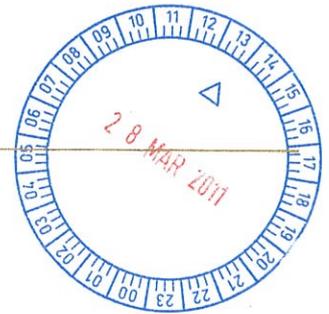


PUBLIC



MINISTER FOR ENVIRONMENT; WATER

Our Ref: 42-05442

Your Ref:

Hon Brian Ellis MLC
Chairman
Legislative Council of WA
Parliament House
PERTH WA 6000

Dear Mr Ellis

PETITION NO. 104 WATER LICENCE BEING APPLIED FOR BY KARARA MINING LTD IN THE PARMELIA LEEDERVILLE AQUIFER OF THE MINGENEW SUBAREA

Thank you for your letter dated 21 February 2011 regarding the above. I am pleased to be able to provide the Standing Committee on Environmental and Public Affairs comment on the terms of the petition, as listed at the end of the petitioner's submission.

Extension of the public consultation period

The application by Karara Mining Limited (KML) was advertised on 11 October 2010 for a 15 day comment period. Under the *Rights in Waters and Irrigation (RIWI) Act* there is a minimum submission period of two weeks. Given the high level of interest and the time of year, the Department of Water (DoW) extended the closing date of the comment period from 26 October 2010 to 31 December 2010. Due to a delay in KML releasing the hydrogeological report, the submission period was further extended to 31 January 2011; an extension of approximately 12 weeks from the original closing date. The DoW believes the 14 weeks is sufficient to capture any community concerns not previously raised. Therefore, the public consultation period was not extended beyond 31 January 2011. I am advised the DoW received a total of 25 submissions.

Overhaul the consultation process

In recognition of large or contentious applications, in producing the Arrowsmith Allocation Plan 2010, the DoW increased the requirements on applicants to conduct public consultation. These requirements now include a public consultation plan, public meetings and the associated report on the findings. I am advised that KML have satisfied these requirements of the assessment process. These additional public consultative processes were developed during the formulation of the Arrowsmith plan, which are a direct result of the DoW responding to community needs.

KML should not receive 86% of the remaining water

The volume of water an applicant can apply for is not limited, as this type of restriction may affect the viability of a project and prevent development. There is no restriction on the amount of water that can be licensed to a single applicant in the RIWI Act and subsequent legislation or the local area management plans. The amount of water that KML will receive is still being determined as the assessment process has not been completed by the DoW.

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Full protection of the Groundwater Dependent Ecosystems (GDE's)

The likelihood of impacts on GDE's and how this can be managed is still being assessed. Prior to any final decision the DoW will consider all the information available, including hydrogeological test pumping, modelling data, and GDE studies. The assessment process takes into consideration the environmental impacts of the proposed abstraction. Hydrogeological studies have been undertaken by KML to support their application and includes information regarding surrounding users and the environment. If a licence is granted to KML, frequent monitoring of water levels and water quality will be a condition of the licence. This may include GDE's to ensure adverse impacts do not occur. It will be a condition of a licence that if any significant impacts occur, the licensee will have to take appropriate management action.

Review of the DoW in relation to water management into the future

The DoW was formed in 2007 to provide an emphasis on the management of water in Western Australia. Since that time the DoW has been working towards a water reform agenda as outlined by the Government to deliver contemporary water management.

A review of the DoW structure and a new strategic plan has recently been endorsed by the Minister with input from stakeholders. This aims to support Western Australia's growth and development by managing the availability and quality of water sustainably into the future. One of the values associated with the plan is that the DoW will work together with stakeholders in a proactive, adaptable and responsible manner to deliver timely water solutions. The plan is underpinned by three goals which aim to meet the water needs for population and economic growth, undertake contemporary and adaptive water management and exceed national standards in water efficiency and demand management.

Who is responsible if water for present users is affected if a licence is granted?

If KML were found to be the cause of an impact to another user, including the environment, they would be responsible for making good the water supply. If a licence were granted there is likely to be a condition stating this. Clause 7.2 of the RIWI Act is designed to ensure other users are not adversely impacted. Additionally, the DoW can amend or cancel licences under certain circumstances.

I trust the above response demonstrates that the DoW is undertaking an appropriate level of assessment and consultation in respect to the application from KML to take water.

Yours sincerely



**HON BILL MARMION MLA
MINISTER FOR ENVIRONMENT; WATER**

23 MAR 2011

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