

## **SRI Further response to Questions on Notice from the 2 July 2020**

### **INQUIRY INTO IMPACT AND IMPLEMENTATION OF THE WATER MANAGEMENT (GENERAL) AMENDMENT (EXEMPTIONS FOR FLOODPLAIN HARVESTING) REGULATION 2020**

In its previously submitted response to the questions on notice, SRI acknowledged that it would provide further evidence with respect to its estimated volumes provided to the Enquiry.

SRI submits this information herewith.

#### **Question 2:**

**The CHAIR:** You said you have some information that you want to present. Is that the same information that Darcy is going to provide to us?

**Mr BROOKS:** No. It is quite separate information that is not quite complete. The volume of water that we would contend was taken in this most recent rainfall event was closer to 900 gegalitres. We would be happy to submit that information when it is finished.

**The CHAIR:** Yes please. We will take that as a question on notice and the secretary will get in touch with you.

#### **Initial Answer:**

900GL is the preliminary view of SRI and its advisors who are finalising a report which, as promised, will be published and provided to the Committee.

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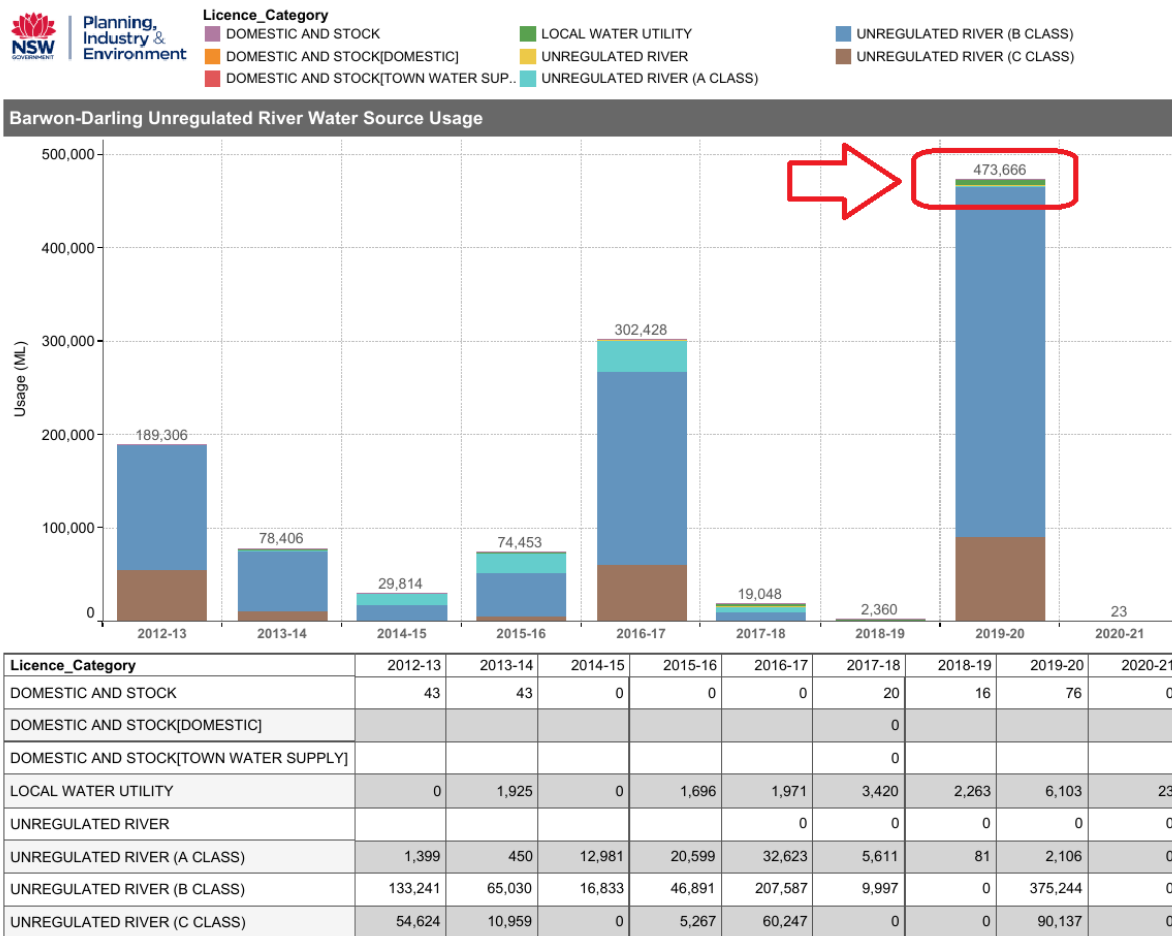
#### **Further Answer:**

The initial estimate of 900GL is conservative and the revised estimate is that in excess of 1,600GL was extracted or diverted in the February and March 2020 rainfall events in the NSW Northern Basin valleys.

