockington, Dr Jack Pascoe and Dr John Hellstrom spent most of 2021 on that report. Dozens of stakeholders lodged submissions. They received over 1000 pieces of feedback. Why won't the government at least release that report, considering all of that work that has gone into it?

Carolyn JACKSON: I think that is probably a question for the minister to answer. We have been focusing on the government response and assisting ministers and government to inform that, so it is probably a question for the minister –

Aiv PUGLIELLI: Sure, but the department does not have a view as to why it has not occurred?

Carolyn JACKSON: It is probably a question for the minister about releasing it.

Aiv PUGLIELLI: Thank you. Still on *Biodiversity 2037*, which we were speaking about earlier, funding for environment and biodiversity programs fell from \$169 million in 2022–23 to \$140 million in 2023–24 to \$125 million in 2024–25. I also understand there has been a massive transition in DEECA this year with cuts almost across the board and multiple biodiversity roles merged or cut. Can you provide the committee with a complete set of the staffing levels for biodiversity from 2022 to now?

Carolyn JACKSON: I am happy to take that on notice in terms of the detail. What I can say is that we did go through some structural changes in my group, but the impact on the biodiversity division was pretty minor and there were only four occupied roles that were changed or removed as part of that structural process. The biodiversity division is a couple of hundred people – I do not have the exact figure off the top of my head. It is 200-plus, and there was an impact on four occupied roles.

Aiv PUGLIELLI: So how have the budget and position changes impacted *Biodiversity 2037*'s work?

Carolyn JACKSON: Thank you. Just a couple of points – if I look at, for example, the output costs for environment and biodiversity in 2023–24 against the target of \$123 million, the actual was \$152.8 million, so there was an increase in the expenditure of the environment and biodiversity output in 2023–24 by just under \$30 million or 24 per cent. There has been additional funding into the biodiversity output in recent times, and there is still significant investment in biodiversity occurring at the moment. There are a range of on-ground works within biodiversity as well as other things, and they are still continuing. So you do have significant amounts of funding for pest and invasive species control – for on-ground works. The BushBank program is another one that has funding. Faunal emblems, icon species – there are a number of them that still have significant amounts of funding.

Aiv PUGLIELLI: Thank you. How many full-time equivalent roles did the Arthur Rylah Institute have in 2022, and how many does it have now?

Carolyn JACKSON: I would need to take that on notice. But what I will say is the Arthur Rylah Institute forms part of that biodiversity division, so it is part of that reduction of four occupied roles that occurred as a result of the changes in my group. ARI are part of that four.

Aiv PUGLIELLI: With respect to targets, has the government abandoned its *Biodiversity 2037* targets?

Carolyn JACKSON: No, it has not. The targets are still very much in play. If I can just find the right page, I will talk about some of the achievement. There is obviously some variation year to year. There are targets in relation to pest herbivores in priority locations, pest predators in priority locations or weed control in priority locations. It is fair to say that if there are emergency events that occur the achievement against targets can vary. If we are diverting our attention to responding to fire recovery, it may mean that we cannot deliver as much as we would like to or we plan to in particular years. But in general terms the overarching trends in progress towards those targets for *Biodiversity 2037* are improving. This has been done by better targeting investment in priority locations. To give an example, in 2019, 59 per cent of pest herbivore control occurred in priority locations. In 2022 this had increased to 84 per cent. That is a significant improvement in the delivery of pest herbivore control in priority locations, which links back to the targets, and it also means better long-term outcomes for threatened species. There is significant progress that is happening. The *Biodiversity 2037* document itself does note that government cannot achieve the targets alone and that additional investment outside the government sector is required, so that is why we are working with the private sector to develop strong partnerships through programs like the Nature Fund and the BushBank program to try and incentivise that private sector investment to go alongside the investment that is occurring through the government sector.

