

# Questions from the Select Committee on Floodplain Harvesting

## Questions on notice

**The Hon. MARK BANASIAK:** *Ms Slattery, in relation to questions from Labor about growth in storage, can you provide a bit of comparison or context in terms of that growth in storage in the north compared to the growth in storage in the south from that same period? Do you have that data?*

**Ms SLATTERY:** *No, we have not done that exercise. We did a trial in the Murrumbidgee over quite a small area before we undertook the project. There was a growth in on-farm storages in the Murrumbidgee for that area and that was around Griffith. There has been growth in on-farm storages in the Murrumbidgee valley, certainly, particularly between Griffith and Hay, that have been funded under the Commonwealth's efficiency program, but we have not done that exercise for the south.*

**The Hon. MARK BANASIAK:** *Did that initial look indicate a similar level of growth or a projected similar level of growth?*

**Ms SLATTERY:** *We did it about 18 months ago. There was a large level of growth, but I could not tell you off the top of my head what it was, and it was not for the whole valley. But I can get that on notice if you want.*

Slattery & Johnson used satellite imaging to map on-farm storages larger than 5,625 square metres in a 57,964 square kilometre region of the Murrumbidgee valley between Wagga Wagga and Hay.

We estimated on-farm storage capacity based on assumed dam depths (3.5 metres and 5 metres). Since 1994, on-farm storage capacity has increased by approximately 65 per cent in the Murrumbidgee study area.

We did the same exercise for five Northern valleys in NSW, except we used Lidar to measure storage depths in approximately 40 per cent of the storages, rather than assuming a constant depth. Since 1994, on-farm storage capacity has increased by approximately 142 per cent in the five Northern NSW valleys.

Both studies assumed that the storage depths remain constant since 1994. This is unlikely as irrigators have been encouraged to increase storage depths to reduce evaporation. That is, both estimates are likely to under-estimate on-farm storage volumes.

**The Hon. MARK BANASIAK:** *Thank you, Chair. I might just turn to a document that I have just tabled and hopefully the Committee secretariat has emailed it to you. It comes from the department and it came via Twitter, talking about water allocation update. One of the arguments we hear from the southern irrigators is that floodplain harvesting has a direct impact on the allocation that they receive. This statement by the department talks about a payback system to the tune of 350,000 megalitres that was borrowed against the environmental water allowance.*

*I am just curious as to how much of an impact on the southern irrigators' water allocation would such a payback have versus the claims of floodplain harvesting impacting water allocation. That seems a fairly significant amount of water that has been borrowed against an environmental water licence.*

**Ms SLATTERY:** *I have not seen the document and I have not got it in front of me. It has not come through from the secretariat. What I would say is that you are referring to the arrangements around the Barmah-Millewa account. That has been in place since about the nineties, I think, so it is not a new thing. You would not expect that it would have an impact on allocations but you would not expect that to have a changed impact on allocations, certainly since the nineties. But I would argue that there has been a growth in extractions in the north and that does have an impact on the Barwon-Darling/Baaka and that therefore has an impact on southern allocations. I do not see how anyone could argue otherwise.*

**The Hon. MARK BANASIAK:** *Yes, I just wanted a bit of context in terms of how such a payback would compare to the impacts of floodplain harvesting. Perhaps, because you have not seen the document, I might try and get the secretariat to email it to you. Perhaps on notice you might be able to come back with some further comments. I am just conscious that I might be running out of time shortly. If that is okay, Ms Slattery? Yes. Thankyou.*

Nothing further to add to the answer given.

*Ms Slattery, can you tell us: Does floodplain harvesting occur in other States and, if so, how is it licensed and enforced?*

**Ms SLATTERY:** *It occurs in Queensland. I am not aware of it occurring in Victoria or South Australia.*

**The Hon. BEN FRANKLIN:** *And how is it licensed and enforced in Queensland? If you prefer to take that on notice, I understand that might be quite complex.*

**Ms SLATTERY:** *Yes, I have not looked into Queensland in a great lot of detail. I have heard that it is probably pretty cowboy territory there as well.*

Nothing further to add to the answer given.

## Supplementary question

*Can you respond to the NSW Office of Water's Senior Water Planner Dan Connor's claims that the official Cap is actually 100 gigalitres higher than what the Department is proposing in their cap scenario?*

Correspondence obtained under a *Standing Order 52, Order for Papers – Water Modelling, 5 May 2021*, show that Andrew Brown, the Principal Water Modeller at the Department of Planning, Industry and Environment (DPIE) was concerned about misrepresenting the official Cap through the Healthy Floodplains process.<sup>1</sup> Extracts from his correspondence are shown in *Figure 1* and *Figure 2*.

**From:** Andrew Brown  
**Sent:** Tuesday, 13 April 2021 1:14 PM  
**To:** PPr Simpson <Privacy >; Dan Connor  
; Richard Beecham  
**Frances Guest** ; Linda Holz  
**Cc:** Siv Teh ; Hitesh Patel  
**Subject:** RE: New Barwon-Darling Cap Modelling

Hi PPr

I think it is important to recognise that the setting of a new Cap or LTAAEL etc is subject to a range of other processes.

