

# PAEC 2019-20 FINANCIAL AND PERFORMANCE OUTCOMES

## Department of Environment, Land, Water and Planning

### Responses to Questions on Notice

#### Question on Notice 1

**Ms VALLENCE:** Look, Secretary, I would like to ask actually about that expenditure. I really wanted that question answered, but obviously not. Budget paper 3, page 170, might go to some of the things that you are saying there. Budget paper 3, page 170, has \$204.3 million allocated to statutory activities and environment protection. Of that amount, how much is allocated to the EPA?

**Mr BRADLEY:** I might have to ask for a copy of budget paper 3 and the \$204 million, unless the chief financial officer is in a position to answer that question.

**Ms VALLENCE:** I have to give a reference for the benefit of other committee members. But it is your budget—\$204.3 million allocated to statutory activities and environment protection. How much of this is for the EPA? You can take it on notice if you do not know. I guess it is surprising you do not know how much is allocated to the EPA.

**Mr BRADLEY:** Of that particular figure, I am happy to take that question on notice and give you a breakdown. The CEO of the EPA can absolutely speak to you about the budget for 2019–20 and the scope of that. If you want an overview of what was spent in that year, we can—

**Ms VALLENCE:** No, that was not the question. Thanks for taking that on notice. Additionally—and perhaps this is also another one on notice, but you can let me know—in the EPA’s annual report, page 83 states that the EPA received \$186 million in revenue. I imagine potentially the figures are different—the amount out of the \$204 million in your budget and the amount of aggregate revenues in your annual report may be different. So if I could also have a breakdown of that \$186 million provided to the committee.

**Mr BRADLEY:** Do you mind if I just check and see if the CEO is in a position to answer you now, Ms Vallence?

**Mr MIEZIS:** I think we will take that one on notice.

Of the \$204.3 million budget for the Statutory activities and environment protection output cost, \$111.0 million was allocated to be provided to the EPA.

The table below is a breakdown of the Environment Protection Authority 2019-20 revenue.

<b>Income from transactions</b>	<b>\$'000</b>
<b>Grants received from Departments</b>	<b>8,497</b>
<i>Combatting illegal stockpiling and mismanagement of hazardous waste</i>	3,373
<i>Illegal Dumping Strikeforce - Operations Strategy</i>	2,262
<i>Latrobe Valley air monitoring and Citizen Science</i>	625
<i>Rec 5 ASG - Procure &amp; Operationalise Incident response equipment</i>	452
<i>Section 29 cost recovery</i>	447
<i>East Victoria Fires</i>	367

<b>Income from transactions</b>	<b>\$'000</b>
<i>Emerging contaminants in recycled water</i>	325
<i>Pollution Prevention Taskforce</i>	200
<i>Recycling Victoria</i>	144
<i>Community Smoke Monitoring</i>	111
<i>Stormwater BPEM (Best Practice Environmental Guidelines for Urban Stormwater)</i>	80
<i>Code of practice – onsite wastewater management</i>	70
<i>Swimsafe: Citizen science and sensors to protect bay beaches</i>	42
<b>Municipal and Industrial landfill levy distribution from Department</b>	<b>71,965</b>
<i>M&amp;I Levy Distribution</i>	28,400
<i>Lara waste stockpile site rehabilitation(1)</i>	43,565
<b>Prescribed Industrial Waste Levy</b>	<b>44,881</b>
<b>Other Revenue</b>	<b>12,159</b>
<i>Licence levy</i>	369
<i>Interest and holding gains from financial assets - non public sector</i>	4,638
<i>Litter fines</i>	4,724
<i>Miscellaneous</i>	2,043
<i>Environment audit fees</i>	384
<b>Grants - reform output funding</b>	<b>40,989</b>
<i>Strengthening the Environment Protection Authority (output) (2019-20 Budget)</i>	15,000
<i>Bringing our Environment Protection Authority into the modern era (output) (2017-18 Budget)</i>	25,989
<b>Grants - reform asset funding</b>	<b>8,150</b>
<i>Bringing our Environment Protection Authority into the modern era (asset) (2017-18 Budget)</i>	8,150
<b>Total income from transactions</b>	<b>186,641</b>
<i>Notes:</i>	
<i>(1) Lara waste stockpile agreed accounting treatment with VAGO, results in revenue recognition different to BP3.</i>	

## **Question on Notice 2**

**Ms VALLENCE:** Okay. So on that then, at page 163 of the 2019–20 financial report, it refers to an additional \$2.3 million allocated from the Treasurer’s advance which is for, and I quote, ‘Recycling industry support’. Why was this extra \$2.3 million required, and what was it spent on?

**Ms WHITE:** I think I might have to take that particular one on notice.

Following significant market disruptions in the waste and recycling sector, additional funding was required in the 2019-20 financial year to address ongoing market disruptions. Funding was provided to ensure that recyclable materials were managed in a safe and effective manner.

### Question on Notice 3

**Ms VALLENCE:** Budget paper 3, page 39–40, has got \$1.5 million to implementing the Climate Change Act and developing a climate change strategy. At 30 June how much of this money had been spent, and has the strategy now been completed?

