



Hon Glenn Butcher MP
Minister for Regional Development and Manufacturing
Minister for Water

Our ref: CTS 18459/22

24 November 2022

Mrs Crystal Falknau
Coordinator
North Queensland Conservation Council

Email: coordinator@nqcc.org.au

1 William Street
Brisbane QLD 4000
GPO Box 2247 Brisbane
Queensland 4001 Australia
Telephone +617 3035 6170
Email regionaldevelopment@ministerial.qld.gov.au
ABN 51 242 471 577

Dear Mrs Falknau

Thank you for your letter dated 24 October 2022 to the Honourable Glenn Butcher MP, Minister for Regional Development and Manufacturing and Minister for Water, regarding the release of the Hells Gates Dam Detailed Business Case (DBC). The Minister has asked me to respond on his behalf.

The Hells Gates Dam assessment was undertaken by Townsville Enterprise Limited with the support of funding from the Australian Government's National Water Grid Fund (NWGF). The DBC was finalised and was submitted to the Australian Government which has confirmed acceptance of the final DBC under the NWGF arrangements.

The DBC for the Hells Gates Dam proposal has been made publicly available at www.business.qld.gov.au/industries/mining-energy-water/water/industry-infrastructure/supply-planning/nwidf-feasibility-studies. All detailed business cases for all projects funded through the National Water Grid Fund (NWGF) are publicly available once completed.

Regarding the Hells Gates Dam proposal, the previous federal government's announcement of \$5.4 billion for this project was blatant pork-barrelling. The Queensland Government has always been clear that decisions on the future of this project would be based on analysis of the final DBC.

I refer you in particular to the formal statement from the Department of Regional Development, Manufacturing and Water (DRDMW) included at the start of the business case, which outlines some of the matters still to be resolved.

The DBC identified many hurdles the project still needs to jump before it could be considered for an investment decision, and noted that many of those will be difficult to resolve. I am not aware of any current investigations into how those matters can be addressed, but that does not of course mean interested parties will not pursue such proposals.

I trust you are now also aware that the October 2022 Australian Government Budget identified that the Australian Government will not be proceeding with the funding of \$5.4 billion for the Hells Gates Dam project in Queensland.

Regarding Burdekin Falls Dam (BFD), the combined DBC for the BFD Improvement and Raising project was submitted to the government in December 2021 and is currently under consideration. Sunwater has now commenced the Environmental Impact Statement (EIS), and this will include a public consultation process where stakeholders and the community will be invited to have their say on potential upgrades to the dam. With John Connell's membership of the Community Reference Group, I expect you and the NQCC will be kept updated throughout this process, to the extent possible. The BFD Improvement and Raising project DBC would normally not be released until after the EIS has been completed and both are considered by government.

If you require any further information, please contact Mr Chris Nielsen, A/Executive Director, Water Infrastructure and Strategic Coordination, Department of Regional Development, Manufacturing and Water on 0436 658 451 or email chris.nielsen@rdmw.qld.gov.au, who will be pleased to assist.

Yours sincerely

A handwritten signature in black ink, appearing to read 'M. Smith'.

MIKE SMITH
Chief of Staff
Office of the Minister for Regional Development
and Manufacturing and Minister for Water