Aiv PUGLIELLI: During a period of cuts, the 2024–25 statement of finances found that DEECA is actually expected to have an operating surplus of \$244 million. According to DEECA's 2022–23 annual report that is because funding from three hypothecated funds – Sustainability Fund, Melbourne Strategic Assessment Fund and Parks and Reserves Trust Account – is being banked. The Sustainability Fund's total balance went from \$66 million in 2022 to \$201 million in 2023. Why was that not spent if not just to prop up the overall budget?

John BRADLEY: Maybe I will begin on this issue, and then, Ms Jackson, feel free to supplement anything you would like to. The commitments from the Sustainability Fund are well governed through a Sustainability Fund committee, but they are ultimately decisions that are made by government in terms of the budget process. We have seen total Sustainability Fund investment in climate change and waste management initiatives

increase by more than 580 per cent since 2015–16. The fund has maintained and increased its investment in waste management and delivered significant achievements including, through the 2023–24 period that is the subject of the committee’s analysis, more than 167,000 tonnes of additional material being recovered and recycled, more than 235,000 tonnes of increased processing capacity being installed to divert waste from landfill, more than 9000 tonnes of illegally dumped materials recovered and more than 10,000 Victorians attending Detox Your Home events. Schools have received benefits through the operation of the program, with 563 schools being supported with positive environmental actions and more than 75,000 volunteer hours through a range of environmental programs. The funding allocations from the Sus Fund have been substantial. But they are ultimately matters that are determined by government, and we support government in that process. Ms Jackson, you may want to add.

Carolyn JACKSON: I will. I will just focus on the Melbourne Strategic Assessment and the Parks and Reserves Trust Account. The Melbourne Strategic Assessment has been established for a particular purpose. That is for the creation of the Western Grassland Reserve, so that funding is for that purpose only. There is a balance in there, but that is in relation to the timing of land acquisition. As we go through the process of land acquisition, we need the funding to purchase the land or in some instances to pay compensation where we are not ready to purchase the land. There has been quite a significant amount of funding that has been spent on the MSA recently. That is for a particular purpose, and we are acquiring the land to create Western Grassland Reserve at the moment.

Aiv PUGLIELLI: Actually, I have a question on this exact thing. How much land has been purchased of the areas allocated under the Western Grassland Reserve?

Carolyn JACKSON: I will need to take that on notice. I do not have the figure to hand off the top of my head.

Aiv PUGLIELLI: In the May budget estimates this year – just moving forward to a slightly different issue – Minister D’Ambrosio said she was not sure if she had the power to actually reject projects as a part of the Commonwealth–state joint authority, but in committee stage on the recent offshore gas storage Bill, Minister Stitt listed approving production licences for Beach Energy’s Artisan and La Bella fields in the Otway Basin as a part of the joint authority as an action the government has taken to increase gas supply. What is the department’s understanding of the state’s powers under this joint authority?

John BRADLEY: Certainly the department and the state have a role under that joint authority. I think it was probably a question in context at the time that Minister D’Ambrosio was referring to in that previous PAEC estimates, but there is no doubt that there is a joint decision-making authority required in relation to specific statutory functions that does involve the state. If you would like more precise discussion around how that works, we could ask Matt Vincent the CEO of Resources Victoria to join us.

Aiv PUGLIELLI: Yes, that would be great. For example, can the minister reject a project under this joint authority?

Matt VINCENT: I would have to delve into the specifics. But the federal minister would be seeking the views of the Victorian minister, and if the views of the Victorian minister were not to proceed, I would assume that the federal minister would take that advice.

Aiv PUGLIELLI: So in effect, the minister could potentially see a project rejected by offering that advice to the federal minister?

Matt VINCENT: I think the federal minister would absolutely take into account Victoria’s views, yes.

Aiv PUGLIELLI: Okay, but that sounds slightly different to what I am putting to you. Does the decision-making power sit with the federal minister or the state?

Matt VINCENT: Correct, the federal minister.

