

Warragamba Dam's EIS shows New South Wales government's efforts to avoid compensation

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The proposal to raise the Warragamba Dam wall height. (ABC News: Emma Machan, Brendan Esposito)

A new report reveals the New South Wales government is trying to avoid paying more than \$1 billion in compensation for environmental damage it will cause to the Blue Mountains World Heritage Area when it raises Warragamba Dam by 14 metres.

The move — revealed in an Environmental Impact Statement (EIS) report lodged on Wednesday — has led conservationists to accuse the state's Environment Minister, Matt Kean, of playing a "double game".

That accusation comes in light of a newly uncovered recording from 2019 in which the minister said the bill for the environmental compensation would be so big, the project would not go ahead.

In the recording, obtained by the ABC, he also promised to be a "a very large and robust voice speaking up for [the] Blue Mountains National Park when it comes to the raising of the Warragamba Dam wall".

However, conservationists now say he has failed to make good on that promise.

"Despite what has been said, it seems [Mr] Kean is out to lunch when it comes to protecting the Blue Mountains," said the Colong Foundation for Wilderness's Harry Burkitt, who is leading the campaign to stop the dam raising.

Key points:

- The New South Wales government wants to raise the height of the dam to reduce the impact of floods in Western Sydney
- During heavy rain, thousands of hectares of world heritage national park upstream could instead be flooded
- A newly uncovered recording reveals that, two years ago, the Environment Minister said the compensation bill for the project would be so big, the project would be "unviable"



The Minister speaking on the dam proposal

In statement to the ABC, Mr Kean said his commitment to protecting the environment of the Blue Mountains World Heritage Area remained.

“Importantly, the final decision on the dam-raising proposal will only be made after all environmental, cultural, financial and planning assessments are complete,” he said.

“The detailed [EIS] is currently on exhibition and I encourage anyone interested to have their say.”

He said the EIS would be on display for 45 days before it was assessed by the Department of Planning.

Plan for dam

The New South Wales government wants to raise the height of the wall of Warragamba Dam by at least 14 metres to reduce the impact of future flooding in Western Sydney.

In heavy rain, the additional dam capacity would temporarily store flood water, potentially avoiding the worst impacts for suburbs in that area.

However, if that happened, thousands of hectares of world heritage national park would be flooded, likely destroying populations of endangered plants and animals.

On Wednesday, the state government released its long-overdue EIS for the dam-raising project.

Despite the government previously being advised it needed to pay to "offset" damage caused when the new dam was completely full, the report showed the government planned to only compensate for damage for 7.5 metres of inundation.

By defining the "impact area" that way, the government has reduced its size by more than 50 per cent, and likely saved more than \$1 billion in environmental compensation or "offsets".

"Logic would dictate that, when you raise a dam by 14 metres, you flood up to 14 metres of the landscape. And you should assess the impact to that 14 metres of inundation and offset those 14 metres," Mr Burkitt said.

Minister for Western Sydney Stuart Ayres described the reasoning laid out in the EIS as "sound".

“It makes very clear what's the most likely impact — the Impact that's going to happen more readily — because that's where the impact on the environment will take place,” Mr Ayres said.



The state government released its long-awaited EIS for the dam wall-raising project. (ABC News: Brendan Esposito)

University of New South Wales researcher in environmental policy Megan Evans said offsetting such a small area appeared suspicious.

"There's no justification in the EIS why they chose to estimate the impact area using a 1-in-20 year flood, compared to 1-in-100 years in the previous EIS," Dr Evans said.

"It's difficult not to conclude that they're seeking to minimise costs by artificially reducing environmental impacts."

Mr Ayres said that was not the case.

"I categorically reject any proposition that the size of the impact area has been reduced to reduce the size of offsets required," Mr Ayers told the ABC.

"We have actually taken a very conservative approach to identification of offsets here.

Dam wall a 'challenge' says Kean

In November 2019, Mr Kean was the guest of honour at the annual dinner of conservation group, the National Parks Association of NSW (NPA).

At the time, he was earning a reputation as a champion of the environment, having flagged a strong approach to climate and energy, bolstering the power of the Environmental Protection Agency and moves to halt mammal extinctions.



Environment Minister Matt Kean says his commitment to protecting the Blue Mountains World Heritage Area remains. *(Supplied)*

At the event, Mr Kean was asked about his position on the dam.

"I know that's something close to everyone's hearts here today," he said.

He described the government's plans to raise the dam wall as a "challenge", but something the premier had committed to, noting there were other ways to mitigate flooding in Western Sydney.

When, at that event, Mr Kean said the economics of raising the dam wall would make the project unviable, he received a round of applause.

"By the time you pay for offsets for the damage done because of the raising of the wall ... the cost to offset it will not make the ... business case stack up," he told the diners, receiving a second round of applause.

However, yesterday the government revealed it did not plan to pay for those offsets up front, and was proceeding with plans to raise the dam wall.



Harry Burkitt opposes raising the Warragamba Dam's wall. *(ABC Illawarra: Sean O'Brien)*

Despite Mr Kean's earlier promise, Harry Burkitt said the minister had not followed through, and accused him of playing both sides.

"From the public's point of view, it would appear that Matt Kean is playing a double game," he said.

"Does he support the protection of the Blue Mountains or does he support raising the Warragamba Dam? You can't have both," he said.