



Allens Arthur Robinson

6 July 2011

Ms Jane Moynihan
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Queensland Floods Commission of Inquiry
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By hand

Dear Madam

Further clarification of various issues

We refer to your letter of 4 July 2011 seeking clarification and further information in relation to three issues. The response below adopts the numbering in your letter.

1. Service Level Agreement

The Service Level Agreement (SLA) was in force at all times between 1 October 2010 and 31 March 2011.

Between 1 October 2010 and 30 October 2010 the SLA remained in effect pursuant to a written extension signed 30 September 2010.

The Commission is aware that the next extension was not signed until 24 December 2010. The effect of that document was to extend the SLA from 1 November 2010 to 28 February 2011.

This extension merely confirmed, as was the fact, that between 1 November 2010 and 24 December 2010 SunWater was providing the flood management services to Seqwater on the terms of the SLA. This was the conventional basis upon which the parties were acting.

2. Flood Operations Centre

In relation to the flood operations centre, and the flood operations engineers, Seqwater confirms that:

- (a) Seqwater has had responsibility for the flood operations centre and its staffing since 1 July 2011. Seqwater has leased and completed a fit-out of premises for the new centre. It is ready for use.
- (b) A six-week licence from SunWater is in place which allows Seqwater to access the old flood operations centre to remove remaining property and backup systems. This licence is in effect until 11 August 2011.

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- (c) The SLA is no longer in effect. There are no other arrangements in place pursuant to which SunWater is to provide any services relating to the management of flood events to Seqwater.
- (d) Mr Ayre will not be providing services to our client as a flood operations engineer. Seqwater has informed the Dam Safety Regulator of this fact.
- (e) The Schedule of Authorities presently records the names of Mr Ayre, Mr Ruffini, Mr Malone and Mr Tibaldi as flood operations engineers. On 1 July, DERM wrote to Seqwater to confirm that Mr Tibaldi had been approved as a Senior Flood Operations Engineer.
- (f) The Schedule of Authorities will be updated shortly to reflect the matters referred to in paragraphs (d) and (e) above.
- (g) Seqwater has not presently nominated any other person for inclusion in the Schedule of Authorities as a flood engineer. However, it has commenced training four other persons and expects to nominate at least three additional flood operations engineers before 30 September 2011.

3. Damage Curves

We do not act for Mr Ayre.

Seqwater does not press the first sentence of paragraph 230 of its third supplementary submission. Instead, Seqwater says:

- (a) the damage curves were readily obtainable by the flood engineers as is evidenced by their ability to quickly obtain a copy;
- (b) the flood engineers were generally aware of the content of the damage curves and the Brisbane Valley Flood Study;
- (c) the study was of no material significance for Seqwater's operations under the Manual; and
- (d) the flood engineers had a clear understanding of the consequences of releases from the dams and they were bound to observe the operating procedures in the Manual (which they did).

If you have any queries, please contact us.

Yours faithfully


Michael Ilott
Partner

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