**Mr BRADLEY:** I will just check that for you. I won't be a moment.

**Ms VALLENCE:** Whilst you are looking that up, were any external consultants engaged in developing the strategy or developing the strategy so far?

**Ms WHITE:** I might respond to that and then ask John if there is anything further the Secretary would like to say. Of the \$1.5 million that we had, it was fully expended, but I would say, and I would need to check just with the finance officer, whether there was some funding that was then moved into the 2020–21 year, noting that the development of the underpinning information for the climate change strategy has straddled both 2019–20 and 2020–21. It was spent on—

**Ms VALLENCE:** Could you clarify that on notice then?

**Ms WHITE:** Yes. It was spent on funding resources. There was some funding put towards consultants with that funding.

**Ms VALLENCE:** There was? Could you provide a list of the consultants engaged and how much money was paid to each of those consultants?

**Ms WHITE:** I would have to take that on notice; I cannot do that today.

The \$1.5 million allocated to Implementation of the Climate Change Act in 2019–20 was fully expended.

Of this \$1.5 million approximately \$688,000 was spent on consultancies to provide evidence and advice, comprising:

- Port Jackson Partners (approximately \$464,000);
- The Centre for International Economics (approximately \$134,000);
- Jacobs Group (approximately \$55,000);
- CSIRO (approximately \$8,000); and
- ClimateWorks (approximately \$27,000).

## Question on Notice 4

**Mr LYNGCOLN:** Yes, thank you. So the Victorian Planning Authority have got a set of criteria that they established, and submissions that are made to the VPA are then tested against those criteria so that they then prioritise how those dollars are allocated. Those criteria involve a range of things, but they are largely targeted to how growth can be unlocked to stimulate economic activity in those areas and cater for population growth. And particularly take into account that some local governments can have limited capacity, particularly the smaller councils, so they would take into account the capacity of the council as well in prioritising those projects.

**Mr MAAS:** Great, thank you. Are you able to provide the committee with any examples at all?

**Mr LYNGCOLN:** I would have to take that on notice, but we would be happy to provide a list of the projects that are funded under that program.

The Streamlining for Growth Program aims to provide support and capacity building for councils in regional Victoria and metropolitan Melbourne.

Through the provision of targeted funding and staff resources, the program assists to unblock or fast-track planning projects and processes to accelerate the delivery of employment and residential land, achieve employment growth, housing choice and affordability, and improve the alignment of infrastructure delivery with planning.

Selection of projects in 2019-20 was based on an assessment of the program, strategic and stream objectives:

### Program Objectives

- Unblock strategic planning projects
- Accelerate the delivery of employment and residential land
- Achieve employment growth
- Increase housing choice and affordability
- Improve alignment of infrastructure delivery with planning

### Strategic Objectives

- Ministerial Direction / VPA Statement of Expectations
- Plan Melbourne
- Homes for Victorians
- Regional Growth Plans
- Regional Statement
- Regional Strategies

### Stream Objectives

- Metropolitan Strategic Sites
  - Provide strategic planning support for Councils in metropolitan areas.
  - Clear backlogs that help unlock brownfield and strategic development sites.
  - Speed up the rezoning of strategic sites within existing suburbs.
  - Open housing land in areas that have remained undeveloped for some time.

- Metropolitan Support
  - Build capacity in local councils
  - Provide strategic planning support for Councils in metropolitan areas
  - Clear backlogs that help unlock brownfield and key development sites
  - Accelerate strategic planning projects
  - Unlock a land supply pipeline to facilitate growth
- Post Precinct Structure Plan Approvals Streamlining
  - Streamline post-PSP subdivision approvals processes
  - Achieve shorter approvals timelines
  - Reduce red tape
  - Are innovative
  - Deliver improved and/or better outcomes
- Regional Victoria
  - Respond to Regional Growth Plans and are located within Regional Cities, Regional Centres or Peri-urban Towns.
  - Are in locations identified to either promote or support growth in RGPs.
  - Undertake master planning for strategic sites.
  - Build capacity in local councils.

Projects funded in 2019-20 were:

Project title	Council	Funding
1. Bannockburn Growth Plan	Golden Plains Shire	\$270,600
2. PSP 2.0 Implementation	Casey City	\$150,000
3 ICPs Regional *	Greater Geelong City	\$210,000
4 Braybrook South Urban Regeneration	Maribyrnong City	\$210,000
5 East of Aberline Precinct Structure Plan	Warrnambool City	\$200,000
6 Cremorne Place Implementation Plan	Yarra City	\$198,003
7 Sunshine NEIC Investment Facilitation Program	Brimbank City	\$170,000
8 South East Traralgon Precinct Structure Plan	Latrobe City	\$169,542
9 Arden Structure Plan	Melbourne City	\$160,000
10 Benalla Urban Growth Strategy Plan	Benalla	\$146,200
11 Preston market precinct planning review	Darebin City	\$130,000
12 South East Economic Corridor - Strategic Plan	Cardinia Shire (lead), Casey and Greater Dandenong	\$90,000
13 Unlocking Greater Bendigo's potential - Part 2	Greater Bendigo City	\$120,000
14 Regional Development contributions: a toolkit for councils	Wodonga City (lead), Ballarat, Bass Coast, Greater Bendigo, Campaspe, Greater Geelong, Macedon Ranges, Mitchell, Wangaratta	\$134,790
15 Arden and Macaulay Contributions Plan	Melbourne City	\$41,666
16 Echuca West Precinct Structure Plan	Campaspe Shire	\$132,326
17 Unlocking Industrial Land Potential - J Barrys Road	Colac Colac Otway Shire	\$110,000
18 Caulfield Station Precinct	Glen Eira	\$100,000