Aiv PUGLIELLI: The federal minister, thank you. Now on to waste incinerators, the Victorian government set a 1 million tonne cap on waste burning in Victoria; however, stakeholders are estimating that so far existing, approved and planned waste incinerator technology projects – like Maryvale waste-to-energy project, Laverton

gasification project, Dandenong gasification project, Lara waste-to-energy project, Wollert Melbourne Energy and Resource Centre, Sunbury waste-to-energy project, Coolaroo waste-to-energy project – will burn approximately 1.835 million tonnes per annum of waste, so that exceeds the Victorian government's 1 million tonne cap. Why has the Victorian government knowingly exceeded its 1 million tonnes per annum cap of waste burning by allowing these projects to proceed, some with an EPA development licence to the year 9999?

John BRADLEY: It is the case that all waste-to-energy facilities that process permitted waste do need a licence from Recycling Victoria, and that permits the facility to process a specified amount of waste. There are two kinds of waste-to-energy scheme licences: there is one for existing operators and then there are capped licences. This recognises the approach that was taken as a transition. Existing operators of thermal waste-to-energy facilities are those who had approval licences from the EPA or planning authorities in place by November 2021; they were not subject to a cap but have a maximum amount of permitted waste specified in their licences in that case. And then in late 2023 and early 2024 Recycling Victoria issued existing operator licences as part of its role. The waste-to-energy cap limit itself will be established in regulation, and we have consulted on the proposed cap-licensing regulations and the regulatory impact statement. In addition to setting the cap limit, that regulation will prescribe aspects of the cap-licensing process and application fees, and we would expect to finalise those regulations informed by all the feedback that was provided and allow those regulations and the cap to be set in the near future.

Aiv PUGLIELLI: France has now prohibited 12 million residents from eating their backyard eggs and produce due to dioxin contamination from the Paris incinerator, which has been operating to the same standards, if not better, than those that are set for the Victorian incinerators. How do we justify encircling Melbourne with so many waste incinerator projects that come with no air quality and human health impacts?

John BRADLEY: Waste-to-energy facilities are required to operate in accordance with strict environment and human health regulations in Victoria, so both environmental regulatory requirements that are administered by the EPA but also human health regulation, and those rules require waste-to-energy facilities to use internationally best practice pollution controls. The precise nature of each approval is assessed on its merits, and the EPA, who are with us today, do go through a process to assess the development licences for waste-to-energy facilities. But that is an exhaustive process to make sure there is confidence not only about the environmental fate of emissions and the appropriate safeguards around emissions but then any human health risks as well.

Aiv PUGLIELLI: In the container deposit scheme, do zone operators have KPIs they need to meet around functionality?

John BRADLEY: Sorry. Did you say: do they have requirements for punctuality –

Aiv PUGLIELLI: KPIs to meet regarding functionality.

John BRADLEY: Functionality. I am sorry. I will ask the Deputy Secretary.

Carolyn JACKSON: There are a number of KPIs that are in the contracts that have been established. I am happy to take your particular question on notice, but there are a range of contractual obligations that are required to be met. They include, for example, the number of sites that needed to be operational by 1 August as well as things around access and the hours et cetera.

Aiv PUGLIELLI: Thank you. It would be terrific if those KPIs could be provided to the committee, just for future oversight.

Carolyn JACKSON: We will see what we can provide. There will be some commercial-in-confidence arrangements that we will need to work through, but we will see what we can provide.

Aiv PUGLIELLI: The zone operators themselves – what is keeping them accountable?

Carolyn JACKSON: The zone operators have an arrangement. I should say there is VicReturn, which is the scheme coordinator, and then you have got the zone operators. There are contractual arrangements in place with the zone operators and also the scheme coordinator.

Aiv PUGLIELLI: Thank you. Moving on, can the Secretary provide an update to the committee on how many workers and businesses it has successfully transitioned away from native forest activities since 2023, including contractors working with forest fire management and other DEECA agencies?

