

**Submission
No 38**

INQUIRY INTO ADEQUACY OF WATER STORAGES IN NSW

Organisation: Local Government and Shires Association of NSW
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The Director
Standing Committee on State Development
Parliament House
Macquarie Street
SYDNEY NSW 2000

Fax: 9230 2981

Dear Sir/Madam

Inquiry into the Adequacy of Water Storages in NSW

We write to provide the Local Government and Shires Associations of NSW' comments to the committee's inquiry into the adequacy of water storages in NSW.

The Associations are the peak bodies for NSW Local Government. Together, they represent all the 152 NSW general-purpose councils, the special-purpose county councils and the regions of the NSW Aboriginal Land Council. The mission of the Associations is to be credible, professional organisations representing Local Government and facilitating the development of an effective community-based system of Local Government in NSW. In pursuit of this mission, the Associations represent the views of councils to NSW and Australian Governments; provide industrial relations and specialist services to councils and promote Local Government to the community.

The Associations thank the NSW Legislative Council's Standing Committee on State Development for the opportunity to make a submission to its inquiry into the adequacy of water storages in NSW.

Local Government plays an important role in water management and in the provision of water services to the community. Councils use water for their business activities and community services and continuously aim to improve the efficient use of this scarce resource. In regional NSW, councils also provide water supply and sewerage services. There are currently 106 local water utilities providing these services to communities in regional NSW, including 96 council-owned and operated local water utilities, four water supply county councils, and one water supply and sewerage county council. Local water utilities service almost 2 million people in regional NSW. This is a significant responsibility including ensuring supply security and drinking water quality through infrastructure provision, demand management and integrated water cycle management.

The Associations would like to provide the following comments to the inquiry:

- ***Consider all supply augmentation and demand management options***
To achieve secure, reliable and safe water services at lowest cost, policy settings should ensure that costs, benefits and risks of all supply augmentation and demand management options are considered and robustly analysed on an equal basis.
- ***Consider flood mitigation function of water storages***
Recent controversy about the flood mitigation function of water storages such as the controversy around the management of Wivenhoe Dam during the Queensland floods in 2010/11 and over releases from the Snowy

Mountain system during floods in the Murray and Murrumbidgee catchments in 2011, clearly indicate that processes need to be in place to ensure the flood mitigation function of water storages is taken into account when planning for and managing water storages.

- ***Ensure adequacy of town water supplies***

When looking at the adequacy of water storages, the Associations urge the inquiry to consider town water supply requirements, including future demand projections, in regional NSW. This should take account of actual and anticipated growth patterns (population and industrial development) experienced and planned for in communities as well as any potential impact of climate change on water availability and supply security.

Many local water utilities in regional NSW are undertaking comprehensive demand analysis as well as analysis of the yield of their supply sources in the context of integrated water cycle management. With the assistance of the NSW Office of Water, utilities are also looking at the impact of climate change on their supply sources, in particular, on the secure yield of their water storages.

- ***Guarantee of town water supplies in Murray-Darling Basin Plan***

For the reasons given above, it is crucial that town water supplies for urban use are guaranteed. For this reason, the Associations have on numerous occasions called for a guarantee of town water supplies in the Murray-Darling Basin Plan. We urge the inquiry to support our call.

Town water, mainly residential water and water used by manufacturing and other industries, supplied by local water utilities, makes up only a small proportion (about 4%) of total water use in the basin. Also, local water utilities are already very efficient in their water use and have in place comprehensive demand and drought management under the NSW Office of Water's *Best Practice Management of Water Supply and Sewerage Guidelines 2007*. Therefore, town water supplies could be given priority in the basin plan without affecting essential environmental flows.

The Associations hope that their comments are of assistance and look forward to continuing to contribute to achieving secure, reliable and safe water services in NSW.

For further information on the Associations' submission, please contact, Sascha Moege, Senior Policy Officer on 9242 4045 or sascha.moege@lgsa.org.au.

Yours sincerely

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