

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into the 2023–24 Budget Estimates

Melbourne – Thursday 8 June 2023

MEMBERS

Sarah Connolly – Chair

Nicholas McGowan – Deputy Chair

Michael Galea

Paul Hamer

Mathew Hilakari

Lauren Kathage

Bev McArthur

Danny O’Brien

Ellen Sandell

WITNESSES

Ms Lily D'Ambrosio MP, Minister for Climate Action,

Mr John Bradley, Secretary,

Ms Carolyn Jackson, Deputy Secretary, Environment, Climate Action and First Peoples,

Mr Mark Rodrigues, Executive Director, Climate Action and Environment Protection,

Ms Bronwyn Di Carlo, Executive Director, Finance, and

Dr Graeme Emonson, Deputy Secretary, Corporate Finance, Department of Energy, Environment and Climate Action.

The CHAIR: I declare this hearing of the Public Accounts and Estimates Committee now open.

I ask that mobile telephones please be turned to silent.

On behalf of the Parliament, the committee is conducting this Inquiry into the 2023–24 Budget Estimates. The committee's aim is to scrutinise public administration and finance to improve outcomes for the Victorian community.

I advise that all evidence taken by the committee is protected by parliamentary privilege. However, comments repeated outside this hearing may not be protected by this privilege.

As Chair I expect that committee members will be respectful towards witnesses, the Victorian community joining the hearing via the live stream today and other committee members.

Witnesses will be provided with a proof version of the transcript to check, and verified transcripts, presentations and handouts will be placed on the committee's website.

I welcome the Minister for Climate Action the Honourable Lily D'Ambrosio and officers from the Department of Energy, Environment and Climate Action. Minister, I am going to invite you to make a brief opening statement or presentation of no more than 5 minutes, and then the committee will proceed with questions. Your time starts now.

Visual presentation.

Lily D'AMBROSIO: Thank you so much for the opportunity. In terms of the climate action portfolio, this budget includes some important new investment that continues to drive climate action in Victoria. It includes \$20 million for DEECA to continue to work towards achieving our world-leading emissions reduction targets. There is also of course significant investment in re-establishing the SEC. There is \$194 million to further support Victoria's transition to renewable energy and help drive down power bills, including building 100 more neighbourhood batteries and providing zero-interest loans for solar home batteries. There is \$88 million invested in the skills and jobs needed for our transition to a renewable energy future. There is more than \$259 million invested to help drive down transport emissions and support cleaner transport options, including the rollout of zero-emission buses and expanding train services across regional Victoria. We also have \$166 million to invest to strengthen Victoria's resilience to climate change. There is more than \$753 million allocated for emergency response management, crucial in a changing climate. I would also note that there is record investment in climate action in this and previous state budgets, which stands in stark contrast to any previous governments. Indeed at a national level Victoria has very much been, for many years, almost a lone wolf and a lone voice in this area in terms of real action.

On slide 3, investments in this and previous budgets have supported a comprehensive program of work. That is leading us to move to legislating our ambitious emissions reduction targets of 75 to 80 per cent by 2035 and net zero emissions by 2045, continuing to deliver our renewable energy transformation, driving down transport emissions, supporting carbon sequestration through restoring native vegetation and continuing to support the

agricultural industry to become climate ready. These are just some of the features of actions that we are continuing to invest in.

On the next slide, we are absolutely world leading when it comes to our ambitious targets, based on the latest available science and expert advice. They are also credible and achievable because we have shown that we can do it. We have smashed our 2020 emissions targets, cutting emissions by 29.6 per cent, and by 2021 we slashed the state's emissions by 32.3 per cent, well within our 2025 target range of 28 to 33 per cent. Since 2014 Victoria has cut our emissions by more than any other state.

I will quickly move to the remaining slides. Slide 6: we know how important this is, because it is about the global effort to limit warming to 1.5 degrees. The following slide: we are implementing seven statewide adaptation action plans, which include 127 actions to be delivered over five years. Adaptation is very important for us in Victoria, and the plans will help improve public services to withstand and recover from extreme weather events, supporting communities and businesses to adapt and provide opportunities for workers and industries to prosper in a changing climate.