<b>Project title</b>	<b>Council</b>	<b>Funding</b>
19 Sandown	Greater Dandenong	\$100,000
20 PMP Printing	Monash City	\$100,000
21 Project Lead - Monash National Innovation and Employment Cluster	Monash City	\$100,000
22 Advancing to 2050: Shepparton Regional City Growth Plan	Greater Shepparton City	\$70,556
23 #HumeVision	Hume City	\$100,000
24 Jacksons Hill Implementation	Hume City	\$100,000
25 Tallangatta Township Structure Plan *	Towong Shire	\$100,000
26 Design Guidelines and Site Development Plans for Open Space Delivery in Growth Areas	Whittlesea City	\$97,500
27 Drouin DCP	Baw Baw	\$47,720
28 Human Services Planning	Whittlesea City (Lead), Cardinia, Casey, Hume, Melton, Mitchell, Mornington Peninsula, Nillumbik, Wyndham, Yarra Ranges	\$75,441
29 Ballarat Station Precinct – South Side Master Plan and Redevelopment	Ballarat City	\$90,000
30 South Horsham Structure Plan, Stage 2	Horsham Rural City	\$71,416
31 ICPs Urban Renewal	Melbourne City	\$80,000
32 Mitchell Integrated Infrastructure Strategy	Mitchell Shire	\$66,131
33 Sodic Soils	Mitchell Shire	\$60,330
34 Unlocking the future potential of Stawell (2030 Structural Plan)	Northern Grampians Shire	\$60,000
35 Nagambie Growth Management Strategy	Strathbogie Shire	\$54,726
36 Northmeadows Strategic Site - Year 2 - Traffic Assessment of the proposed structure plan area	Hume City	\$50,000
37 Technical Support for Croydon Activity Centre Structure Plan	Maroondah City	\$50,000
38 Waterfront Place and Station Pier Precinct	Port Phillip City	\$50,000
39 Bright Township Western Gateway Precinct Structure Plan	Alpine Shire	\$50,000
40 Unlocking the Barwon River Urban Renewal Precinct Greater	Geelong City	\$50,000
41 #HumePlan - Digital Improvement Plan	Hume City	\$50,000
42 Mildura Riverfront Precinct Stage 2 Masterplan Implementation	Mildura Rural City	\$45,000
43 Cremorne Enterprise Precinct - Refresh Urban Design Framework	Yarra City	\$40,000
44 Cremorne Enterprise Precinct - Revised parking provisions	Yarra City	\$40,000
45 CBD Urban Design Framework, Guidelines and Planning Controls	Ballarat City	\$40,000
46 Transforming Wonthaggi	Bass Coast Shire	\$40,000
47 Wallan Station Street Masterplan	Mitchell Shire	\$35,000

<b>Project title</b>	<b>Council</b>	<b>Funding</b>
48 Northern and Western Geelong Growth Area - Precinct Structure Plans Greater	Geelong City	\$18,533
49 Arden Integrated Water Management Strategy	Melbourne City	\$25,000
50 Arden: A Cool and Green Precinct	Melbourne City	\$22,505
51 Cremorne Enterprise Precinct - Review of Planning Controls	Yarra City	\$20,000
52 Impact of Bushfire on Regional Growth	South Gippsland Shire	\$20,000
53 Northland Urban Renewal Precinct	Darebin City	\$15,000
54 Seymour Revitalisation Initiative Implementation	Mitchell Shire	\$2,965
55 Benchmark Costing Monitoring & Review	All Growth Areas	\$15,000
56 Arden Climate Response Plan	Melbourne City	\$884
57 Geelong Biodiversity Conservation Strategy	Greater Geelong City	\$9,364
<b>Other</b>		
Greenfield Household Demographic study **	All Growth Areas	\$12,094
SFG Unallocated	N.A.	\$30,039
Donnybrook Woodstock ICP **	Melton, Mitchell, Whittlesea	\$100,000
Heritage Manual **	All Growth Areas	\$44,636
Yarrawonga Framework Plan **	Moira Shire	\$31,743
Generally in Accordance **	All Growth Areas	\$10,296
Bendigo W SIAP **	Greater Bendigo Shire	\$1,793
<b>Program Administration</b>		
SFGP Management & Administration	VPA	\$262,600
SFGP Project Management and Facilitation		\$262,600
<b>Total</b>		<b>\$ 5,561,999</b>

Source: VPA

\*These projects with the combined value of \$310,000 were funded in the 2019-20 program round but via roll over funding from previous financial years. Less these projects, the total 2019-20 funding equals \$5.25 million.

