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REASONS FOR DECISION UNDER ENVIRONMENT EFFECTS ACT 1978

Title of Proposal: Desalination Project

Proponent: Department of Sustainability and Environment

(on behalf of the Minister for Water)

Description of Project:

The Department of Sustainability and Environment, on behalf of the Minister for Water, proposes to develop a seawater desalination plant approximately 3 km west of Wonthaggi to supply water to Melbourne's water supply system, and other regional supply systems. See attached maps.

The Desalination Project works that are the subject of this decision consist of these components:

- i. A seawater desalination plant, initially capable of providing 150 gigalitres per year of potable water, and potentially to expand to 200 gigalitres per year;
- ii. Two 0.8 to 2 km long tunnels connecting the plant to offshore structures located in the Bass Strait, respectively for seawater intake and the discharge of the saline concentrate;
- iii. A pipeline from Wonthaggi to Berwick, largely laid underground in a trench, to transfer water to Melbourne's water supply system;
- iv. Infrastructure to supply 90-100 megawatts of electricity for the operation of the plant (the likely form and siting of this infrastructure is not yet known); and
- v. Other ancillary works.

The following preliminary works to inform design and environmental investigations, which are not part of the capital works described above, are excluded from this decision requiring assessment under the *Environment Effects Act 1978*, in view of their low or negligible potential for adverse environmental effects:

- Geotechnical drilling and sampling to determine site conditions, including onshore and offshore drilling and horizontal directional drilling from onshore entry points, as well as digging of test pits;
- ii. Installation of pipes into horizontal directional drill holes from onshore entry points to offshore positions;
- iii. Construction of offshore marine structures above the seabed for seawater intake and discharge;
- iv. The construction and temporary operation of seawater sampling units;
- v. The installation and operation of one or more pre-treatment and/or desalination pilot plants of a maximum aggregate capacity of 6 megalitres per day;
- vi. The provision of power and water supply that is adequate for the construction and operation of the works described above.

The works described above are subject to relevant statutory authorisations, including the preparation of any necessary environmental management plan.

Decision:

The Minister for Planning has decided that an Environment Effects Statement (EES) <u>is required</u> for the Desalination Project works described above, but not those excluded above.

Reasons for Decision:

- i. The project could have significant adverse effects on a range of environmental assets (including on terrestrial vegetation, listed flora and fauna species, marine and aquatic ecology, landscape values, community amenity, cultural heritage) depending on the final siting and design of infrastructure components, and the application of effective strategies to minimise, manage and offset adverse effects;
- ii. An EES process would provide the scoping and quality review of studies needed to ensure that the potential environmental effects of siting and design options for a desalination plant near Wonthaggi, including the transfer pipeline and power supply, as well as associated waste and environmental management strategies, are adequately assessed to inform relevant decisions on the project works;
- iii. Integrated assessment of the range of potential adverse effects of the various project components through the EES process will provide a coherent set of findings and approaches to inform relevant decisions.

Date of Decision: 28 December 2007