The next slide is on the breadth of the climate resilience work program, which extends to almost everything the government does. We have embedded, of course, climate change obligations through our climate change legislation right across government, and this is really important because we need every element of government to be responsible for their areas – that is when we are able to absolutely meet our ambitious targets, getting a whole-of-government focus on climate and all of the work that they do to contribute to our world-leading emissions targets for 2035.

The CHAIR: Thank you, Minister. I am going to hand over to Mr McGowan for the next 8 minutes.

Nicholas McGOWAN: Thank you, Minister. It is timely you talk about cuts. I am wondering why you cut the climate action funding. It was \$27.6 million. It is now down to \$15.7 million in 2023–24, budget paper 3, page 149.

Lily D'AMBROSIO: Which paper are you referring to?

Nicholas McGOWAN: Page 149 of paper 3.

Lily D'AMBROSIO: Okay.

Nicholas McGOWAN: It is a cut to the climate action funding of \$14.1 million when compared to spent.

Lily D'AMBROSIO: Sure. Well, I think it is important to reflect on the explanation for these figures that you refer to. The decline in the climate change output largely reflects administrative movement of the ResourceSmart Schools program from the climate action portfolio to the waste and recycling output, as well as a reduction in corporate costs that have been allocated to the output associated with lower corporate overhead for the department more broadly.

Nicholas McGOWAN: What was the value of the program, sorry, Minister, that you referred to?

Lily D'AMBROSIO: I am sorry?

Nicholas McGOWAN: What was the value of the program you referred to that went into a different portfolio?

Lily D'AMBROSIO: I have talked about the administrative movement of the ResourceSmart Schools program.

Nicholas McGOWAN: 'What was the value of that,' is what I am asking.

Lily D'AMBROSIO: The value of that? Let me check. \$2.9 million.

Nicholas McGOWAN: Thank you. And the administrative savings you referred to?

Lily D'AMBROSIO: I will find that for you.

Nicholas McGOWAN: Thank you very much. That is fine. Can I move on in respect of the same budget paper. Obviously Victorians are keen environmentalists, as am I. Do you commit to providing public live metrics, for example, for the proportion of new vehicles sold that are zero-emission vehicles?

Lily D'AMBROSIO: Well, we have got a clear agenda through our ZEV –

Nicholas McGOWAN: I am just trying to help you make it clearer, Minister.

Lily D'AMBROSIO: I am sorry?

Nicholas McGOWAN: I am just trying to help you make it clearer.

Lily D'AMBROSIO: I am answering your question, so let me do that. Thank you. The road map will deliver on the commitments that we have made, but we need to also understand that you do not solve climate change with one budget or one statement of aspiration.

Nicholas McGOWAN: No, I was asking for transparency, that is all.

Lily D'AMBROSIO: I am sorry?

Nicholas McGOWAN: I am just asking for transparency, that is all.

Lily D'AMBROSIO: Yes, I know.

Nicholas McGOWAN: The question was: do you commit to actually providing public access to live metrics on that?

Lily D'AMBROSIO: Sure. I think what is important is that, just in terms of understanding what is out there in the market, the ZEV market share –

Nicholas McGOWAN: I understand what is out there, Minister. I am just asking about the public access to live metrics.

Lily D'AMBROSIO: Well, the public share of ZEVs has gone from 1.8 per cent of new light vehicle sales in 2021 –

Nicholas McGOWAN: One point eight per cent.

Lily D'AMBROSIO: One point eight – to 6.6 per cent of year-to-date sales in 2023.

Nicholas McGOWAN: I am sorry. It was 1.8 per cent for last year? The previous minister said it was 2.1 per cent.

Lily D'AMBROSIO: There is information in the market about what the uptake has been of ZEVs and their share of the market in this period of time.

Nicholas McGOWAN: Your target was 50 per cent – was that not correct?

Lily D'AMBROSIO: Fifty per cent of all new light vehicle passenger vehicle sales by 2030.

Nicholas McGOWAN: And what is the percent it as it stands currently?

Lily D'AMBROSIO: Well, the percentage of market share to date is 6.6 per cent.

Nicholas McGOWAN: Well, we are well off 50 per cent, aren't we, Minister?

Lily D'AMBROSIO: The measure is about sales.

Nicholas McGOWAN: Why are we so far off, though, Minister?

Lily D'AMBROSIO: I am sorry?

Nicholas McGOWAN: Why are we so far off that target? The target is 50 per cent, and we are 6 per cent.