SRI submit that Minister Pavey has provided no substantive information to support her claims of the small volume of water taken (namely 30GL) despite being quite condescending towards Mr Brooks and Mr Hare by claiming they were "bonkers".

In evidence to the Review Committee, Minister Pavey stated that the storage in the Barwon-Darling is 239GL.

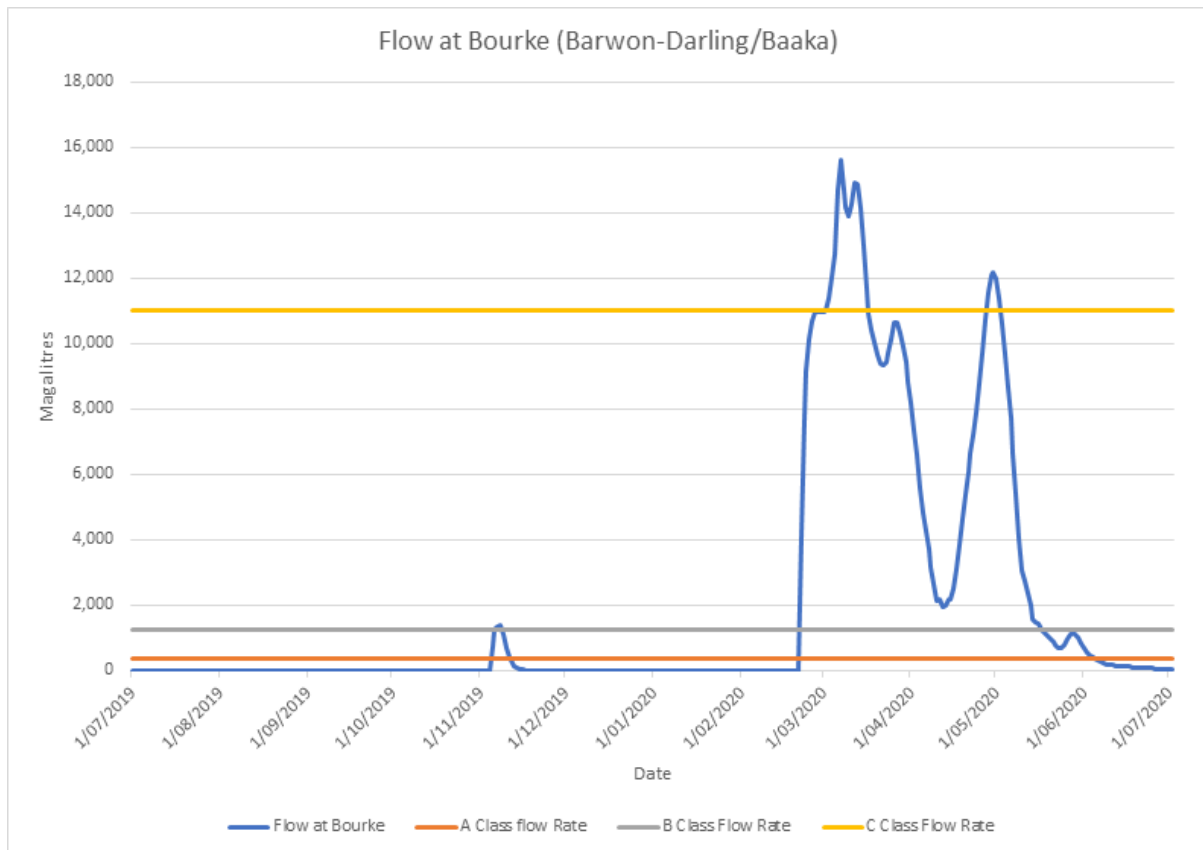
NSW DPIE has reported that 474GL was extracted from the river in the Barwon-Darling/Baaka last year:



Source: <https://www.industry.nsw.gov.au/water/allocations-availability/water-accounting/usage-dashboard>

Consequently, a take of 474GL signifies that either the 239GL estimate of Minister Pavey is wrong (by 98%), or irrigators are storing significant volumes of water directly onto their paddocks – or via “interception storages”.

Due to the low flows in the river throughout 2019/20 year, this high volume of extraction is directly linked to the February 2020 event and subsequent rains. The only other instance of the river running above low flows was the small flush in November 2019. This is evidenced by the following graph from data obtained from the NSW DPIE website.



