

31 March 2011

Mr John Bradley
Department of Environment and Resource Management
Director General
GPO Box 2454
BRISBANE QLD 4000

John Dear Mr Bradley,

You will recall the Chairman wrote to the Minister on 4 February 2011 with an update on a number of matters, including consideration of a temporary change to the Full Supply Level (FSL) of Wivenhoe Dam, an update on the provision of the reports required under the Flood Mitigation Manuals, and further modelling work that needed to be undertaken to better quantify an assessment of the potential flood mitigation benefits of operating Wivenhoe Dam at a different FSL.

The only current outstanding matter is the detailed modelling work referred to above, which requires the assistance of BCC, and potentially the Bureau of Meteorology, to quantify downstream impacts of flood events, both in terms of river levels and inundation of urban areas, especially in the Brisbane area. The Chairman's letter noted there were three main components to the modelling:

- (a) water outflows from Wivenhoe Dam;
- (b) the changing Brisbane River levels resulting from those water outflows; and
- (c) the extent of inundation resulting from those water outflows.

Seqwater's intention has been to complete this modelling work by 31 March 2011. However, completion of this modelling work by this date is now unachievable, as the Commission of Inquiry has in the intervening period published extraordinarily demanding timetables for delivery of submissions, witness statements and the interviewing of witnesses, the compliance with which you will appreciate Seqwater has had to afford priority.

In order to progress the work, Seqwater has conferred with BCC representatives on a number of occasions to formulate the basis upon which this modelling work might be efficiently completed. Unfortunately, Seqwater's efforts to date have not culminated in agreement by Seqwater and BCC on how these tasks should be completed. This does not mean that BCC is unwilling to co-operate, but rather it reflects the reality that both parties have necessarily been distracted in meeting the requirements of the Commission and other priority regulatory requirements.

Seqwater's initial preference was to obtain the BCC models and GIS information, which are the most up to date and therefore the most accurate, from BCC and then work collaboratively with BCC to complete tasks (b) and (c) above. If BCC does not wish to so collaborate, Seqwater proposes to obtain the BCC models and GIS data from BCC and complete task (b) itself, which would be inefficient and not cost

effective as BCC would still then need to verify Seqwater's data to complete task (c). You will appreciate that the assessment of inundation in the Brisbane area, as noted in (c) above, can be completed most cost effectively and promptly by BCC. Seqwater has therefore sought to enlist BCC's assistance in completing both tasks (b) and (c). If BCC is unable to provide the necessary assistance, Seqwater will complete task (b) itself.

Until BCC's position is known, Seqwater has been using an older, less calibrated, model to develop the river level modelling as described in (b) above. Seqwater has engaged a suitable independent consultant, SKM, to undertake preliminary work, in anticipation of BCC's subsequent participation in the process. Seqwater considers that BCC's involvement is critical as it has the capability to promptly and efficiently model the inundation impacts, which information is essential for the Commission to determine whether a different permanent or temporary FSL should be adopted for Wivenhoe Dam.

In summary, Seqwater has engaged SKM to update and develop the appropriate models to more accurately determine the impact on river levels at various outflow rates from Wivenhoe Dam. This assessment will investigate only a limited number of scenarios in the first instance but should give more robust and reliable estimates than Seqwater is currently able to provide. Seqwater then intends to provide this data to BCC for its use in completing the necessary modelling work. Seqwater will then apply the modelling to other events and will use the modelling as an operational tool in Seqwater's Flood Operation Centre.

I do not wish to convey any suggestion that BCC has been unco-operative, but rather both it and Seqwater have been distracted by the abovementioned more pressing commitments. Seqwater intends to complete the outstanding modelling work and provide it to the Minister and the Commission of Inquiry as soon as possible.

Yours sincerely

Peter Borrows

Chief Executive Officer