\*\* These projects were funded in previous Streamlining for Growth financial year funding rounds but received additional funding (as listed) from the 2019-20 Budget.

## **Question on Notice 5**

**Mr RIORDAN:** Okay. So in the budget here you have then got \$15.8 million for this year. Is that on target?

**Mr BRADLEY:** The Deputy Secretary has just joined me now. We are talking about the budget of \$15.8 million for managing bushfire risk, or Safer Together, Christine.

**Mr RIORDAN:** You have underspent three, so we are assuming we are looking at \$16.1 million for this year if you have re-phased it.

**Mr BRADLEY:** I will just ask the Deputy Secretary to answer that question.

**Ms FERGUSON:** Yes.

**Mr BRADLEY:** Table 2—otherwise we will take it on notice, Christine.

**Ms FERGUSON:** I may need to take that on notice. I am not sure.

The Safer Together program is on track to expend the full 2020-21 budget of \$16.1 million. The current budget comprises of an original budget of \$15.8 million plus a rephasing from 2019-20 of \$0.3 million.

## Question on Notice 6

**Mr RIORDAN:** And how many more millions will we need?

**Mr HARDMAN:** That will be subject to a budget bid. I am not certain. We would have to take that on notice.

**Mr RIORDAN:** Could we have that on notice, please?

**Mr BRADLEY:** Yes. Well, I think the issue is that that will require analysis in itself, which will be the subject of the budget considerations, so that is yet to be confirmed. But there are 8300 radios in the DELWP network for which we are responsible for making that transition. The driver of this is that Telstra has provided formal notice to the Victorian government that—

**Mr RIORDAN:** Sorry, could you just take your mask off, Mr Bradley? It is just a bit muffled.

**Mr HARDMAN:** I am so sorry. The driver for this is that Telstra have provided formal notice to the Victorian government that it will be moving the old analogue state mobile radio network, which will cease to function at a date that is yet to be finally set. But we are expecting to receive confirmation of that fairly soon. This transition is one that we can manage in an orderly way, and our approach to cost estimation, to be honest with you, will be also one where we are seeking to minimise the cost.

**Mr RIORDAN:** So if you are still putting in bids, as I understand it from what was just said, you have still got some people to come on board, so it is not yet fully operational. Have you set a goal for when it will be fully operational?

**Mr BRADLEY:** The target timing I think is—Chris, have you got it off the top of your head? I think the target timing is 2022–23.

**Mr HARDMAN:** Yes. 2022–23 it finally shuts down and everybody has to be on by that stage.

**Mr RIORDAN:** So you have been told when the Telstra network—

**Mr HARDMAN:** Yes.

**Mr RIORDAN:** So you have got a date for that?

**Mr HARDMAN:** Yes. There is a hard cut-off date that will require everybody to be on the network before that network is shut down.

**Mr RIORDAN:** But you have not yet been given the funding to finish the transition of people?

**Mr HARDMAN:** That is in consideration at the moment.

**Mr RIORDAN:** Yes, that is right. So we need to get that confirmed. Okay, thank you.

Funding required for the Department of Environment, Land, Water and Planning (DELWP) and its partners to upgrade and transition to the new state-wide Regional Mobile Radio network will be the subject of future budget consideration.

## Question on Notice 7

**Mr RIORDAN:** Yes, that is right. So we need to get that confirmed. Okay, thank you. At page 39 of budget paper 3, there is \$2.7 million allocated for roadside weed and pest management programs, providing grants to rural and regional councils to reduce roadside weeds. Can you tell us how much of that budget allocation has been spent on that program, please—and also a list of what grants were provided. Do you have that?

**Mr HARDMAN:** Kylie White may be able to address that. Just say from there if you have to take it on notice, Kylie.

**Ms WHITE:** I could take it on notice if it is easier to do that.

**Mr RIORDAN:** Yes, that is great.

**Mr BRADLEY:** If you can answer it, answer it.

**Ms WHITE:** I would need to get the details to match the councils.

**Mr RIORDAN:** Right, okay. That would be good. You will provide it matched by council. Okay. And could you also—I presume it would be in the same list—provide what goals were achieved. Like, were there actually weeds removed?

**Ms WHITE:** Yes, and I can confirm that. Yes.

This program is a Local Government portfolio initiative. The following response has been sourced from the Department of Jobs, Precincts and Regions.

In 2019-20 grants totalling \$2.566 million from the Roadside Weeds and Pests Program were allocated to rural, regional, and interface councils responsible for managing rural roadsides.

