



**watershed victoria**

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**Mr Holding's announcement re desalination plant construction. Melbourne families' to line French pockets - excessive "Bottled Electricity" contract.**

**Notice: Watershed Victoria will hold a media conference/event at the Kilcunda Hall, on the Bass Coast, Friday 31<sup>st</sup> July, 9.30 am.**

Despite a Labor dominated Parliamentary Inquiry in June saying, desalination "should not displace development of other water sources such as stormwater and recycled water in Melbourne", the government said one month later that they have abandoned significant recycling from the Eastern Treatment Plant, and instead will pump nearly 100 billion litres of Class-A water out to sea.

Today the Water Minister, Mr Holding, cemented his government's lack of interest in best practice economic and environmental outcomes for our water supply by announcing that the Suez-Degremont consortium, "AquaSure", will build Victoria's desalination plant. This will be the substantial part of a Water Plan that nobody voted for!

Stephen Cannon, president Watershed Victoria today said, "IF this water factory was necessary that would be fine. BUT four times the volume of water Melbourne needs to secure its water future flows, wasted, into the ocean; water that would improve existing environmental situations, that can be collected far cheaper, and within the necessary time frame.

"The scale (world's second largest water factory) is ridiculous while we waste so much water. This will be the Western world's most carbon emitting, most marine polluting water factory. Victoria currently does the least of all states to tackle climate change and this will add significantly to Victoria's woeful performance. There is mention of the consortium being involved in a wind farm at Glenthompson, but it will only produce one sixth of the energy needed to run this plant. Another 63 megawatts renewable energy plant that will be wasted on desal instead of being used to reduce existing coal burning emissions!

"Despite the Government asking families to pay an additional \$500, the Essential Services Commission has only allowed an extra \$350. Thus to pay for this \$5 - \$6 billion contract (NOT \$3.1 billion as Mr. Brumby has been misleading us), Government will continue its history of deception and incompetence by funding it through new taxes and charges or other mechanisms. They speak of instruments where the State will be 'lender of last resort'. Could they even be looking at giving away other chunks of Melbourne Water's infrastructure to allow this to proceed?

"A French company will be in part control of Melbourne's water to the detriment of our pockets, environment and a sustainable water policy for decades. A French company that is internationally "on the nose" due to allegations of human rights and other ethical misdemeanors, and price gouging consumers around the world. GDF Suez, part of the Suez-Degremont group of companies, was in July this year fined Euros 553 million, equivalent to \$1 billion Australian for price collusion.

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