Lily D'AMBROSIO: Yes. Well, we have a –

Nicholas McGOWAN: Are we abandoning that target?

The CHAIR: Mr McGowan, please give the minister an opportunity to respond.

Lily D'AMBROSIO: Let me finish. We have always been clear in our ZEV road map that there are a number of levers that a state government or any subnational jurisdiction can have to pull to help to increase the uptake of ZEVs. We have also been really absolutely –

Nicholas McGOWAN: Like a tax?

Lily D'AMBROSIO: Let me explain. We have also been really clear that at a national level is where the biggest levers are to actually accelerate and deliver on the significant change that we need to see in vehicle fleets here in Australia. So therefore –

Nicholas McGOWAN: Thank you, Minister. Minister, do you then commit to scrapping the ZLEV?

Lily D'AMBROSIO: That is an initiative that is within the budget –

Nicholas McGOWAN: It is a tax on electric vehicles, as you know.

Lily D'AMBROSIO: and it remains in the budget, and that is a government commitment.

Nicholas McGOWAN: You have no intention of scrapping the tax on electric vehicles?

Lily D'AMBROSIO: That is a government commitment.

Nicholas McGOWAN: Okay. And no intention of scrapping it for hybrid vehicles either?

Lily D'AMBROSIO: Look, on matters about those types of questions I would really direct you to the Treasurer, who is ultimately the responsible minister for the uptake –

Nicholas McGOWAN: I will take you up on your point, then, Minister, because you said you want to encourage people. There is a 50 per cent target –

Lily D'AMBROSIO: We have seen significant uptake of ZEVs in Victoria. We have seen since –

Nicholas McGOWAN: Significant? 'Insignificant' I think is the word you are looking for.

Lily D'AMBROSIO: I think your commitment to climate change is less than insignificant. I think it is non-existent, so I will not take lessons from you.

Nicholas McGOWAN: Are you talking about me personally, Minister?

Lily D'AMBROSIO: I will not take lessons from you.

Nicholas McGOWAN: Not me personally, Minister.

Lily D'AMBROSIO: What I will say to you is that our ambition is very clear –

Nicholas McGOWAN: At 6 per cent, I am not sure you can sit there and lecture us, Minister.

Lily D'AMBROSIO: Can I finish speaking?

Nicholas McGOWAN: Six per cent of 50 per cent, plus you are taxing electric vehicles and you are taxing hybrid vehicles both for the petrol and for the electricity, and you want to tell me about it.

The CHAIR: Mr McGowan, I will remind you to be respectful towards ministers appearing here before this committee and witnesses. If you have a question of the minister, please ask it. She is more than willing to answer your question.

Nicholas McGOWAN: So that was a yes or no, Minister, in regard to the public access for live metrics for zero-emission vehicles?

Lily D'AMBROSIO: What I say to you is that every target, every ambition that we have set as a government in climate and energy we have more than met. We will meet –

Nicholas McGOWAN: It is not about whether you meet it, it is whether you commit to providing public access to the information. It is about transparency.

Lily D'AMBROSIO: We will meet our 50 per cent –

Nicholas McGOWAN: That is a no.

Lily D'AMBROSIO: new sales of vehicles by 2030.

Nicholas McGOWAN: Public access to live metrics of the number of solar home grants provided to Victorians – do you commit to that?

Lily D'AMBROSIO: What is your question?

Nicholas McGOWAN: Would you commit to public access for live metrics on the number of solar home grants provided to Victorians?

Lily D'AMBROSIO: What I commit to is continuing to deliver life-changing programs to Victorians that give them real savings on their energy bills, creating real jobs and reducing real emissions. That is what I commit to.

Nicholas McGOWAN: Well, you are not committing to transparency, that is clear. Okay. Do you commit to providing public access to the metrics of the number of home batteries that will be installed in Victoria?

Lily D'AMBROSIO: My answer remains the same.

Nicholas McGOWAN: That is a no. Okay.

Lily D'AMBROSIO: Do not put words in my mouth.

The CHAIR: Mr McGowan, please do not put words into the mouth of the Minister.

Nicholas McGOWAN: I am just trying to simplify it for all those that are listening.

The CHAIR: She is responding to your questions despite you asking question upon question. Could you please allow the minister an opportunity to respond. Thank you.