Minister Pavey has criticised SRI's estimate of a take of 900GL on the basis that storage capacity in the NSW northern basin was too small to store all of the water it claimed to have been taken.

In light of the above example (which we note, is for just one valley), it is clear that Minister Pavey has no proper basis for her claims.

### Calculations of extractions

We have further calculated the water extracted from the Macquarie, Namoi and Gwydir valleys in:

- a. 477GL in February 2020; and
- b. 713GL in March 2020 as .

We have left out NSW Border Rivers because we could not isolate the NSW share in that valley.

This estimate is based on a water balance using BOM rainfall data and the most conservative rainfall runoff coefficients published by CSIRO and other scientific literature.

Consequently, together with the extractions in the Barwon Darling, the initial estimate by SRI of 900GL was conservative and the revised estimate is in excess of 1,600GL.

## Discrepancies within Minister Pavey's narrative

As noted above, the retorts of Minister Pavey to SRI's estimates lack credibility.

### a. Pumping vs Gravity

Minister Pavey has also claimed that there was insufficient pumping capacity to physically take the volume of water which SRI claimed was taken. However, at a recent speech hosted by the [Farm Writers Association](#) of NSW, she acknowledged that the majority of floodplain harvesting extractions was gravity fed (from minute 26):

*Questioner: Whether you agree that most of the water floodplain harvested is done via gravity fed systems..*

*Minister Pavey: Yeah, gravity has everything to do with floodplain harvesting, and it's about capturing excess water in big events.*

The importance of the above acknowledgment about "gravity" fed systems is significant when viewed with the Minister's exemption of "passive take" when she implemented the s324 embargo on floodplain harvesting. Initially, it was communicated that the Regulation was required to bring the practice of floodplain harvesting within the framework of the Water Management Act 2000 for the purpose of being able to make a s324 embargo with respect to it. However, any effect of an embargo was rendered inutile by the passive take exemption.

### b. Control of Menindee Lakes

At page 38 of the Transcript Minister Pavey says the following:

*Mrs MELINDA PAVEY: Sadly, Hume and Dartmouth have not filled. That is where the water comes for the south.*

Minister Pavey is incorrect. The allocation for NSW Murray Valley general security is determined by the volumes in the following lakes:

1. Menindee Lakes (currently offline to NSW Murray Valley as it is in NSW control);
2. Lake Victoria (95% full);
3. Dartmouth (55% full); and
4. Hume (62%).

Despite the 3 reservoirs of Lake Victoria, Hume and Dartmouth being over 60% full, the allocation to NSW Murray Valley general security is 12%. It is estimated that the current 12% allocation to these licence holders would be in excess of 50% if the 1,600GL extractions did not occur in February and March 2020. As such, it is extremely misleading (and blatantly false) for Minister Pavey to make the above statement.

From the February 2020 event, approximately only 320 gigalitres reached Menindee Lakes. This meant that the Menindee Lakes remained under NSW control. The Menindee Lakes revert to Commonwealth control when they reach [640](#) gigalitres.

When under MDBA control, water that is then released from the Lakes contribute to the NSW (and Victorian) commitments to South Australia under the Murray-Darling Agreement.

The NSW Water Minister, Melinda Pavey said at the [Farm Writers' Association of NSW](#) (at 44:27):

*There's a good lick of water in Menindee and we need to keep it there as long as possible and having it in NSW management is the best way to achieve that.*

SRI emphasises that the only way NSW can keep control of Menindee Lakes (once in its control) is to reduce inflows into Menindee by allowing extractions upstream. This ensures that Menindee doesn't reach a volume of 640GL. Consequently, the Minister appears to endorse or acknowledge that NSW now has a policy of maximising extractions in the Northern Basin to ensure Menindee Lakes never contribute to the South Australian flow commitment.

These increased extractions could be achieved via either floodplain harvesting or extractions from rivers.

Historically, NSW placed a greater emphasis on having water in Menindee Lakes to provide drinking water to Broken Hill. With the introduction of the Broken Hill pipeline, this is no longer necessary and as such, a new policy to keep the Menindee Lakes low has evolved. This is to the significant detriment of water entitlement holders in the southern basin.

SRI are also concerned that because the outflows from the Menindee Lakes are shared 50/50 with Victoria (when under MDBA control) it is quite possible that Victoria could bring an action against NSW for affecting its water share pursuant to the Basin Plan and the long term averages and contributions that underpin the Murray Darling Basin Agreement. This is because Victoria's water share under the Plan is being undermined by the lack of water arriving to Menindee. In periods of "special accounting" the lack of water in Menindee Lakes also impacts on South Australia's water share.