The grant amounts allocated to each council were:

COUNCIL	ALLOCATION	COUNCIL	ALLOCATION
Alpine	\$22,349	Mansfield	\$24,349
Ararat	\$63,628	Melton	\$12,292
Ballarat	\$23,007	Mildura	\$75,000
Bass Coast	\$18,452	Mitchell	\$35,564
Baw Baw	\$49,359	Moira	\$75,000
Benalla	\$37,381	Moorabool	\$40,777
Buloke	\$75,000	Mornington Peninsula	\$15,951
Campaspe	\$75,000	Mount Alexander	\$35,906
Cardinia	\$29,483	Moyne	\$73,131
Casey	\$12,688	Murrindindi	\$32,774
Central Goldfields	\$35,328	Nillumbik	\$16,952
Colac Otway	\$43,041	Northern Grampians	\$75,000
Corangamite	\$62,417	Pyrenees	\$55,704
East Gippsland	\$70,472	South Gippsland	\$52,992
Gannawarra	\$61,943	Southern Grampians	\$72,578

<b>COUNCIL</b>	<b>ALLOCATION</b>	<b>COUNCIL</b>	<b>ALLOCATION</b>
Glenelg	\$69,235	Strathbogie	\$60,231
Golden Plains	\$47,727	Surf Coast	\$26,376
Greater Bendigo	\$63,838	Swan Hill	\$75,000
Greater Geelong	\$22,849	Towong	\$33,906
Greater Shepparton	\$60,047	Wangaratta	\$51,439
Hepburn	\$33,853	Warrnambool	\$6,872
		<i>Note: grant was declined by Warrnambool City Council</i>	
Hindmarsh	\$75,000	Wellington	\$75,000
Horsham	\$75,000	West Wimmera	\$75,000
Hume	\$11,476	Whittlesea	\$9,528
Indigo	\$42,198	Wodonga	\$10,002
Latrobe	\$32,774	Wyndham	\$11,160
Loddon	\$75,000	Yarra Ranges	\$35,248
Macedon Ranges	\$38,723	Yarriambiack	\$75,000

## Question on Notice 8

**Mr RIORDAN:** Yes. Okay, thank you. At page 18 of the questionnaire, reference is made to the fact that Forest Fire Management crews responded to 767 fires impacting 1.5 million hectares. It was later reported that hundreds of DELWP employees, including many forest firefighters, had been forced to wait many months to be paid for the additional work that they undertook during the bushfires. Can you explain how much additional money has been paid to forest firefighters as a result of the bushfires in this period?

**Mr BRADLEY:** So the total quantum for performing their fire role?

**Mr RIORDAN:** The extra. So the amount that we underpaid, what was the total amount extra we have had to pay out?

**Mr BRADLEY:** I believe, unless the Chief Financial Officer is in a position to answer that, that we would have to take that on notice.

Given the exceptionally busy 2019-20 fire season, with staff working multiple deployments and rotations from very early in the season (including to support the NSW bushfires), there were a significant number of timesheets being processed by Incident Management Teams. The payment process was reviewed and interrogated during the season. It was confirmed that payments were processed within normal benchmark processing times and had improved compared to previous years.

This improvement was due to the automation of part of the payroll process and the efficient work of incident management leaders in approving timesheets. Based on the review, there were no underpayments identified. As there were no amounts underpaid, there were no extra amounts to pay out.

The total allowances and entitlements paid to forest firefighters (including incident management roles) for the 2019-20 financial year was approximately \$49 million - more than double an average year due to large mega-complex fires in the north and east of the State.

However, the total allowances and entitlements were only about 16 per cent more than the previous 2018-19 financial year (approximately \$42 million), within which there was also a very busy fire season, with many smaller fires across the State especially in drought-affected Gippsland.

## Question on Notice 9

**Mr RIORDAN:** Sorry, not the ones under construction. My question relates more to ones that either are under construction or have completed construction that at the moment cannot be connected to the grid because grid connections do not exist.

**Ms HARRIS:** There are a number of projects throughout Victoria that are experiencing some delays in relation to the connection experience. I will get the exact status of our own projects. I will take that on notice in terms of how many are directly connected for—

**Mr RIORDAN:** Okay, thank you. And in that list could you provide estimated connection times? So projects sitting there not yet connected and what their estimated connected time is.

**Mr BRADLEY:** I think the issue with that last part is that that process of interaction with AEMO is a commercial-in-confidence process. We will do that to the extent we can within some constraints from commercial in confidence. It is a negotiated process of engaging with the market operator that the government is not directly involved with, and the solutions for securing their registration and the connection agreement tend to be issues that are commercially sensitive in terms of the competitive position of the generators in the market. So we will answer to the extent we can on notice, if that suits.

**Mr RIORDAN:** All right. But you will be able to provide us the list of renewable energies that are not connected?

**Mr BRADLEY:** Yes.

The most authoritative source of project status is published in the Australian Energy Market Operator's (AEMO's) NEM Generation Information, published monthly and available on the AEMO Website. AEMO defines generators as having either 'Project' or 'Existing Plant' status based on their registration status and export capability.

### ***Existing Plant***

'Existing Plant' status means that a generator has met several conditions including energisation of its network connection point and is often starting to export power to the grid, but not necessarily reached approval for full export. Generators with this particular status (i.e. 'Existing Plant' not yet fully commissioned) are summarised in the following table, using AEMO's latest (January 2021) publication.

