

Briefing for the  
**Minister for Planning**

<b>Subject:</b>	<b>EES REFERRAL 2010R-02 UNDER THE <i>ENVIRONMENT EFFECTS ACT 1978</i> MELBOURNE GEELONG INTERCONNECTION PROJECT</b>
<b>Timing:</b>	A decision is needed as soon as practical.

**Recommendations:**

1. That you sign the attached Statement of Decision (**Attachment 1**) under section 8B(3)(b) of the *Environment Effects Act 1978* that an Environment Effects Statement (EES) is not required for the proposed Melbourne Geelong Interconnection Project subject to specified decisions, for the reasons set out in the attached Reasons for Decision (**Attachment 2**).
2. That you sign the attached letters to Barwon Regional Water Corporation (the proponent), Minister for Environment and Climate Change, Greater Geelong City Council and Wyndham City Council advising (under section 8B(4)(a)(ii) of the *Environment Effects Act 1978*) of your decision that an EES is not required, subject to conditions.
3. That a media release is not required for this decision on the need for an EES.

**Adviser:** .....

**Adviser's Notes:**  
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**Minister's Comments:**  
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Recommendation 1:	<input checked="" type="radio"/> Approved	<input type="radio"/> Not Approved	<input type="radio"/> Noted	<input type="radio"/> Returned for Review
Recommendation 2:	<input checked="" type="radio"/> Approved	<input type="radio"/> Not Approved	<input type="radio"/> Noted	<input type="radio"/> Returned for Review
Recommendation 3:	<input type="radio"/> Approved	<input type="radio"/> Not Approved	<input type="radio"/> Noted	<input type="radio"/> Returned for Review

Signed: .....  Date: 1/5/10

**Justin Madden MLC, Minister for Planning**

<b>Reference:</b>	CMIN019141
<b>Approved By:</b>	Jeffrey Gilmore, Executive Director, Planning Policy and Reform, ☎ 9637 9055

\*CMIN019141R\*



# Department of Planning and Community Development

**TO:** Minister for Planning

**Ref:** CMIN019141

**FROM:** Planning and Local Government

**File:** 10/005916-01

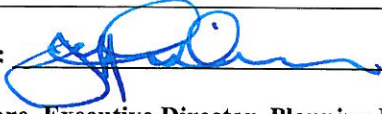
**SUBJECT:** EES Referral 2010R-02 under the *Environment Effects Act 1978*  
Melbourne Geelong Interconnection Project

## RECOMMENDATIONS

1. That you sign the attached Statement of Decision (**Attachment 1**) under section 8B(3)(b) of the *Environment Effects Act 1978* that an EES is not required for the proposed Melbourne Geelong Interconnection Project subject to specified decisions, for the reasons set out in the attached Reasons for Decision (**Attachment 2**).
2. That you sign the attached letters to Barwon Regional Water Corporation (the proponent), Minister for Environment and Climate Change, Greater Geelong City Council and Wyndham City Council advising (under section 8B(4)(a)(ii) of the *Environment Effects Act 1978*) of your decision that an EES is not required, subject to conditions.
3. That a media release is not required for this decision on the need for an EES.

## KEY ISSUES

4. Barwon Regional Water Corporation (Barwon Water) has sought your decision on whether an EES is required under the *Environment Effects Act 1978* (EE Act) for the Melbourne Geelong Interconnection Project.
5. **Project Description:** The Melbourne Geelong Interconnection Project is designed to deliver up to 16,000 million litres of water per year from Melbourne to supplement Geelong's water supply. This project was identified in 'Our Water, Our Future – The Next Stage of the Government's Water Plan'. The project will form part of the Victorian water grid and plays a crucial role in meeting the region's future water demand. The project will require the installation of an 800 millimetre (mm) pipe along a 56.4 kilometre (km) route (described in the referral as a 'corridor') commencing north-west of Werribee, at the Cowies Hill Water Reserve and terminating north of Geelong at the Lovely Banks basin (**Attachment 3**). The project also includes the installation of a pump station and surge tank. The pipe will be constructed in a 30 metre (m) easement along most of the proposed route, though this would

Approved by:  Date: 30/04/10  
Jeffrey Gilmore, Executive Director, Planning Policy and Reform ☎ 9637 9055

Endorsed by: Prue Digby, Deputy Secretary, Planning and Local Government, ☎ 9637 8345

Signature:  Date: 3/5/10

Reviewed by: John Ginivan, Executive Director Planning Policy, ☎ 9637 8045

Signature:  Date: 30/4/10

Reviewed by: Trevor Blake, Chief Environmental Assessment Officer, ☎ 9637 9623

Reviewed by: Geoff Ralphs, Deputy Chief Environmental Assessment Officer & Program Manager, ☎ 9637 9547

Prepared by: Anthony Wansink, Senior Environment Assessment Officer, ☎ 9412 4657

be reduced to either 20 or 10 m in areas of environmental sensitivity – in particular through a proposed grassland reserve.