Nicholas McGOWAN: Minister, in respect to the installation of solar panels, the targets now have been dramatically reduced in this respect – in fact they are as low as 53,000. That is down significantly, even though you did not meet the targets previously. Why is that?

Lily D'AMBROSIO: Well, our 10-year program – it is a 10-year program – does fluctuate in terms of demand, and the program is adjusted to meet the demand. But I will say this: everyone who wants solar panel rebates, providing they meet the eligibility criteria, will receive a rebate. And we continue to work with industry to ensure that the rebates that are available each and every year are sufficient to meet the demand profile for that period of time. It is a 10-year program. And can I just remind the committee that this has been one of the most successful energy programs that this government, this state, has ever seen in terms of putting power back in the hands of Victorians and delivering real year-on-year savings on their energy bills, on average more than \$1000 off their bills each and every year.

Nicholas McGOWAN: Do you have solar panels, Minister?

Lily D'AMBROSIO: Yes, I do.

Nicholas McGOWAN: You do.

Lily D'AMBROSIO: I have solar panels, yes.

Nicholas McGOWAN: Did you receive a benefit for that? Did you receive any funding for that?

The CHAIR: Mr McGowan, how is this relevant to the inquiry at hand?

Nicholas McGOWAN: It is a straightforward question. It is relevant to government funding. If the minister received government funding for her own solar panels, how is that not relevant?

The CHAIR: Mr McGowan, you are erring on being out of order. Could you please ask questions that are relevant to the inquiry before us?

Nicholas McGOWAN: Do you undertake to provide public access to live metrics to the number of trees planted, Minister – in the west, to be specific? You know the commitment I am referring to there.

Lily D'AMBROSIO: What I have said to you is that there are people who say things and then there are people who make no commitments, and then there are people who deliver. Our government delivers on every one of our commitments.

Nicholas McGOWAN: So no trees.

The CHAIR: Thank you, Minister. Mr McGowan, your time is up. We will be going to Mr Hamer for the next 11 minutes. Thank you.

Paul HAMER: Thank you, Minister. Thank you, officials. I would like to take you to budget paper 3, page 31, 'Delivering climate action', and your presentation where you talked about the government's achievements in, as you said, 'smashing' our emissions targets. One of the outputs of budget paper 3 refers to legislating the 2030 and 2035 interim targets and net zero emissions by 2045. I was wondering if you could just expand on those targets and the importance of putting them in legislation.

Lily D'AMBROSIO: Thank you. When the *Climate Change Act* was first introduced in Victoria, at the time it was world leading and for a number of reasons. It obviously locked us in to net zero emissions by 2050, but it also committed us to deliver interim emissions reduction targets. Why that is important is that it is easy to say, 'Let's achieve something in 30 years time,' but what are we going to do about it in the meantime? And that is something that our government was not committed to simply leave as some type of fig leaf of action when in fact what was needed was real action from day one. So the interim emissions reduction targets are a really important signal to everyone in the economy – so businesses, households, everyone, investors – that these are what our commitments are, this is what we are striving to achieve, this is what government action will be contributing to, and they create a discipline within government right across government to be able to meet those targets. Also, importantly, it is an important measure of certainty for industry in terms of their investment decisions around choosing low-carbon options versus more carbon-intensive options for whatever the investment decision is for. So legislating these is our next step because we know that we have got the clock on us globally to really take those big steps to achieving our emissions. So, if you like, legislating these interim targets is not just about us saying what our targets are, which we are required to do under legislation, but actually putting them in, embedding them in. Legislation is a really strong signal to the market and to every Victorian that our aim is to deliver these, and we will. The fact is this: we have delivered on all of the targets that we have already set. We had a target of reducing our emissions by 28 to 33 per cent by 2025 and 45 per cent by 2030. In terms of the 2025 target, we have already met that now two years ahead, and we are at the upper end of that 33 per cent. And we certainly smashed our 2020 targets. Certainly legislating our targets, again, will provide that certainty for investors, knowing that Victoria will be a willing, agile and serious partner in decarbonising the economy. Doing that in this way will ensure that we will continue to lead the country in driving those emissions down. We will be the first jurisdiction in the country to set out the 2035 target, the clear trajectory towards net zero – that we will also be legislating, bringing that forward to 2045. We want governments to be bold. Our government is being bold. We will continue to be bold.