*Table 1 – Existing plant not fully commissioned*

<b>Generator</b>	<b>Capacity (megawatts)</b>	<b>Status</b>
Bulgana Green Power Hub – Wind Farm	194	In commissioning
Dundonnell Wind Farm	336	In commissioning
Elaine Wind Farm	84	In commissioning
Kiamal Solar Farm – Stage 1	200	In commissioning
Yendon Wind Farm	144	In commissioning
Berrybank Wind Farm	181	Not yet in commissioning
Glenrowan West Sun Farm	132	Not yet in commissioning
Yatpool Solar Farm	94	Not yet in commissioning

### ***Generators under construction***

Generators that are still under construction would be captured under the 'Project' status, with construction date featuring as one of five criteria for a project to be considered 'Committed':

**Site** – the project proponent has purchased / settled / acquired (or commenced legal proceedings to purchase / settle / acquire) land for the construction of the project.

**Major components** - Contracts for the supply and construction of major plant or equipment components (such as generating units, turbines, boilers, transmission towers, conductors, and terminal station equipment) have been finalised and executed, including any provisions for cancellation payments

**Planning and approvals** - The proponent has obtained all required planning consents, construction approvals, connection contracts (including approval of proposed negotiated Generator Performance Standards from AEMO under clause 5.3.4A of the National Electricity Rules), and licences, including completion and acceptance of any necessary environmental impact statements

**Finance** - The financing arrangements for the proposal, including any debt plans, must have been concluded and contracts executed

**Date** - Construction of the proposal must either have commenced or a firm commencement date must have been set. Commercial use date for full operation must have been set.

Victoria currently has five large-scale renewable energy projects totalling 1165MW with 'Committed' status. AEMO does not publish precisely what stage of construction these projects are at. These projects are summarised in the table below.

*Table 2 – Committed projects*

<b>Project</b>	<b>Capacity (megawatts)</b>	<b>Status</b>
Cohuna Solar Farm	31	Committed
Moorabool Wind Farm	312	Committed
Murra Warra Wind Farm – Stage 2	209	Committed
Stockyard Hill Wind Farm	528	Committed
Winton Solar Farm	85	Committed

## **Question on Notice 10**

**Mr RIORDAN: Okay. Can you tell us: of the renewable energy projects that the Victorian government has helped to fund in recent years, how many of those have equipment sourced from Huawei?**

**Ms HARRIS: I am afraid I will have to take that one on notice.**

The design and construction of Victorian Government supported renewable energy projects, including selection of all equipment and suppliers, is a matter for the project developers. These projects are required to meet all AEMO standards and security protocols.

The department has reviewed the information it currently holds in relation to equipment installed at large-scale renewable energy projects that have received government support, and confirms that one project in this portfolio has confirmed that it has utilised equipment sourced from Huawei.

Given that sourcing and installing equipment is the responsibility of project developers, there may be other minor components that are not within the knowledge of the Victorian Government.

## Question on Notice 11

**Mr RIORDAN:** Thank you. We talked about large-scale renewable projects. Does the government to June 2020 have a report or have you done some analysis on how many small-scale—so basically home solar, which we were talking about before—how many people are unable to take advantage of solar programs because they cannot connect to the grid?

**Ms HARRIS:** We do have some information. I will check what we are able to provide in relation to information from distributors. It is exceptionally rare to not be able to put on a system at all.

**Mr RIORDAN:** I just beg to differ there, because certainly in country Victoria, certainly in my electorate, there are huge swathes of the electorate that cannot be connected. Is that something that you are monitoring?

**Ms HARRIS:** It is. We are very actively monitoring that, and we get regular reports from all of the distribution businesses to give us up-to-date statistics on all of those issues. What we have found in gathering those statistics is that the issue is more acute in relation to being able to export rather than being able to connect at all.

**Mr RIORDAN:** Do you have a list of those that cannot export?

**Ms HARRIS:** We certainly have statistics, and I will check. I will need to check in relation to the confidentiality arrangements that we have signed with the individual distribution businesses as to what we can supply, and to the extent that we are able to do that, we can certainly do that.

Distribution businesses do not prevent households from connecting their solar to the grid in Victoria.

Some distribution businesses do apply export constraints to customers in certain areas. The Department does not hold a list of individual properties that cannot export.

Export constraints do not prevent customers from taking advantage of the Solar Homes Program although it will affect the payback period of their investment. Export constrained connections represent a minority of new solar connections in Victoria.

All Victorian distribution businesses are working to address this issue, including through Electricity Distribution Price Review proposals submitted to the Australian Energy Regulator for the 2021-26 regulatory period. The regulator's draft decision has approved investments which will enable higher degrees of solar uptake. Powercor and AusNet also made commitments to bring forward some of these investments to early in 2021 in areas of high solar demand.