John BRADLEY: Thank you very much. The best answer to that question would probably come from Phuong Tram, who is our head of the forestry transition program and has been over this period of time administering really significant programs to support not only business transition but workforce as well. Within the department, however, we have also transferred 21 contractors that provide really critical forest management operational capability, including with specialised equipment, and have novated those contracts over to continue to support things like important roading programs that help our bushfire response –

The CHAIR: Thank you, Secretary. We are going to go straight to Mr Hilakari.

Mathew HILAKARI: Thank you, Secretary and officials. I might actually take up where Mr Tak left off, which is around the move to electrification for households. Mr Krpan, unfortunately, you will be back I think in a moment's time, subject to the Secretary's view. But of course I am not just looking at costs but also those health benefits of transferring from household gas. I was at a Sikh gurdwara on Friday for the 555th birthday of Guru Nanak, and they were talking about how they are looking at transitioning. It is a huge kitchen that they have got operating, which operates all the time. They talked about the costs, but I am also interested in some of those health benefits as well, if you could discuss some of those.

Stan KR PAN: Certainly. I think some of the work from my predecessor organisation Sustainability Victoria demonstrated that just from energy efficiency upgrades in homes households were able to save not only money on their energy bills but also it was effectively reducing the state's cost in terms of healthcare system costs, from recollection, it was about \$800 per year. But obviously for people that electrify their homes, that benefit from reduced emissions-producing appliances provides other benefits, including obviously the air they breathe as well as the comfort benefits.

Mathew HILAKARI: I have had all forms of energy in my own household over time, and I certainly think the induction stove was the best by far, but the health impacts of burning a fire inside your household are not a great thing.

Stan KR PAN: I am probably not the best person to be talking about health impacts of induction cooktops, but I am a user of an induction cooktop.

Mathew HILAKARI: Oh, no, I am talking about gas cooktops. Burning a fire inside your house is probably not the best thing for your health.

Stan KR PAN: I am probably not the best person, again, to be talking about that, but I think there has been lots written about the health benefits and the impacts of burning gas and other fuels in a home and what impacts that has particularly for people that are sensitive to particulates in the air that they breathe.

Mathew HILAKARI: I might move to the large energy user electrification support program. I am just trying to understand better how this is improving businesses to get the benefits through the VEU.

Stan KR PAN: Yes, so it was just over \$1.5 million that was invested under the large energy users grants program, and that was really designed for those very large commercial and industrial users of gas in particular, so very large energy users but particularly with a focus on gas. Obviously, there is a policy direction around electrification, and we know the electrification benefits in terms of energy bills, particularly because gas is increasingly more expensive than electricity as a form of energy. About 30 large energy users have benefited from the program; I am pretty sure it is 30. It is \$1.5 million, and effectively it is funding feasibility studies up to \$64,000 per business – feasibility studies to look at electrification, particularly in those areas that are hard to electrify. So if you think of a manufacturing, industrial or very large commercial premises, they are large users of gas, but some of that equipment is hard to replace and requires a holistic approach to the energy that is being used, and sometimes that equipment may not necessarily be readily available. So this was specifically targeting feasibility studies that would allow those businesses to look at what technologies are available, can they take an alternative view to their use of gas to encourage electrification and then what the return on the investment will be. I understand that the business cases that have been funded so far that are coming through are really, really positive.

Mathew HILAKARI: When do we expect that some of those businesses will make those financial decisions about whether they change over or not, or have some started already?

Stan KR PAN: It will obviously be a matter for those businesses. I understand that the first of the businesses has already received the business case, and that is through Sustainability Victoria funding. Then it will be a question about their own business case and their investment profile about when they will start investing. Without pre-empting the minister and government, I understand that there is more to be said in terms of the announcements of who those businesses are.

Mathew HILAKARI: Great. I look forward to hearing that. I might move to the ResourceSmart Schools program, Secretary. The 2022–23 budget outlined \$8.9 million towards that program. I am just hoping you could outline some of how that funding will support sustainable behaviours in our Victorian school communities.

John BRADLEY: Thank you. Certainly, we are very happy with the level of impact that we had through the ResourceSmart Schools program, and Ms Jackson is ready to go, I think.