6. Approximately 17 km of the pipeline route will be located within the ‘grasslands reserve’ proposed through the Strategic Impact Assessment for the *Melbourne @ 5 Million* program. The ‘grassland reserve’ was proposed to offset for any loss of ‘Natural Temperate Grasslands of the Victorian Volcanic Plain’ community which is listed as critically endangered under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act).
7. **Key Environmental Issues:** The project has the potential to impact on biodiversity assets, water environments, Aboriginal and non-Aboriginal cultural heritage, and future land-use. The project has the potential to impact on a significant amount of native vegetation, some threatened flora species and communities, as well as habitat for threatened fauna species.
8. Native Vegetation and Threatened Communities: The project could require the removal of approximately 18.76 hectares (ha) of native vegetation, comprising approximately 18.35 ha of Plains Grassland Ecological Vegetation Class (EVC) and approximately 0.41 ha of Plains Grassland / Plains Grassy Woodland Mosaic EVC. These EVCs are both considered ‘endangered’ within the Victorian Volcanic Plain in accordance with *Victoria’s Native Vegetation Management Framework – A Framework for Action* (NVMF).
9. Of the 18.76 ha to be removed, 13.08 ha is of Very High Conservation Significance (VHCS) and 5.68 ha is of High Conservation Significance (HCS), according to the NVMF requirements. Normally this would require the Minister for Environment and Climate Change to approve the removal of vegetation of VHCS.
10. The vegetation present within the pipeline route includes approximately 12.91 ha of the ‘Natural Temperate Grasslands of the Victorian Volcanic Plain’ which is listed as critically endangered under the EPBC Act. This community directly correlates with Western (Basalt) Plains Grassland community which is listed under the *Flora and Fauna Guarantee Act 1988* (FFG Act). The majority of this community to be removed is located within the proposed ‘grassland reserve’.
11. The extent of native vegetation proposed to be removed is not large considering the length of the pipeline. The Department of Sustainability and Environment (DSE) considers that overall the proposed route has been appropriately selected to avoid important areas of native vegetation and overall to minimise the loss of vegetation of VHCS, generally in accordance with the ‘avoid, minimise, offset’ principles of the NVMF.
12. As referred, the section of the pipeline route passing through the ‘grassland reserve’ has been located partly within road reserves and partly outside the latter in order to minimise ecological impacts. This route section was developed by Barwon Water in consultation with DSE. However, DSE has advised that recent discussions with Barwon Water have identified an opportunity to further reduce ecological impacts by wholly siting the route within road reserves in the section passing through the ‘grassland reserve’.
13. While the referral describes the likely extent of native vegetation and threatened communities to be removed, it does not provide sufficient detail on how the route of the pipeline or the specification of works within the route will minimise the clearance of native vegetation. This is also the view of DSE. Further information regarding the extent of vegetation removal, and the effectiveness of proposed avoidance and mitigation measures within the proposed route will be needed to inform decisions to authorise removal of vegetation and associated offsets under the *Planning and Environment Act 1987*.
14. The referral states that offsets are proposed to be sourced within the new ‘grassland reserve’. However, the referral documentation does not provide details on either required offsets or



specific offset measures. This is due to the uncertainty regarding the location of the pipeline within the proposed route and hence the native vegetation to be removed.