Nicholas McGOWAN: Bring it forward to 2030.

Lily D'AMBROSIO: We are taking strong action on climate change, and we are getting on and delivering that.

Nicholas McGOWAN: If you want to be bold, bring it forward to 2030. You know that.

The CHAIR: Mr McGowan!

Lily D'AMBROSIO: I think that is the distinction – those that say one thing on election eve, those that then forget about what they have said and then those that just want to keep tearing it all down.

Nicholas McGOWAN: I am not tearing it down, I am agreeing. Bring it forward. I am building you up, Minister. I am trying to help.

The CHAIR: Mr McGowan!

Lily D'AMBROSIO: What we are doing is building on our agenda. We are delivering the real reductions, seeing the jobs that come from that – our economy drives, delivers.

Nicholas McGOWAN: We are here to agree.

Lily D'AMBROSIO: So you are committing to our 2035 target, are you?

Nicholas McGOWAN: Sure. If you will agree to it, let's do it.

Lily D'AMBROSIO: You are ridiculous.

Nicholas McGOWAN: It is so ridiculous – the environment. That is suddenly ridiculous. You have gone from wanting to agree to 'being ridiculous'.

The CHAIR: Mr McGowan!

Nicholas McGOWAN: You do not want to bring it forward – is that what you are saying?

Lily D'AMBROSIO: This is why you did not get elected – because no-one treats you seriously at all. How can anyone take you seriously? Our government is delivering, we will continue to deliver, and we will continue to deliver for our country.

Nicholas McGowan interjected.

The CHAIR: Mr McGowan – comedy hour, please keep it to the lunch break. The minister will continue.

Nicholas McGOWAN: Was that for the minister or for me?

The CHAIR: Mr McGowan, that was clearly directed at you. If you need me to repeat it –

Nicholas McGOWAN: My apologies, Chair.

The CHAIR: Minister, please continue.

Lily D'AMBROSIO: I finished the answer to that one, thank you.

Paul HAMER: Thank you, Minister. I would just like to, as a follow-up question, understand about how these climate action targets will benefit the Victorian economy more broadly.

Lily D'AMBROSIO: We have been really clear, as I said earlier in another part of these deliberations, that delivering real action on climate can be done whilst also benefiting the economy. Meeting our 2035 target in a world that continues to strengthen its climate action is projected to deliver economic benefits of \$63 billion to Victoria, and that is because the benefits of limiting further climate change, protecting Victoria's competitiveness as our key trading partners transition to net zero emissions and growth in low- and zero-emission industries outweigh the costs of investments in reducing emissions. That is a fact. We cannot afford – putting aside the fact that we are taking these actions because we are absolutely committed to the principles of reducing our emissions and benefiting our environment and the health of our communities, the world is

moving, and it is moving quickly. We want to make sure that Victoria continues to have the edge in our relationships with our trading partners by ensuring our state has the economic benefits and is well set up to have the technologies, have the whole of the economy geared towards a net zero future. That is what we have got to do, and that is about the skills, that is about the new job opportunities, that is about the workforce. That is about looking after our environment, and every sector playing a role in meeting this global challenge. We are up for it, and we will get it done.

Paul HAMER: Thanks, Minister. Just to take your last slide, you mentioned that it is a cross-sectoral responsibility – it is going to affect all sectors – and you mentioned that in your presentation as well. I was wondering if you could just elaborate on some of the activities that the government is doing to address emissions across each of those sectors, or at least some of those sectors.

Lily D'AMBROSIO: Yes. Thank you. There are a number of sectors, so I probably will not be able to get through all of them, but certainly some of the big steps in some of the larger sectors would I think exemplify the answer to that question. If we look at the transport sector, we are continuing to invest in driving down transport emissions and supporting cleaner transport options. There is a significant development over four years to deliver Victoria's bus plan, which includes the commencement of the rollout of zero-emission buses as part of the recontracting of metropolitan bus service contracts that expire in 2025. There are targets around new bus fleets also in terms of zero-emission bus fleets, and that is absolutely on its way to delivering that commitment. There is more than \$219 million over five years for more trains more often, and we know of course that trains, in terms of modal shift, can play a really important role in reducing our emissions. There is also money towards a mode-shift incentive scheme to encourage the transfer of freight from road to rail. That has the ability to make some significant headway in terms of meeting our targets. All of these build on the zero-emission vehicle road map that I and the minister for transport at the time committed to when we released that a couple of years ago. Our goal is that half of all new light vehicle sales in Victoria will be zero emissions by 2030.