Carolyn JACKSON: Thank you. Thanks for the question. The 2023–24 budget provided \$2.9 million for the delivery of the ResourceSmart Schools program for that 12-month period, and then there has been additional funding since then, and so the program continues to be funded. It has been managed by Sustainability Victoria since 2008, and there have been substantial financial and environmental benefits that have been achieved by the program. They include things like \$68 million in reduced operating costs for schools and over 110,000 tonnes of greenhouse gas emissions that have been avoided. It has diverted 170,000 cubic metres of waste from landfill. It has saved 1.9 million kilolitres of water, and it has planted 5.1 million trees – so quite significant and substantial environmental and financial benefits for the education system. In 2023–24 there were 563 schools active in the program, which has increased from 528 schools in 2022–23, so it is pleasing to see that there is an upward trend in the number of schools that are participating in ResourceSmart Schools. In 2023 there were energy savings of 10 million kilowatt hours and schools decreased waste to landfill by just over 11,000 square metres, and schools saved 191 million litres of water in 2023 alone.

If I can do a quick mention of some schools that have been recognised recently, because ResourceSmart Schools does do an annual awards program which recognises schools of excellence – and it is really well attended; from personal experience attending, the primary and secondary school students really do enjoy attending the event – the 2024 School of the Year was awarded to Chewton Primary School, which is located in the Loddon Mallee region. There is also, if I can, a sustainability –

Mathew HILAKARI: What did they do? What did Chewton Primary School do?

Carolyn JACKSON: I could not tell you off the top of my head. I cannot remember.

Mathew HILAKARI: Take that on notice, please. Somebody will get a media release for us to pull it up.

Carolyn JACKSON: Yes. I will be told off by Sustainability Victoria for not knowing. But they do have a huge number of entries in the ResourceSmart Schools Awards program. It is a highly contested field, and I think there is quite a bit of prestige in getting the School of the Year. There are a number of categories, but that is the bee's knees, that one.

I will just really quickly mention that Sustainability Victoria did launch in 2023 a Sustainability Through Your Own Lens competition, which was again run this year, which captures student voices using photography. The competition was open to students and required the submission of an image that represented what sustainability means to them. Those winners were also announced at the 2024 ResourceSmart Schools Awards. It is really an amazing program. Heaps of students and quite a number of schools participate, with really significant environmental and financial benefits, as you can see.

The CHAIR: Including Albion Primary School.

Mathew HILAKARI: Ah, there we go. A big shout-out there. Could you just tell me the total cost of that program again, because you mentioned \$68 million in savings.

Carolyn JACKSON: That is right. In 2023–24 the annual cost was \$2.9 million and then the 2024–25 budget has provided just under \$9 million to continue the program for a further three years, so it is about a \$3 million cost.

Mathew HILAKARI: About a \$3 million cost and \$68 million in reduced costs effectively to the state and taxpayers – that is an extraordinary return.

Carolyn JACKSON: Under the program, that is right.

Mathew HILAKARI: That is a great return. Recycling Victoria and our goal to transition to a circular economy – how does this program complement that? How does it highlight it? Could you just go into a little bit of detail on that, if that is possible?

Carolyn JACKSON: Yes, sure. Thank you for the question. Since February 2020 the Victorian government's circular economy policy *Recycling Victoria: A New Economy* has been driving systemic change and established strong foundations for a circular economy which aims to design waste out, so very similar to and consistent with the ResourceSmart Schools program. The Victorian government invested \$380 million to deliver the foundations of our circular economy policy and to facilitate the transition to a circular economy. In 2023–24 in particular, with that focus, that investment delivered the continued rollout of the four-stream household waste and recycling system, and that is complemented by just under \$130 million worth of investment to support that rollout.

In 2023–24 we did have the launch of CDS Vic, the container deposit scheme, which we have spoken about. There was significant investment in new recycling infrastructure, boosting capacity to process the increased volumes of material we recover, and to date Victorian government funding has resulted in 957,000 tonnes of installed waste and resource recovery capacity, with a further 963,000 tonnes to be installed by 2025. So huge volumes of material are being recovered.