In this specific case, there cannot be a new Barwon-Darling Cap model until it has been through an internal review phase, then proposed formally to MDBA who can be expected to commission an independent peer review that we can expect will make further recommendations for changes or improvements, and then MDBA may or may not at some point formally adopt a new Cap model for the Barwon-Darling. None of that has been discussed or initiated.

Our WSP links us to the MDB agreement process under schedule E, so we cannot simply pretend that all this doesn't exist and the FPH program has reset the Cap.

I strongly suggest that FPH structures its words carefully when talking about "Cap" models so that we do not inaccurately present this work to stakeholders as being the new formal Cap model, with all the inevitable reactions when they see a lower Cap number.

I think it would be compatible with my understanding of Dan's overall concept here if we were to describe these scenarios as drafts, or in development work that incorporates that latest information that we have, but is subject to a lengthy future exercise that includes compulsory stakeholder consultation. However the FPH program is choosing to use this work in its incomplete state to set entitlements in the expectation that this provides the best chance available that we can minimise the need for future adjustments via an AWD process.

I do not think it is in the interests of the Healthy Floodplains program to become entangled in issues around growth and/or model changes because the scope of effort required to resolve those things is many orders of magnitude greater than what you have left.

The key to avoiding that pitfall will be to be very specific about the wording we use when describing these scenarios. Please do not simply call them a "Cap Model" or a "LTAAEL model", particularly in public documentation, when those terms mean a specific formal thing that these scenarios do not satisfy.

I would encourage HFP to think about the messages they can construct to push the inevitable debate into a different work program, probably within Allan Raine's area.

Andrew  
Andrew Brown  
Principal Water Modeller

Water Analytics | Department of Planning, Industry and Environment

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Figure 1: Correspondence from Andrew Brown, Principal Water Modeller, DPIE

<sup>1</sup> Brown. (2021). *Email: RE: Post FPH program – WRPs & LTAAELs*. Sydney: NSW Parliament. Obtained under Standing Order 52, Order for Papers – water Modelling, 5 May 2021.

**From:** Andrew Brown  
**Sent:** Tuesday, 13 April 2021 2:45 PM  
**To:** Linda Holz; PPr Simpson <Privacy> Privacy >  
 Dan Connor; Richard Beecham  
 ; Frances Guest  
**Cc:** Siv Ten; Hitesh Patel  
**Subject:** RE: New Barwon-Darling Cap Modelling

Hi Linda

The timeframes your looking at seem realistic to me and I think it speaks to the concept I'm trying to get at here.

Cap/Plan Limit have a life of their own, with processes that address formal requirements, and those will play out on a longer time frame then the couple of weeks that we have left in HFP.

HFP would be better off to be clearer about what these scenarios represent to avoid being sucked into a quagmire that will be created if it suddenly pops up with what looks like new Cap and Plan limit numbers.

The labels and surrounding words should make clear that it is a first pass, and more needs to happen. Somewhere else, and HFP is not going to tackle it.

Andrew

**Andrew Brown**  
 Principal Water Modeller

Water Analytics | Department of Planning, Industry and Environment

Figure 2: Correspondence from Andrew Brown, re the Cap

Mr Brown is concerned that the way Cap was described through the Healthy Floodplain project was misrepresenting the official Cap, which is lower than the 'Cap Scenario' model presented by DPIE. He explains that the Cap is a prescriptive process that is linked to both Schedule E of the Murray-Darling Basin Agreement and the NSW Water Sharing Plans.

Mr Connor's reply is shown at Figure 2.

**From:** Dan Connor <  
**Sent:** Tuesday, 13 April 2021 3:55 PM  
**To:** Andrew Brown; Linda Holz; PPr Simpson <Privacy> Privacy > Richard Beecham; Frances Guest  
**Cc:** Siv Ten; Hitesh Patel  
**Subject:** Re: New Barwon-Darling Cap Modelling

Hey Brown,

I don't think that we are on the same page.....

The FPH work represents best available estimates (far from perfect but loads better than the past) of legal limits and current conditions and this is how we are messaging it.

We have Dept wide and MO agreement that these assessments are the basis for growth in use actions and Allan Raine and his team are gearing up to make 1 July 21 allocations based on these results.

Our current WRPs are being withdrawn and will be re-submitted with the new FPH rules etc. The new BDL model will need to be submitted as part of this as well as new APT methods etc.

Do we need to discuss?

Thanks

**Dan Connor**  
 Director, Healthy Floodplains Project Delivery  
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Figure 3: Correspondence from Dan Connor to Andrew Brown

Mr Brown highlighted that the 'Cap scenario' was higher than the official Cap. Mr Connor's reply does not address the points raised by Mr Brown, and instead explains that the approach to 'message' the 'Cap Scenario' as the official Cap was agreed by the Department and Minister's Office.

The statement that *'the official Cap is actually 100 gigalitres higher than what the Department is proposing in their cap scenario'* is incorrect. We can only speculate which numbers Mr Connor is quoting, but they are not the official Cap numbers.

The official Cap models are documented in Cap model reports (prepared by the NSW water agency). The official Cap models are independently assessed and reported in independent accreditation of Cap model reports.

Prior to Mr Connor's evidence to the Select Committee, Mr Connor and the DPIE are on the public record many times stating that floodplain harvesting has exceeded Cap and that the issuing of floodplain licences will reduce floodplain harvesting volumes to be within Cap. This contradicts the claim that the official Cap is higher than the 'Cap Scenario'.