



REG FILE  
Dm 01/2442  
M/00/0861  
DH  
SUS RES  
RDR  
TDM 01/2193

HON WARREN TRUSS MP  
Minister for Agriculture, Fisheries and Forestry

The Hon Rob Kerin MP  
Deputy Premier  
Minister for Primary Industries and Resources  
GPO Box 668  
ADELAIDE SA 5001

24 SEP 2001

Dear Minister *Rob*

I am writing to you concerning Stage 3 of the Upper South East Dryland Salinity and Flood Management (USE) project, in my capacity as Action Minister for the project under the Environment Protection (Impact of Proposals Act) 1974. I understand that my colleague, Senator the Hon Robert Hill, Minister for Environment and Heritage has written directly to you on this matter.

Minister Hill has advised me that he has decided that neither a public environmental report nor an environmental impact statement is required for the Stage 3 works. He has, however, made a series of recommendations concerning Commonwealth funding for Stage 3.

You will recall that last year I withheld approval of the 2000-01 National Landcare Program funding of \$1.550 million sought by South Australia for Stage 3 of the USE project, because at that time the environmental assessment process was not completed. I note that you also have sought funding of \$0.640 million for the completion of Stage 3 of the project in this year's Natural Heritage Trust round.

I have considered Minister Hill's recommendations and have decided to make them conditions of funding. Consequently, I am pleased to advise you that, subject to your acceptance of the conditions, I now have approved Natural Heritage Trust funding for Stage 3 works of the USE project up to the total of \$2.14 million sought by South Australia in 2000-01 and this year. Details of the conditions are attached to this letter. Payments will be made on a staged basis in light of project needs and against progress in meeting the conditions. Details of these arrangements can be finalised between officers of our respective Departments.

I am advised by my Department that several of the enclosed conditions require some clarification or explanation of context. This follows discussions of the conditions at a meeting of the project Executive Committee held on 31 August and attended by officials from Agriculture, Fisheries and Forestry-Australia and Environment Australia. South Australian members of the Committee sought clarification of the intent of several of the recommendations. In particular these relate to Recommendation 2.8, 3.4 and 6.1 to 6.3.



1901-2001  
Centenary of Federation

Minister's Office  
MIND6971

Condition 2.8 concerns the use of Tilleys Swamp for storage of water. The intention is that the actions under this condition apply to the proposed option set out in the Notice of Intention (NoI) to use Tilleys Swamp as a management alternative for large scale water storage of volumes in excess of the 40 000 ML discharge limit. This condition should be read in the context of the appropriate section of the NoI relating to such use of Tilleys Swamp.

Condition 3.4 involves the need for National Action Plan (NAP) or other funding to ensure completion of the project. It is not intended that Stage 3 Natural Heritage Trust funding release be contingent upon receipt of formal approval for NAP funding for the entirety of the South East NAP package. Demonstration by South Australia that the project is a high priority and will be included as part of the NAP South East regional package would meet this condition

Recommendations 6.1 - 6.3 proposed that the assessment of final drainage alignments be to the satisfaction of both the SA Department of Environment and Heritage (DEH) and Environment Australia. As DEH has a role in project implementation, this would involve a potential conflict of interest. Therefore the condition has been modified to refer only to Environment Australia, who will consult with DEH in their assessment.

I look forward to early advice from you concerning your acceptance or otherwise of the funding offer and conditions for Stage 3 works.

Yours sincerely

WARREN TRUSS

Attachment

# 3

UPPER SOUTH EAST DRYLAND SALINITY AND FLOOD MANAGEMENT PLAN: STAGE 3  
ADVICE AND CONDITIONS

The environmental impact assessment process under the *Environment Protection (Impact of Proposals) Act 1974* (the EPIP Act) has adequately examined matters affecting the environment and has proposed appropriate mitigation measures. The conditions below focus on reducing the inherent uncertainty with a project of this complexity, ensuring proper management of areas of high conservation value, and ensuring that implementation is environmentally acceptable.

Neither a public environment report (PER) nor an environmental impact statement (EIS) is required to satisfy the object of the EPIP Act for Stage 3 of the proposal, providing that the proposal is implemented in accordance with the conditions below.

1. DISCHARGE INTO THE COORONG

Condition 1.1:

*Until such time as waterflow is sufficient to validate modelling, and the results of monitoring of the impacts of freshwater discharge on the ecological character of the Coorong are available, the preferred or precautionary approach to water management outlined in the NoI and this Assessment Report should be implemented, noting that additional information is to be provided to EA before using Tilley Swamp for water storage.*

Condition 1.2:

*If monitoring indicates unacceptable impact of agreed outflows into the Coorong, the proponent must investigate again the option of a marine outfall.*

2. MONITORING

Condition 2.1:

*An integrated ecosystem monitoring program (IEMP) must be developed by the proponent, in consultation with all stakeholders, to continue, extend and integrate the research, modelling and monitoring activities established for Stages 1 and 2 of the USE Plan to provide adequate information on potential impacts on the ecological character of the Coorong.*

Condition 2.2:

*Careful consideration must be given to the timing of inflows to the Coorong to minimise potential impacts on Pelican and Fairy Tern breeding patterns, and monitoring of the breeding of the two species must be included in the Coorong IEMP.*

Condition 2.3:

*Monitoring of waterbird populations within the IEMP for the Coorong (and other USE wetlands) must include monitoring of impacts on feeding habitat for specific waterbird populations resulting from water level and salinity changes and the use of alternative habitat by particular waterbird species.*

Condition 2.4:

*The IEMP must take into account waterbird and wader counts undertaken by the Australasian Wader Studies Group. Aquatic and riparian vegetation health should also be monitored under the IEMP.*

Condition 2.5:

*Further long-term monitoring of fauna crossings be conducted by DEH, under the Integrated Ecosystem Monitoring Program, to determine effectiveness of crossing design and the location, and use by, threatened wildlife species.*

Condition 2.6:

Water levels at 42-Mile Crossing must be monitored and management options should be considered to further restrict flows in a southwards direction, to protect conservation values of the ephemeral lakes

Condition 2.7:

The issue of salinity change and water flow into the Coorong from the barrages should be considered as part of future investigations and monitoring. This should be included in the scope of the workshop for the IEMP

Condition 2.8:

To be read in conjunction with appropriate section of the Notice of Intention

Before the use of Tilley Swamp for water storage, a risk analysis must be undertaken to the satisfaction of EA, to allow potential impacts on the National Estate and these nationally important wetlands to be assessed. The analysis must include:

- scenarios addressing potential impacts of ponding (45 000 ML) for differing periods of time (eg, on endangered species, vegetation health);
- likely impacts on salinity levels and revised discharges under each scenario;
- scope of works - what additional drainage construction/realignments would be required,
- how storage will operate (eg to manage water quality and excess water under contingency options);
- quantification of costs - pastoral acquisition, required compensation etc; and
- details of proposed monitoring program

3. PROJECT MANAGEMENT

Condition 3.1:

A comprehensively documented overarching management plan, acceptable to EA, must be put in place prior to provision of any Commonwealth financial assistance for the Stage 3 construction works

Condition 3.2:

The proposed management structure, including the establishment of an Environmental Management Advisory Group (EMAG), to ensure environmentally efficient and effective management for the USE Plan, must be implemented with the proviso that an independent auditor, to be agreed by the Program Board, be appointed to audit the implementation of the management package, on an annual basis whilst Commonwealth financial assistance is being provided, and that this must not be a role for EMAG.

Condition 3.3:

The proposed USE Program Board must present, on an annual basis, a documented formal report to the Commonwealth on the status of the major elements of the USE Plan, that is, drains network, wetlands management, biodiversity conservation and revegetation and catchment agronomy, and include a report on compliance with the conditions of this report and, where at variance, any Commonwealth conditions for financial assistance for Stage 3 set by the Action Minister, the Minister for Agriculture, Fisheries and Forestry.

Condition 3.4:

NAP, or other adequate funding, is essential to the environmental acceptability of the proposal. Therefore, funding for Stage 3 drainage works must not be released until such time as adequate funding is demonstrated to be available for all elements of the USE Plan.

4. ENVIRONMENTAL MANAGEMENT ADVISORY GROUP

Condition 4.1:

Immediate and ongoing tasks for the EMAG must include

- development of an integrated ecosystem monitoring program (IEMP) for the Coorong for reporting on ecological character, including specifying clearly defined roles and responsibilities for all stakeholders.
- development of an environmental management system incorporating and interconnecting environmental management plans (including a water allocation management plan (WAMP)) for all relevant elements of the project; and
- acting as a conduit for communication/liaison with the Coorong Executive Officer, the Murray-Darling Basin Commission, and other relevant stakeholders.

Condition 4.2:

Within 4 months of the date of this assessment, a workshop must be convened by EMAG, with representation from all the relevant stakeholders, including SADEH, PIRSA, EA, MDBC, NGOs, AWSG Coorong Executive Officer, Drainage Board Research Institutions, etc. to scope and design the IEMP. The design and implementation of the Program must be to the satisfaction of Environment Australia and must consider:

- a biological monitoring program, including biological indicators, for the Coorong, recognising and drawing on existing activities and identifying Southern Lagoon indicator sites for monitoring aquatic and riparian vegetation health, water quality, use by birds etc.;
- maintenance and expansion of bird surveys to improve knowledge about site use;
- integration of hydrological modelling and chemical monitoring with ecological monitoring;
- factoring into future monitoring design constraints relating to salinity measurements; and
- further work on the salinity differential between North and South Lagoons and the relationship to diversity of birds

5. WATER ALLOCATION MANAGEMENT PLAN

Condition 5.1:

A water allocation and management plan must be developed by EMAG to provide a framework for managing flows into the Coorong and surrounding wetland system and must be based on:

- a documented context of inter-annual and long-term climatic variability on rainfall in the USE region;
- a scientifically derived model of water movement within the drainage scheme;
- an assessment of the water quality needs of each wetland, and
- a management system indicating the process for determining water flows within the scheme.

Condition 5.2:

Annual review of the Morella Basin Release Protocol, by the Program Board, is required.