The investment also provided support for businesses to design waste out and implement innovative solutions and business models via the Circular Economy Business Innovation Centre. It delivered new markets for recycled materials in Victoria, including the use of recycled material in Victoria's Big Build. It grew capacity in Recycling Victoria to regulate and provide leadership, stewardship and oversight of waste recycling and resource recovery services and delivered stronger laws regulated through Recycling Victoria focused on improving the performance, reliability and quality of waste and recycling services and a range of other things as well, but really significant progress.

We do have targets under the circular economy plan that relate to the diversion of waste from landfill and reduced waste generation per capita to halve the amount of organic waste that enters landfill and to ensure that every Victorian household has access to food and garden organic waste recycling services or local composting by 2030. So there has been quite significant progress on those targets. That all links back to the investment associated with the circular economy plan, and that is obviously all aligned with the work that Sustainability Victoria have been doing on their ResourceSmart Schools program.

Mathew HILAKARI: It is a terrific program, and there are some really big numbers that are diverted away from landfill, so please keep up the good work. I am going to move to waterway health and the Iconic Urban Waterways program from the annual report, in particular for instance on page 54. It is something important to the community that I represent with the *Waterways of the West: Action Plan*. But also there are the Yarra strategic plan and the rivers of the Barwon action plan. I am just hoping we can understand: what are the outcomes that we are achieving, and what is actually happening in a practical sense through these investments?

John BRADLEY: Thank you very much. Certainly since the commencement of the Yarra strategic plan and the work that has followed on from it has been a hallmark of the way the government has sought to address integrated approaches to urban waterway renewal and protection. Ms Shelly is with us as the Dep. Sec., Water and Catchments, and can speak to these programs and the benefits they are providing.

Kirsten SHELLY: Yes, happy to. Thanks for the question. The Yarra strategic plan focuses on protecting and enhancing the Yarra River and its parklands, and it really involves collaborative governance with traditional owners and local agencies to manage the river as a single, integrated natural entity. Of the 40 actions in part 1, nine have been completed and 21 are in progress, and 10 are in the planning phase. Funding has been

provided to Melbourne Water as the lead agency as described under the Yarra Act, and they drive the Yarra collaboration committee and have a three-year implementation plan and annual reporting to the Birrarung Council.

Priority projects sitting in an embodied collaborative governance and traditional owner approach received over \$1.65 million in funding and an additional \$400,000 in funding in 2024. That helped to fund revegetation works that were undertaken by the Wurundjeri Narrap rangers, and that will address critical environmental challenges within Garambi Baanj, the Laughing Waters site, a location of environmental significance along the Yarra at Eltham. The City of Melbourne's Yarra River floating wetlands trial will be extended, with the outcomes contributing to a new DEECA and University of Melbourne research project, and a not-for-profit Birrarung Valley walk received seed funding to support their engagement of land managers and traditional owners with regard to a proposed connected and continuous multiday walk from Port Phillip Bay to the Upper Yarra Reservoir.

In terms of the Waterways of the West Action Plan, the plan targets the Maribyrnong and Werribee catchments and aims to improve waterway health and livability. Actions include revegetation, habitat restoration and community involvement. And of the nine directions and 40 actions, to date 19 of those 40 actions have been completed or are ongoing, 10 are in progress and a further 11 actions are planned for completion by 2026.

The rivers of Barwon action plan also looks at the Barwon River and its tributaries, looking at revegetation, water quality improvement and cultural heritage protection. There are seven directions in that and 30 actions, and to date 14 of the 30 actions have been completed and there are an ongoing eight actions in progress –

Bev McArthur interjected.

Kirsten SHELLY: and eight actions are planned for completion by 2026.

Mathew HILAKARI: Now, I do not want to steal Mrs McArthur's thunder, but she is, I know, interested in the floating wetlands on the Yarra River. Could you just tell us a little bit more about those? I think I passed them on the train on the way in, and I had always conceived of them as nice versions of litter catchment on the Yarra River, but is there more to it than that?