## Question on Notice 12

**Mr RIORDAN:** How much gas has been exported from Victoria to other states on a monthly basis to June 2020?

**Mr BRADLEY:** Thank you. We will be in a position to answer that. We will just be a moment.

**The CHAIR:** Mr Riordan, your time has expired. I will just ask the Secretary if he found what he was looking for.

**Mr BRADLEY:** I did not. Can I take that on notice in relation to the gas exports to other states?

2019-20	Supply to other states (petajoules)
Jul	7.3
Aug	8.2
Sep	8.1
Oct	11.0
Nov	7.1
Dec	7.8
Jan	6.4
Feb	8.2
Mar	6.6
Apr	4.2
May	5.5
Jun	4.2

## Question on Notice 13

**Mr LYNGCOLN:** Thanks. So in relation to actual projects that went through Environment Effects Act type planning processes, there is a process there by which project proponents do a self-assessment against EES guidelines as to whether they believe they need to lodge for a decision on whether an EES is required, and then once they do that there is a submission to the Minister for Planning that then determines whether an EES is required. In some cases an environment effects statement is, in other cases there might be conditions in lieu of requiring to do that. In 2019–20 there were seven projects where ministerial decisions were made under the Environment Effects Act through environment effects statements—I can either run through those now or provide you a list on notice—and then there were a further six projects where there were conditions in lieu of an environment effects statement, so that is where the minister determined that an EES was not required, but there are other conditions that would need to be met to satisfy the project going ahead. I am happy to provide lists on notice, if you like, or can provide them now if you prefer.

**Mr HIBBINS:** I think a list on notice would probably better assist the committee.

List of EES Referral decisions for 2019-20 (based on date of Minister’s decision under the Environment Effects Act):

<b>Date of Ministers Decision</b>	<b>Project referred under EE Act</b>	<b>Minister Decision</b>
21 July 2019	East Grampians Rural Pipeline Project	No EES with Conditions
17 August 2019	Avonbank Mineral Sands Project	EES
17 August 2019	The Wimmera Mineral Sands Project	EES
25 August 2019	Kentbruck Green Power Hub Project	EES
8 September 2019	Golden Beach Gas Project	EES
22 December 2019	Western Outer Ring Main Gas Pipeline	EES
18 January 2020	Shepparton Line Upgrade Project	No EES with Conditions
19 April 2020	250A Taylors Road, Delahey Development	No EES with Conditions
29 April 2020	Moyston Sand Quarry, 69 Barton Road	No EES with Conditions
11 May 2020	Star of the South Offshore Wind Farm Project	EES
21 May 2020	Warburton Mountain Bike Destination Project	EES
11 June 2020	Nyah Floodplain Restoration Project	No EES with Conditions
14 June 2020	Cardinia Motor Recreation and Education Park	No EES with Conditions

## **Question on Notice 14**

**Mr HIBBINS:** Okay. Were there any? Did the minister not proceed with any EESs against the advice of the department?

**Mr LYNGCOLN:** I would have to take on notice whether any were against the advice of the department. Generally the department would provide advice with the range of options the minister has around that and the things that the minister should weigh up. There were certainly projects, as I said, where the minister determined an EES was not required. From memory, they were largely in line with the advice that we provided, but I would have to take on notice if there were any that were against our advice.

In relation to EESs, the Minister for Planning's decisions were in line with the advice provided by the department.

## **Question on Notice 15**

**Ms VAUGHAN:** Thanks for the question, Mr O'Brien. There has previously been work done on Big Buffalo. We did some analysis—I am happy to provide some more detail on it—that was put into one of our water security plans earlier. I think it was around about 2014, but I would need to check that. And so specifically—

**Mr D O'BRIEN:** Specifically, because I am looking at the reference period 2019–20—

**Ms VAUGHAN:** Yes.

**Mr D O'BRIEN:** whether a response to the Deputy Prime Minister was provided about Big Buffalo.

**Ms VAUGHAN:** Yes, I would have to take that one on notice, actually.

The Minister for Water has previously confirmed that the Government does not support enlargement of Lake Buffalo. All water in northern Victoria is already allocated under the agreed Murray-Darling Basin Plan – and this was recently confirmed in a report into water availability led by the then Murray-Darling Interim Inspector General, Mick Keelty. Enlargement of Lake Buffalo would take water from some users and provide it to others rather than creating new water supply.

The proposal would also have negative environmental impacts. An enlarged Lake Buffalo would change the flow regime of the Ovens River and disrupt Murray cod breeding and ecological flows. The current, largely natural, flow regime in the Ovens River basin provides an important breeding ground for Murray cod and vital ecological flows to the Murray River.

Given this, there was limited value in submitting enlargement of Lake Buffalo into the National Water Grid Authority as it conflicts with the Basin Plan. However, the Victorian Government has submitted a number of other projects to the National Water Grid Authority (see Question 17).

## **Question on Notice 16**

**Mr D O'BRIEN:** Okay. Has the government in any way progressed the options for feasibility for the Big Buffalo dam?

**Ms VAUGHAN:** Well, part of the issue that we have with Big Buffalo relates to the Murray-Darling Basin plan and the sustainable diversion limits that are in place associated with that plan, and that is why I referred to the previous work that was done around water security in around about 2014. So to specifically answer your question, we have not done significant work on that at the moment, because of the SDL arrangements.

