

# Media Release

John Kaye MLC

Greens NSW MP

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## Dept of Planning report punches another hole in case for Tillegra

A review of the economics of the \$477 million Tillegra Dam proposal commissioned by the NSW Department of Planning has found that the project would not be the best solution for the Hunter's future water supply needs, according to Greens NSW MP John Kaye.

The draft report was conducted by the well-respected economics consultancy, *Centre for International Economics* (CIE), who also advised the Federal Government on the axing of Queensland's Traveston Dam. It has been made public after the NSW Upper House ordered the Department of Planning to table it.

Dr Kaye said: "The CIE report forensically explodes the myth pedalled by Hunter Water and their Minister Phil Costa that Tillegra Dam is the only viable option.

"Hunter Water and the Keneally government will be severely embarrassed by the findings that not only is the analysis inadequate and outdated but the conclusion that Tillegra is needed does not stack up.

"Planning Minister Tony Kelly will struggle to approve Tillegra in the face of a report that is deeply critical of the project and the planning behind it.

"No doubt Hunter Water will try to cut the most embarrassing edges off this report before it is finalised. We will be watching carefully to expose any pressure on CIE to change their conclusions.

"Tillegra has been marked by a lack of openness and appallingly bad planning. It is time for the Keneally government to recognise that they have got it wrong and to pull the plug on the proposal," Dr Kaye said.

The CIE Report's conclusions included the following statements:

*"Given the limitations in the analytical framework used by Hunter Water and Aurecon, we do not support the conclusion that 'the economic analysis supports the conclusion that Tillegra Dam is the best solution to meet the future water supply needs of Hunter Water.'"*

*"... there is a strong chance that there are other portfolios of options that would result in a greater improvement in net social welfare compared to Tillegra dam."*

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