



6 December 2022

Environmental Impact Statement, Submission

Department of Planning and Environment

New Dungowan Dam and Pipeline Proposal

The Greens NSW are opposed to the construction of a new Dungowan Dam on the Peel River: the approval of the Dungowan dam because of its environmental impacts, its exceedingly high cost and lack of relative benefit compared to other potential water security solutions.

Lack of relative economic or social benefit

The estimated cost has already almost doubled from the initial \$433 million when it was first announced at the height of the 2019 drought, to now an estimated \$1.27 billion. The Dungowan Dam's own Summary Business Case reveals that the Benefit Cost Ratio of the Dungowan Dam and pipeline project is only 0.09, as compared to other alternatives. Therefore, the project does not meet the NSW Treasury guidelines for a Benefit Cost Ratio of >1.

The Productivity Commission's Inquiry Report 'National Water Reform 2020' highlighted the project as an example of poor water infrastructure decision making that would cost the equivalent of \$162,000/ML for water, compared to the current market rate of \$1,500/ML.¹

Infrastructure Australia's (IA) evaluation of the Dungowan Dam's business case identified the project as a poor option to resolve Tamworth's water security issues and recommended the dam not be added to the Federal Government's infrastructure priority list. IA's evaluation of the business case found that alternative water security solutions, including non-infrastructure options, had not been sufficiently considered in the development of the project, disregarding the 56 infrastructure and non-infrastructure options in the draft Namoi Regional Water Strategy.²

Millions of taxpayer dollars and years of work have already been spent attempting to get this proposal off the ground. Any further spending would be financially irresponsible, not least because of the extent of damage caused across the state from recent flooding and bushfire disasters.

The options analysis conducted was constrained by terms of references developed in 2015, which no longer reflect the current best practice in an area of regulation that is constantly and

¹<https://www.pc.gov.au/inquiries/completed/water-reform-2020/report/water-reform-2020.pdf>

²<https://www.dpie.nsw.gov.au/water/plans-and-programs/regional-water-strategies/upcoming-public-exhibition/namoi-regional-water-strategy#:~:text=The%20Draft%20Namoi%20Regional%20Water%20Strategy%20is%20one%20of%2013.and%20other%20stakeholders%20across%20NSW.>

rapidly evolving. The Greens NSW agrees with Infrastructure Australia's position that alternative infrastructure and non-infrastructure options should have been pursued.

Environmental and Biodiversity Impacts

The Environmental Impact Assessment undertaken by the developer fails to comply with multiple State and Federal planning and environmental regulations, including the Secretary of Planning assessment requirements. There has been no analysis of optimal alternatives to supplying water to the Tamworth region into the future. For a proposal such as this, with an estimated cost of \$1.3 billion to provide only an additional 7,000 million litres, it is crucial that other cheaper, less environmentally impactful options be assessed.

The proposal fails to assess impacts on all threatened species which are predicted to be impacted by the construction of the dam and pipeline, including those for which it is a requirement under federal law in the *Environment Protection and Biodiversity Conservation Act 1999* (Cth).

There are 18 threatened species known or likely to be in the area of impact, including six threatened species protected by Federal law, such as the Great Glider. The Environmental Impact Statement shows that a significant area of a critically endangered ecosystem, including habitat for Koalas and other endangered mammal and bird species, will be cleared to make way for the proposed dam.

The Environmental Impact Statement fails to assess these species or makes any effort to preserve these crucial parcels of habitat. With the populations of these threatened species and their habitat rapidly declining all across New South Wales, any further destruction must be avoided.

River Health Impacts

Parts of the proposed development site, such as the Dungowan Creek, are within the threatened Lowland Darling River aquatic ecological community. This community is home to a delicate ecosystem that hosts various native species, including a large Platypus population. The proposal in its current form will lead to the loss of 192km² of high-quality fish habitat, and will reduce migration opportunities for fish species listed as threatened species under the EPBC Act such as the Murray Cod, Silver Perch and the Eel-tailed Catfish.

The proposed offset measures will not adequately compensate for the loss of threatened species and the impact on the aquatic habitat. The construction of this dam would have irreversible impacts on this threatened ecological

The proposal will also result in a loss of flows in the Peel River, causing a failure to meet the Environmental Water Requirements of the Murray-Darling Basin Plan, and decrease the environmental health of the Namoi River catchment

Aboriginal Cultural Heritage Impacts

The EIS states "It is anticipated that between four and six out of the 17 identified discrete Aboriginal sites and places would be subject to direct impacts resulting in their complete or partial loss; five would be unaffected, including several of high cultural value; and six would be inundated by the eventual reservoir created." as well as impacting 2.2 ha of identified areas of high artifact densities, 42 ha where cultural material is likely to be present.

This is an unacceptable level of cultural heritage impact. The EIS claims that as the sites will merely be submerged it will have minimal impact with 'minor burial by silts and sands, but no other substantial modification to the surface or soil profile' however any alteration of the landscape around and accessibility to these sites severely impacts their cultural value for

Not all of the pipeline easement has been assessed in the Environmental Impact Assessment, therefore other sites of high cultural significance may be impacted by the development. The Environmental Impact Statement also fails to allow for cultural flow allocations in the Dungowan Creek or the Peel River.

The EIS states that 'a series of investigative actions are proposed to validate the identification of several of the sites that cannot be robustly identified as cultural heritage without specialist input and/or further archaeological research.' It's vital that this further research is undertaken and it would be inappropriate for the department to approve this EIS before it has.

It is important that the highest care and assessment be taken for proposals that threaten Aboriginal cultural heritage so as to minimise and ultimately remove any potential damage. The lack of assessment currently in place does not achieve these aims.

Community Impacts

There is no evidence that this project will create a substantial amount of local jobs for the Tamworth regional area. The Stage 1 pipeline project did not create local jobs in the region. Rather the construction was undertaken by FIFO workers, and any jobs created were only temporary. The required workforce for the construction of the project will also create competition with other necessary local industries and intensify the labour shortages experienced in regional NSW.

With the current Chaffey and old Dundowan dams, the Peel valley currently already has access to 22GL of high-security water, of which only about 11GL a year is used. If this water can be resourced smartly to surrounding communities, there would be minimal need for an additional dam and investments can be made into water-safe projects in collaboration with the community and their needs.

Recommendations

The NSW Greens recommend the Dungowan Dam project not be approved on the basis of the high costs, and detrimental environmental and social impacts being greater than that of the expected benefit.

We recommend that other non-infrastructure and more cost effective solutions be urgently investigated as suitable alternatives to future-proofing the Tamworth region's water supply.

Yours sincerely



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