

29 September 2017

Healthy Waters, Department of the Environment and Heritage Protection
Email: evinfo@ehp.qld.gov.au

Attn: Jim Fewings

Dear Jim,

RE: Stormwater Queensland Submission on the Draft Point Source Water Quality Offsets Policy 2017

Stormwater Queensland provides the Department of the Environment and Heritage Protection (DEHP) with a submission on the *Draft Point Source Water Quality Offsets Policy 2017* (the policy). We note however, that the consultation period was not sufficient in terms of its duration to allow a suitably in-depth consideration of a policy related to such a complex topic. We feel that this topic really requires the organisation of a series of industry events across the State where the policy can be debated in open forum and would recommend that the DEHP consider such further consultation.

Our submission therefore only highlights key points and we would further appreciate the opportunity to discuss the points outlined below in person. Key aspects of the policy which we feel require further consideration include the following:

- 1. Evidence-based policy:** There is a need for much stronger science and planning to be established prior to the DEHP committing offsets to policy. The Queensland Urban Utilities (QUU) pilot offset project for example, has been promoted as a good example of point source offsets being delivered in practice however, it is understood that this is a proof-of-concept project, the efficacy of which is yet to be proven. To commit point-source offsets to policy based on a limited number of case studies does not appear to be a sound approach to evidence-based policy. Regardless of the outcomes of existing projects, it would be prudent to implement and monitor more statistically-robust number of projects before committing point-source offsets to policy.
- 2. Managing potential perceived for conflicts of interests:** The development of the *Flexible options for managing point source emissions: A voluntary market-based mechanism for nutrient management* and subsequent *Draft Point Source Water Quality Offsets Policy* has been advocated by the polluters who benefit financially from such policy and may therefore be perceived as a potential conflict of interest. Such conflicts can be resolved by appropriate consultation with the community (as noted in the point 1 above) however, it is unclear whether appropriate consultation has occurred. Simply releasing the policy for comment would not appear to be adequate consultation.
- 3. Transparency:** The policy refers to the management hierarchy in accordance with section 13 of the EPP for managing surface and groundwater impacts. According to this hierarchy, the policy would not allow for offsets where there are feasible alternatives to first avoid or mitigate impacts. It would seem however, that the QUU pilot offset project was justified primarily on financial grounds. We would suggest that such justification requires further debate as there was a reasonable alternative to mitigate impacts by upgrading a treatment plant (albeit at greater cost). While we acknowledge that our understanding of this specific project is limited, it highlights that there is clearly a need to make the evaluation made by the proponent and the department's assessment of offsets publically available to provide transparency. If the process is transparent, then that degree of rigour which has been applied would be visible and reduce concerns as to whether the process used was commensurate with the risk and impact.

4. **Effect of point source offsets on stormwater quality management:** The types of management actions that may achieve point source water quality offsets listed in the policy include the application of ‘*water sensitive urban design (beyond meeting the design objectives under the State Planning Policy State Interest Water Quality.)*’ There are four key points we would like to make in this regard including:
- a. The number of sites suitable for water quality offsets within any government local government are limited. For example, Ipswich City Council assessed its offsets potential and found that there was inadequate number of urban sites to meet its own diffuse source demand. Meanwhile, Melbourne has already exhausted its major urban offset opportunities. This is expected to be a similar scenario in any local government. If point source offsets are to include managing urban stormwater, there needs to be process of adequate local government consultation documented in the policy. This should include the need for local governments to have assessed their own offset potential across their LGA’s prior to accepting a stormwater-based point source offset.
 - b. Further to the above point, a proponent of a point source offset should not be permitted simply to pay a monetary contribution to a local government to deliver/monitor the offset. The responsibility for the offset should remain with the proponent. While this appears to be the intent of the policy, it needs to be made more explicit in the wording of the policy.
 - c. The policy should require that the offset demonstrates an equivalent mitigation of impact compared to the point source impact using peer-reviewed rigorous scientific testing. At the moment, there is a big “leap of faith” that nutrient loads associated with sediments are being reduced by preventing erosion in upstream catchments and that it mitigates an impact that is the equivalent of a discharge of soluble nutrients from a treatment plant effluent being discharged into a tidal estuary. There is little to no evidence that these are equivalent (i.e. that there will be a net environmental benefit). There is only an assumption that if you reduce sediment loads, then the load nutrients associated with them will be the same quantity as the load of nutrients from the treatment plant. It does not consider the form of these nutrients or their role in the ecosystem process at the point of discharge or offset.
 - d. Where any stormwater quality treatment measure is proposed to be used, the assumed performance of the treatment measure should be supported by peer-reviewed rigorous scientific testing published in a credible engineering/scientific journal. Evidence of performance efficacy should be submitted by the proponent as part of the evaluation.
5. **Wet weather vs dry weather:** Section 7.5 specifically states that ‘*the policy does not allow offsetting a dry weather discharge with a wet weather discharge such as erosion control*’. All of the management actions listed under section 6b) of the policy would however, appear to be actions which discharge during wet weather. It would seem therefore that the policy only allows for offsetting wet weather discharges with wet weather control measures, and dry weather discharges with dry weather control measures. As there are no dry weather control measures listed in the policy, it would appear that offsetting dry weather discharges is altogether unfeasible. It is unclear whether this is actually the intent of the policy but in any case, section 7.5 of the policy is quite confusing and may require some re-wording.
6. **Total water cycle and catchment planning:** Offsets should be underpinned by appropriate total water cycle and catchment planning and local authorities in association with organisations planning point source offsets should undertake such planning in order to achieve the optimal outcomes. Such planning should be undertaken prior to committing to any point source offset projects as they are likely to have bearing on providing water quality offsets in adjacent river basins.

7. **Offsets ratio:** The offset ratios outlined in the policy are considered very low. Given the lack of science which supports point source offsets including issues related to environmental, spatial and temporal equivalence, it could reasonably be expected that the ratio would be set much higher. The science behind the suggested ratio is not actually explained anywhere and really needs to be justified.

We thank you for the opportunity to provide feedback on this policy. As noted above, we would also welcome the opportunity to discuss the policy in person. Stormwater Queensland can also assist the DEHP in organising further debate across the State on point source offsets and would welcome the opportunity to organise and co-sponsor such events.

Should you have any questions or would like to discuss this issue, please contact the chair of our Advocacy and Engagement sub-committee, Paul Dubowski (paul.dubowski@bmtwbm.com.au or 3831 6744).

Kind regards



Brad Dalrymple

President, Stormwater Queensland, on behalf of the Stormwater Queensland Committee