15. Threatened Flora Species: Four flora species listed under the FFG Act have the potential to occur with the proposed corridor or the surrounding area; Spiny Rice-flower, Brittle Greenhood, Button Wrinklewort and Large-fruit Fireweed. One additional species listed under the EPBC Act, Matted Flax-lily, also has the potential to occur within the proposed corridor or within the surrounding area.
16. The Spiny Rice-flower was the only species identified through site surveys within the proposed route (64 plants were located in three areas). Only one Matted Flax-lily was identified. No other threatened flora species have been identified within the proposed route. Two areas were identified as potentially containing Brittle Greenhood with seasonal constraints preventing positive identification. Barwon Water proposes to undertake pre-construction surveys for Brittle Greenhood in these two areas.
17. Barwon Water proposes to avoid threatened flora identified during site surveys by adjusting the works to the extent practicable to avoid individual plants. The project is unlikely to have a significant impact on threatened flora, having regard to the minimisation of impacts through the route selection and the ability to further minimise impacts by refining the pipeline alignment and specification of works in sensitive sections.
18. While the referral documentation adequately identifies the presence of threatened flora species within the proposed route, it lacks clarity on the key locations where the siting of the pipeline within the route will impact on threatened species. DSE consider that clarification of such locations within the route, which may require specific mitigation measures, should be addressed through the implementation of an Environmental Management Plan (EMP).
19. Threatened Fauna Species: Seven fauna species listed under the FFG Act are predicted to occur within the proposed corridor or within the surrounding area: Plains Wanderer, Striped Legless Lizard, Grassland Earless Dragon, Growling Grass Frog, Golden Sun Moth, Australian Grayling and Dwarf Galaxias. One additional fauna species (Australian Painted Snipe) listed under the EPBC Act is predicted to occur within the proposed corridor or the surrounding area.
20. Barwon Water commissioned targeted surveys for Plains Wanderer, Striped Legless Lizard, Grassland Earless Dragon and Golden Sun Moth. No significant populations of these threatened fauna were located during these surveys, though one individual Plains Wanderer and four individual Golden Sun Moths located within the corridor. The targeted surveys identified several areas of potential habitat for these threatened fauna species within the proposed route. These areas are likely to be impacted by the project.
21. The proposal has some potential to have a significant impact on threatened fauna species due to the presence of habitat. But given the lack of significant populations present within the route and the opportunities for avoidance and minimisation of impacts on habitat, the risk of significant impacts is not high. DSE consider that the proposal will not have a significant effect on threatened fauna species or habitat and that any impacts will be localised effects.
22. Barwon Water has proposed to develop Threatened Species Management Plans which would document specific construction constraints and measures including reduced construction easements and limitations on construction timing to avoid key breeding periods.
23. The referral documentation adequately identifies threatened fauna species and habitat but further clarification of impacts on potential habitat and opportunities for minimisation and avoidance would assist the preparation of Threatened Species Management Plans.

24. **Water Environments:** The proposed route will cross four major waterways, namely Werribee River, Little River, Lollypop Creek, Hovell River, and numerous tributaries and drainage lines. The selection of the crossing locations has been determined in consultation with Melbourne Water and the Corangamite Catchment Management Authority. The crossing locations avoid areas of environmental sensitivity with potential impacts limited to construction (i.e. sedimentation) and rehabilitation (i.e. erosion resulting from non-effective rehabilitation). These impacts can be appropriately managed and monitored using best practice environmental management techniques.
25. The proposed corridor includes the Sewells Road dams which are a biosite of local significance. The proposed route does not include the wetland component of this biosite, but do include the cultivated agricultural land and natural grasslands located within the recharge area. Barwon Water proposes to reduce the route width within this section to reduce the impacts. It is unlikely that this project will have a significant impact on wetlands and it is expected that impacts can be appropriately managed and monitored using best practice environmental management techniques.
26. **Cultural Heritage:** The project will impact on some Aboriginal and non-Aboriginal cultural heritage sites. Twenty-seven isolated Aboriginal artefacts have been located within the proposed route and may be impacted by this project. These sites are not considered to be significant by either the heritage consultant for the referral or the Wathaurong Aboriginal Cooperative, which is a Registered Aboriginal Party under the *Aboriginal Heritage Act 2006*. Barwon Water are currently preparing a Cultural Heritage Management Plan (CHMP) under the Act; this will provide an adequate process for further assessment and management of Aboriginal cultural heritage.
27. The project will impact on the historic Cobbledicks Ford which is listed under the Victorian Heritage Inventory. Barwon Water has proposed to cross the Werribee River at Cobbledicks Ford due to the low environmental constraints at this location. It is proposed that Cobbledicks Ford will be re-constructed following the installation of the pipe. It is not considered that impacts to Cobbledicks Ford itself will be significant.
28. **Future land-use:** The project may have impacts on landholders through the creation or use of easements on freehold land. The pipeline route is predominately located within existing easements, with appropriately 6.4 km of new easements required. It is unlikely that the creation of new easements will have a significant impact on landholders given the underground nature of the pipe and limited constraints on land use following installation.
29. Other impacts on the community relate to the construction process and could include traffic delays, dust, noise, and land use impacts (e.g. temporary disruption to agricultural activities). These impacts are expected to be similar to other civil construction projects and are unlikely to be significant.
30. **Proposed conditions if no EES.** There are several residual issues relating to potential impacts on biodiversity values that could be adequately addressed by setting conditions in the absence of an EES. These residual issues predominately relate to the clarification of impacts and specific mitigation measures that will be enabled in due course by the detailed specification of works within the proposed pipeline route. The proposed conditions decision would inform the decision-making for authorisation of works under the *Planning and Environment Act 1987*.
31. The following conditions could be applied:
  - Prior to the commencement of works the proponent is to prepare an Environmental Management Framework for the project, which is to incorporate the following:

- Document the likely effects of the project, both as referred under the Act and varied on the basis of a route that only utilises road reserves within the proposed grassland reserve. This assessment is to address effects on native vegetation, the habitat and local populations of fauna species listed under the *Flora and Fauna Guarantee Act 1988* (FFG Act), as well as flora species and communities listed under the FFG Act, having regard to both the likely effectiveness of proposed avoidance, minimisation and offset measures and any likely cumulative effects with other activities in the area;
- Document environmental commitments, particularly in relation to measures to avoid, minimise, manage and offset biodiversity effects;
- Mapping that clarifies the locations of biodiversity effects and related environmental commitments;
- A Fauna Management Plan for priority species such as the Plains Wanderer (*Pedionomus torquatus*), Striped Legless Lizard (*Delma impar*), Grassland Earless Dragon (*Tympanocryptis pinguicolla*), Golden Sun Moth (*Synemon plana*) and Growling Grass Frog (*Litoria raniformis*) that specifies measures to manage or offset effects these species;
- A Native Vegetation Offset Management Plan that complies with *Victoria's Native Vegetation Management: A Framework for Action* (2002);
- An Environmental Management Plan that documents procedures to avoid, minimise and manage environmental effects during the construction and post-construction phases, including in relation to waterway crossings, dust, noise, pest and weed management; and
- Processes for monitoring, reporting and external auditing of the implementation of the Environmental Management Framework.

The Environmental Management Framework is to be prepared in consultation with the Department of Sustainability and Environment and the Department of Planning and Community Development, and to the satisfaction of the Minister for Planning.

- Should the proponent need to make substantial changes to the pipeline route from that described in the referral under the Act, which could entail additional environmental effects of any type, a report documenting the modified proposal, its likely effects and their proposed management is to be submitted to the Minister for Planning for his endorsement. This report should incorporate any necessary amendments to the Environmental Management Framework that addresses additional biodiversity effects.

32. **Need for an EES:** On the basis of an evaluation of the proposed Melbourne Geelong Interconnection Project against the decision criteria in the '*Ministerial Guidelines for the Assessment of Environmental Effects under the Environment Effects Act 1978*' (see analysis above and **Attachment 5**), it is concluded that an EES is not warranted, subject to conditions being met, for the following reasons:

- The proposed pipeline route, as described within the referral, is unlikely to have significant effects on agricultural and residential activities, particularly due to the short duration of construction activities, the underground placement of the pipeline and the temporary nature of predicted effects.
- The potential effects of the proposal on waterway environments and heritage values will be largely localised and unlikely to involve a significant effect on the environment.
- The siting of the pipeline within the proposed route, in combination with implementation of the conditions specified in the Notice of Decision, the potential effects of the proposal

on biodiversity values, will enable effects on listed flora and fauna species, communities and native vegetation to be effectively avoided, minimised or otherwise mitigated and as a result are unlikely to be significant.

33. **Planning Approval:** Barwon Water proposes that Clause 52.03 of the Greater Geelong and Wyndham Planning Schemes be amended to include an Incorporated Document that exempts the need for planning permits for the development of this project. This will include an exemption for the permit requirements under Clause 52.17 of these planning schemes for the removal of native vegetation. It is understood that Barwon Water will be seeking the Minister for Planning's intervention under Section 20(4) of the *Planning and Environment Act 1978*.
34. The proposed 'no EES' conditions could be reflected in requirements embedded in an Incorporated Document under the two planning schemes. As part of these planning requirements, a mechanism will be needed to confirm the route of the pipeline, including within the grassland reserve.

## CONTEXT

35. **EPBC Referral:** Barwon Water lodged a referral under the EPBC Act on 2 March 2010. The delegate for Commonwealth Minister for the Environment, Heritage and the Arts decided that the project is considered a 'controlled action' under the EPBC Act and will require further assessment based on preliminary documentation.
36. **Options Assessment:** Barwon Water undertook an assessment of alternative corridors prior to commencing detailed studies of the proposed corridor. Six alternatives were evaluated internally. The selection of the preferred corridor was undertaken in consultation with an Agency Reference Group (ARG) that was convened for this project. The ARG comprised members of relevant State Government agencies, including DSE and DPCD (the South Western Regional Office, not the Environment Assessment Unit), along with local Councils (Geelong and Wyndham) and Catchment Management Authorities (Corangamite and Melbourne Water). Several options were discounted due to safety constraints (i.e. options located within proximity to high voltage powerlines) and existing easement allocations (i.e. options following the Princes Freeway did not have the required space available within existing easements). All feasible options were located within the 'grassland reserve' with the preferred option presenting the best environmental and social outcome.
37. **Referral Timing:** The referral was accepted on 18 March 2010 and a decision was due on 16 April 2010 to meet the 20 business day target for decision on EES referrals. The need to receive advice from DSE has delayed this briefing.

## CONSULTATION

38. The DSE and Commonwealth Department of Water, Environment, Heritage and the Arts were consulted in relation to biodiversity impacts during the preparation of this brief. DPCD regional planning staff have also been consulted.