Kirsten SHELLY: We could probably get some more information, but wetlands are the lungs, I guess, of Melbourne, and they do trap all sorts of sediment, heavy metals and litter and those sorts of things, and these are a type of those.

Mathew HILAKARI: Okay. Wonderful. I will look forward to hearing more about those. The Green Links grants program, which is on page 55 of the DEECA annual report: how does this complement – I am hoping it does not duplicate, but how does it complement the work that has been undertaken in the urban waterways program?

Kirsten SHELLY: The Green Links is a \$10 million investment to improve habitat and water quality and provide cool, green spaces for communities around our urban creeks, rivers and waterways, and that launched in 2023 with the aim to revegetate over 200 hectares of land alongside urban waterways. The Green Links grants program complements the iconic urban waterways program by funding revegetation projects along the urban waterways to improve habitat, water quality and those green spaces for community. While the iconic urban waterways program focused on the broader strategic actions, the Green Links program provides targeted funding for specific on-ground projects and enhancing that overall impact.

Mathew HILAKARI: Do some of those go to our regional communities and cities and towns, because a lot of this has been metro Melbourne. There is a Barwon focus as well, but are there particular focuses that we are seeing as well?

John BRADLEY: Yes. I can answer that if you would like to touch on this. We have seen successful projects being delivered in the Moorabool and Barwon rivers particularly, and there has been \$700,000 for more than 13 sites around the Yarrowee River and its tributaries in Ballarat and \$464,000 to improve habitat conditions and connectivity a little bit closer to home in Merri Creek, but there certainly have been statewide and regional benefits as well from the program.

Mathew HILAKARI: Fantastic. I will keep us all the way to the north of the state and a little bit about the Murray–Darling Basin plan. I am just wondering what progress we have been making on this, particularly the outcomes that Victoria is committed to under the basin plan.

Kirsten SHELLY: So Victoria secured 826.5 gigalitres, or 77 per cent, of our 1075.3-gigalitre bridging the gap target, and we are working really hard to deliver the remainder of our target with the addition of operational projects like the Victorian Murray flood plain restoration project, or VMFRP, and the constraints management program. Additionally, we have completed all of our water resource plans which were accredited in 2019–20. They are accredited by the Murray–Darling Basin Authority, and they are still in operation. We have got a very strong compliance history, and the inspector-general of water compliance sustainable diversion limit compliance statement for 2022–23 water year, which was released in July 2024, found Victoria to be fully compliant. We are also working through efficiency projects in the prospectus to look at how we can actually gain more efficiency in our irrigation systems and get more water back for the Murray–Darling Basin plan.

Mathew HILAKARI: In a practical sense, what does that look like?

Kirsten SHELLY: In terms of the prospectus –

Mathew HILAKARI: I know for the community that I represent, the Werribee South growing area, that is a lot of about putting in new piping and covering up the old trenches that took the water around the community. Is that exactly the same as what we are looking at all over the state?

Kirsten SHELLY: It is very similar, and the prospectus that we have put out does look at different ways in which you can recover water for the environment and having the least socio-economic impacts. So we have collaborated with water corporations, the catchment management authorities and local farmers to look at how we can work with them to find the best ways to get the socio-economic impacts reduced as well as getting the environmental outcomes that we are absolutely behind in terms of the Murray–Darling Basin plan.

Mathew HILAKARI: Thank you.

The CHAIR: Thank you, Mr Hilakari.

Secretary and officials, thank you very much for taking the time to appear before the committee this afternoon. I apologise for the noise outside. I know it was difficult to concentrate, but I think you did a really good job. The committee is going to follow up on any questions taken on notice in writing, and responses are required within five working days of the committee's request. The committee is going to take a very short break before beginning its consideration of parliamentary departments in probably 3 to 4 minutes.

I declare this hearing adjourned.

Witnesses withdrew.