6. DRAINAGE ALIGNMENTS

Condition 6.1:

A schedule or code of practice detailing measures to be adopted in drainage work in the vicinity of wetlands or native vegetation must be developed to the satisfaction of EA in consultation with SADEH. It should include an indicative list of key management issues and objectives at wetland and native vegetation sites associated with the proposed Stage 3 drains. It should also include an appraisal of possible environmental impacts and mitigating measures.

Condition 6.2:

The location of final drain alignments and drain design (including fauna crossings and location of spoil) must be agreed with EA, in consultation with SADEH, and designed to minimise adverse impacts on adjoining wetland systems. Regulators must be installed concurrently with drain construction to minimise de-watering impacts. Particular care should be exercised with the Bald Hill, Didicoolum and Taratap Drains.

**Condition 6.3:**

*Any deviations greater than 100 metres from notified indicative alignments must be referred to EA in consultation with SADEH for advice in terms of impacts on threatened species, regional wetlands, nationally important wetlands and migratory waterbirds.*

**7. NATIONAL ESTATE VALUES**

**Condition 7.1:**

*The Australian Heritage Commission must be invited to comment further at appropriate stages of the USE plan implementation, on National Estate wetland areas affected by changing water regimes, including Fairview Conservation Park, Cockatoo Lake, Gum Lagoon Conservation Park, Messent Conservation Park, Bloomfield Swamp and the Coorong. EA must be informed of any studies which indicate changes in the values of National Estate areas adjacent to the plan area such as Bool Lagoon.*

**8. INDIGENOUS HERITAGE**

**Condition 8.1:**

*An effective consultation process with the relevant Aboriginal people with rights and interests in the area, leading to the development, agreement upon and implementation of a Cultural Heritage Management Plan (CHMP) must be developed to the satisfaction of the Australian Heritage Commission.*

**Condition 8.2:**

*The terms of reference for the CHMP must be developed in consultation with the Australian Heritage Commission.*

**Condition 8.3:**

*The management role for the Ngarrindjeri, as provided for by the Coorong Ramsar Plan, is to be addressed as part of the CHMP.*

**9. REVEGETATION**

**Condition 9.1:**

*The proponent must provide to EA, by March 2002, a detailed strategy for achieving the native revegetation target, within an agreed timeframe, plus details of compliance with Vegetation Management Plans for the project area.*

**10. ENDANGERED SPECIES**

**Condition 10.1:**

*Plant surveys be undertaken in Messent CP with regard to endangered Metallic Sun-orchid (*Thelymitra epipactoides*) and the vulnerable Large-fruited Fireweed (*Senecio macrocarpa*). Collection of the following information about both species should be included in the survey/s:*

- the distribution of both species within Messent CP.*
- the number of specimens that would be inundated at the highest expected level of inundation.*
- the location and extent of suitable habitat for both species within Messent CP, or another secure conservation reserve, for the purposes of translocation/ establishment of a new population from seed or seedstock.*

**Condition 10.2:**

*That information obtained from the above surveys should form, by agreement with EA, the basis for a management plan for both threatened species within Messent CP (or at an alternative site)*

## PROJECT BUDGET SUMMARY

PROJECT PROPOSALS	\$'000's 2002/2003*			\$'000's 2003/2004			\$'000's 2004/2005			\$'000's 2005/2006			\$'000's 2006/2007			\$'000's TOTAL
	salary	operating	capital	salary	operating	capital	salary	operating	capital	salary	operating	capital	salary	operating	capital	
USE PROGRAM BOARD																
USE Program Support	62	22		247	108		247	98		247	98		247	96		1472
WETLAND ENVIRONMENTS																
Tilley Swamp risk management				80			80			80						0
Coorong Sth Lagoon Threshold				148	326		148	121		148	120		104	120		1840
Watercourse Restoration	110	370		110	580		110	300		110	700		110	340		1235
HYDROLOGICAL REVEGETATION																
Identify Regional Targets				100												2840
DRAINAGE SCHEME																0
Drain Construction Project																100
BIODIVERSITY REVEG & ENHANCEMENT	75	145	3000	300	165	7000	200	185	7000	200	205	700	200	1525		20900
Biodiversity Cons & Enhancement	90	3150		180	8150		180	4650		180	195		180	195		0
DIVERSIFIED REGIONAL ECONOMY																
Reclaim USE Productive Potential				81	18		81	18		81	18		81	18		17150
STAKEHOLDER INFORMATION																0
Implement Communications Strategy		61			83			72			72			72		396
ADAPTIVE MGMT & IEMP's																0
Integrated Environmental and Monitoring Strategy	200	205	82	200	300	128	200	300	128	200	300	128	200	300	128	360
SUB TOTALS	537	3953	3082	1446	9730	7128	1246	5744	8728	1246	1708	828	1122	2666	128	2999
TOTAL FUNDS			7572			18304										49292
LESS LANDHOLDER CONTRIBUTION (.2231599%)			1690			4085										49292
TOTAL MAP FUNDING REQUIREMENT			5882			14219										38292

\* covers period April to June 2003 only