**Mr D O'BRIEN:** Would it be more correct to say you have done no work on it because of the SDLs?

**Ms VAUGHAN:** I would need to take that on notice, Mr O'Brien.

Enlarging Lake Buffalo to 1,000 gigalitres was considered and rejected in the 2009 Northern Region Sustainable Water Strategy, which found, amongst other things, that supplying water from an enlarged storage while remaining compliant with the Basin Plan could mean that "water availability for Murray users could be reduced by up to 175 gigalitres a year".

In 2014, a further study into the feasibility of expanding Lake Buffalo to 34 gigalitres to improve water security for Wangaratta found that an enlargement of Lake Buffalo was not feasible nor cost effective.

No further feasibility studies have been completed as the crucial underlying factors, including Basin Plan limits on extraction, have not changed.

## Question on Notice 17

**Mr D O'BRIEN:** Okay. The minister indicated in December, when she appeared before us, that she planned to submit the number of projects for commonwealth funding through the National Water Grid Authority. Can you outline to us which projects have been submitted for funding?

**Ms VAUGHAN:** We have been working quite closely with the National Water Grid Authority. We talk to them regularly. We talk to the commonwealth regularly. I do not have that information in front of me today, but we have been working really closely with the national water grid. As you know, we have a lot of arrangements with the commonwealth government for funding of projects. We have got a long list of projects that we want to keep going with, and we will continue to have those conversations with them.

**Mr D O'BRIEN:** Understanding that you are happy to take the detail on notice, have any projects been submitted thus far?

**Ms VAUGHAN:** I actually have not got that information in front of me, sorry, Mr O'Brien. But I do know that there are a number of projects that we are speaking with them about, and one that kind of comes to mind is the Western Irrigation Network project—the WIN, as we call it—through Western Water. My uncertainty is whether we have actually fully submitted that right at the moment or whether it is in progress.

**Mr D O'BRIEN:** I am happy for you to provide some detail on notice as to any that have been submitted or are going to be submitted—that would be good.

**Ms VAUGHAN:** Sure.

Projects that Victoria has submitted to date to the National Water Grid Authority for funding include:

Two projects submitted seeking construction funding (total \$16.5 million sought)

- Werribee Irrigation District Modernisation Stages 4 and 5
- Bellarine Recycled Water for Agriculture

Two projects submitted seeking detailed business case funding (total \$1.4 million sought)

- Pakenham Cora Lynn Recycled Water for Agriculture
- Tyabb-Somerville Recycled Water Irrigation Scheme

Two projects submitted seeking preliminary business case funding (total \$620,000 sought)

- Sunbury-Bulla-Keilor Agricultural Rejuvenation Project
- Coliban Regional Rural Modernisation Project

## Question on Notice 18

**Mr D O'BRIEN:** Continuing on the commonwealth water infrastructure fund announced first in 2019, again, the minister told the committee in December that one of the projects that she had considered originally was whether desalinated water could be delivered south to north using the north-south pipeline. The minister mentioned that there had been a business case on the reversal of the north-south pipeline. Is that available and could we have a copy of that?

**Ms VAUGHAN:** Again I would have to take that one on notice. Sorry about that, Mr O'Brien.

In 2016 the government completed a preliminary business case to consider the feasibility of using the North-South Pipeline to provide water security to towns and communities in both directions. To provide this information in an accessible and clear form, the findings of this study were summarised and publicly released in December 2016:

[https://www.water.vic.gov.au/data/assets/pdf\\_file/0016/52243/SugarloafPipeline-web.pdf](https://www.water.vic.gov.au/data/assets/pdf_file/0016/52243/SugarloafPipeline-web.pdf)).

## Question on Notice 19

**Mr D O'BRIEN:** So again, as part of that work that you have done, has there been any identification of what the potential cost of water might be, delivered from desal via a south–north pipeline?

**Ms VAUGHAN:** I will have to take that question on notice, that very specific question.

**Mr D O'BRIEN:** Okay. Likewise, I would be interested if you had any detail on whether it is feasible—I think the previous study looked at \$277 million in infrastructure costs alone—and whether there are any additional costs that are being considered for reversing north–south and delivering desal water in terms of both infrastructure and other costs associated with such a project. If you can take that on notice as well, that would be appreciated.

**Ms VAUGHAN:** Yes.

The preliminary business case to consider the feasibility of using the North-South Pipeline to provide water security to towns and communities in both directions completed in 2016 found that pumping water from south to north via the North-South Pipeline is technically feasible, subject to new infrastructure being constructed. The cost of this infrastructure was estimated at that time to be \$277 million. There would also be operating costs that would vary depending on the volume of water transferred.

To fully recover both capital and operating costs the estimated unit cost of water was estimated to be \$1,350 per ML at that time.

The findings of the preliminary business case including these cost estimates were published in December 2016

([https://www.water.vic.gov.au/data/assets/pdf\\_file/0016/52243/SugarloafPipeline-web.pdf](https://www.water.vic.gov.au/data/assets/pdf_file/0016/52243/SugarloafPipeline-web.pdf)).