

For Public Notice via Internet

REASONS FOR DECISION UNDER *ENVIRONMENT EFFECTS ACT 1978*

Title of Proposal: **Sugarloaf Interconnector**

Proponent: **Melbourne Water**

Description of Project:

The Sugarloaf Interconnector will transfer water from the Goulburn River to the Melbourne Water distribution system. It is planned to transfer a maximum of 75 gigalitres of water per year from the Goulburn River, at a point north of Yea, to the Sugarloaf Reservoir to the north-east of Melbourne. A pipeline of approximately 70 km length will transfer the water, with the proposed pipeline route generally following the alignment of the Melba Highway.

Water for the Sugarloaf Interconnector will be sourced from savings achieved through the modernisation of irrigation infrastructure in the Goulburn-Murray Irrigation District. The Stage 1 of this program of irrigation modernisation works, known as the Food Bowl Modernisation Project, aims to capture up to 225 GL of water that is currently lost due to inefficiencies in the Goulburn-Murray irrigation systems.

Decision:

The Minister for Planning has decided that an Environment Effects Statement (EES) is not required for the Sugarloaf Interconnector as described in the referral accepted on 20 November 2007, subject to the following conditions:

1. A Project Impact Assessment report (PIA Report), building on the studies conducted by the proponent to date, is to be completed to the satisfaction of the Department of Planning and Community Development, in consultation with the Department of Sustainability and Environment:
 - i. This report is to incorporate studies on the potential environmental effects and environmental management of the project, including with respect to: flora and fauna, cultural heritage, land stability, landscape values, waterway environments, land use, social amenity;
 - ii. Further, the report is to incorporate a study assessing the environmental implications of transferring water savings from the Goulburn River, through an off-take via the Sugarloaf Interconnector, including:
 - a. the environmental implications of the water off-take for downstream environmental values, including any relevant matters of national environmental significance;
 - b. the rules for managing the water off-take; and
 - c. relevant environmental management measures.
2. The PIA Report, once completed to the satisfaction of the Department of Planning and Community Development, is to be exhibited for 20 business days public comment.
3. An expert advisory committee is to be appointed by the Minister for Planning to review the PIA Report, any public submissions received in response to the latter report, and any other relevant information.

Reasons for Decision:

It is concluded that an EES is not warranted for the following reasons:

- i. The effects of the project on land uses, human communities and cultural heritage are unlikely to be significant at a State or regional level, having regard to the proposed route through a largely agricultural landscape, the limited duration of construction activities, the underground nature and flexible alignment of the pipeline, as well as the opportunities for avoidance, mitigation and offsetting of adverse effects;
- ii. The diversion of 75 GL per year water from the Goulbourn River Basin when the Sugarloaf Interconnector becomes operational is unlikely to have a significant effect on aquatic ecology and downstream users, because: (a) the planned extraction is relatively small compared to river flows; (b) there is a planned matching allocation of 75 GL per year to environmental flows as part of Stage 1 of the Food Bowl Modernisation Project; and (c) the effects of changes to water management in the Goulburn River Basin as part of the latter project will be subject to separate environmental assessment requirements;
- iii. Potential effects on biodiversity, landscape, waterways and other matters are not likely to be so complex or significant as to warrant detailed scoping or major new studies;
- iv. The suite of Project Impact Assessment studies being prepared by the proponent, if completed to a satisfactory standard, can provide a suitable body of technical investigations to inform decision-making to determine the final pipeline alignment;
- v. An opportunity for public comment on the proposed pipeline route and supporting Project Impact Assessment studies, followed by consideration of the studies and public submissions by an expert advisory committee, can provide a sufficient form of consultation and review with respect to both the potential effects of the proposed pipeline route and possible variations to this.

Date of Decision: 21 December 2007