Of course we also have investments in the land sector, delivering on land restoration and carbon farming initiatives through *Victoria's Climate Change Strategy*. There is \$92 million towards that. The nature restoration for carbon storage BushBank and carbon-farming programs will support the revegetation of our beautiful natural landscapes. And of course there are also other investments in terms of upgrading green spaces and forest restoration. They are just some of them. We also have made investments towards agriculture and making agriculture as a sector climate ready. I look forward to seeing each of these ministers in these portfolios and others deliver on our commitments, as they all will contribute to meeting our emission reduction targets.

Paul HAMER: Thank you, Minister. What measures then are in place to reduce the emissions in more of a general sense?

Lily D'AMBROSIO: Government leadership is really important I think – it is – in terms of reducing emissions, because it is about sending those signals and just demonstrating that we can each play a role. The whole-of-government emissions reduction pledge, which we announced in the climate change strategy, includes sourcing 100 per cent renewables –

The CHAIR: Apologies, Minister, I am going to cut you off there. The last 3 minutes will go to Ms Sandell.

Ellen SANDELL: Thank you, Chair. Minister, I appreciate everything you are doing, but a number of climate programs have been cut from this Victorian budget, including the climate change community action program and the \$3000 electric vehicle subsidies. As you know, transport is our fastest growing source of emissions. We are seeing better uptake in Queensland, New South Wales, the ACT – even Tasmania has better EV uptake than Victoria. Communities are obviously crying out for action, so why cut these two programs?

Lily D'AMBROSIO: Sure. I thank you for the question. I think what is really critical here is that there are a number of levers that we chose to exercise as a state in terms of tackling emissions in transport. A number of them go to what we do in terms of our own government fleet, what we do with public transport, what we do with incentivising –

Ellen SANDELL: Sorry, we heard from the Assistant Treasurer that there has been hardly any uptake in the government fleet of ZEVs – there have been supply chain issues, there were only 100 or so vehicles.

Lily D'AMBROSIO: No, no. What I am saying is in terms of commitments that are there –

Ellen SANDELL: There are actually no future targets for purchasing electric vehicles in the fleet.

Nicholas McGOWAN: And \$3000 away.

Lily D'AMBROSIO: That is a different point.

Ellen SANDELL: Sorry, yes – different issues. Privately we have removed the \$3000 subsidy. The Assistant Treasurer confirmed there are no future targets for buying more electric vehicles in the government fleet either.

Lily D'AMBROSIO: Yes, but there is the investment that has already been made, not in this budget but in past budgets, to achieve the 400. I think the commitment is to replace 400 vehicles in the Victorian government fleet with ZEVs. Getting to the point of subsidies, if I may, we introduced those rebates for private passenger vehicles at a time when we had very little movement on the dial when it came to any meaningful uptake of ZEVs in Victoria. As you quite rightly said, that is the case nationally, and a number of incentives have been put in place.

Ellen SANDELL: Other states have better uptake is what I was saying. Even Tasmania has better uptake than us.

Lily D'AMBROSIO: Yes. Look, we have got an absolutely clear focus on continuing to deliver on the road map that we have got. We are working to focus on what is probably the most important lever for the uptake of ZEVs – and that is at the federal level – which is about fuel efficiency standards. We have recently submitted – jointly, both departments, DEECA and DTP – a very, very strong submission to the federal government's inquiry into fuel efficiency standards. We are continuing to work with them, and we want them to have the most robust fuel efficiency standards to really drive that uptake, because ultimately that is the biggest lever that is available to us. We remain committed to our target for 2030 for light vehicle passenger sales, and we will have more to say on that in due time.

The CHAIR: Thank you, Minister. I always hate to be the bearer of bad news as the timekeeper, but the time has come for the end of questions.

Minister and department officials, thank you very much for appearing before the committee today. The committee will follow up on any questions taken on notice in writing, and responses are required within five working days of the committee's request.

The committee is now going to break for lunch and return at 12:50 pm sharp for consideration of the portfolio for water.

I declare this hearing adjourned.

Witnesses withdrew.