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8<sup>th</sup> December 2003

Executive Officer  
Waterhouse Community Irrigation Association Inc.  
PO Box 188  
SCOTTSDALE

**Attn: Nick van den Bosch**

Dear Sir

**Re: Waterhouse Dam proposal**

This letter follows verbal advice given to Mr van den Bosch on 11<sup>th</sup> April 2003 and by email on 8<sup>th</sup> August 2003.

The proposed impoundment area for the Waterhouse Dam proposal contains 96 ha of shrubby *Eucalyptus ovata* forest, all located on public land (mainly State forest, including Martins Hill Forest Reserve and Cameron Regional Reserve).

The *E. ovata* forest corresponds to the RFA community *Shrubby E. ovata – E. viminalis forest*, which is identified as an endangered community through RFA processes. It has been extensively cleared for agriculture and is now down to less than 5% of its estimated pre-1750 area. The patches of *E. ovata* within the Waterhouse impoundment represent some of the most viable stands left in Tasmania. Only 2% of the remaining patches of *E. ovata* forest are in stands larger than 50 ha in area, which makes the large, intact stands within the Waterhouse area very important for the long term management and conservation of this endangered community.

The impoundment area also contains three rare plant species listed in the Tasmanian *Threatened Species Protection Act* and two other species of very restricted distribution that may qualify for listing.

Under the RFA, all areas of shrubby *E. ovata* forest on public land must be protected, wherever this is prudent and feasible.

The more recent (May 2003) NHT bilateral agreement between the Tasmanian and Commonwealth governments prevents the conversion of threatened forest communities on any tenure, except in exceptional circumstances where the conversion will not substantially detract from the conservation of that forest community or conservation values in the immediate area. This policy is supported by an

administrative instruction from the Forest Practices Board, which places a moratorium on the conversion of any endangered, rare or vulnerable forest communities.

Proponents of the dam have suggested substitution or other off-sets to compensate for the loss of the *E. ovata* forests. I reviewed this option with you on 11<sup>th</sup> April 2003 and advised you that a substitution of other areas of *E. ovata* would not solve the problem because this community has already been cleared below the thresholds required for reservation. The direct substitution option would require the establishment of new *E. ovata* communities on existing cleared land. Whilst the planting of *E. ovata* may be technically feasible, such plantings would not be a substitute for the ecosystems that would be lost if the Waterhouse forests were to be cleared. It is important to note that it is the *E. ovata* community (with associated understorey and related biodiversity) that is endangered, not the species itself, which is common throughout Tasmania.

Any proposal to clear the *E. ovata* forest within the impoundment area would require the Forest Practices Board to certify a forest practices plan under s.19 of the *Forest Practices Act*. In determining whether a plan should be certified or refused, the Board is obliged to make decisions in accordance with the provisions of the Forest Practices Code and other relevant legislation and policies.

My advice to you is that I do not believe that the Board's obligations under the RFA, the NHT 2 Bilateral Agreement and the Board's moratorium on clearing endangered forests would allow it to certify a forest practices plan for the clearing of the Waterhouse *E. ovata* forest. In my view, any such forest practices plan submitted to the Board would be refused.

In summary, I believe that a failure to obtain approval for the clearing of the *E. ovata* forest under the *Forest Practices Act* will represent a major legal impediment to the Waterhouse Dam project.

**Graham Wilkinson**  
**Chief Forest Practices Officer**

Copy to-

Deputy Premier

Minister for Primary Industries, Water and Environment

Forestry Tasmania

Secretary, Department Primary Industries, Water and Environment