INQUIRY INTO ADEQUACY OF WATER STORAGES IN NSW

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Riverina Eastern Regional Organisation of Councils (REROC) 01/11/2012



Submission to the Standing Committee on State Development Adequacy of Water Storages in NSW

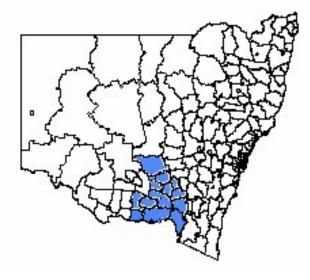
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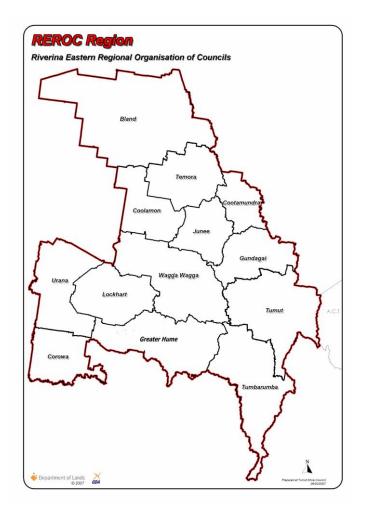
The Riverina Eastern Regional Organisation of Councils (REROC) is a strategic alliance of fifteen local government bodies located in the eastern Riverina region of NSW. Originally formed in 1992 the aim of the organisation is to assist councils to operate more efficiently and effectively through working together to achieve economies of scale and scope and present a better informed and representative voice for its members.

The members of REROC are the councils of Bland, Coolamon, Cootamundra, Corowa, Gundagai, Greater Hume, Junee, Lockhart, Temora, Tumbarumba, Tumut, Urana and Wagga Wagga as well as Riverina Water and Goldenfields Water County Councils.



The REROC region covers an area in excess of 45,000 sq kms and a population base of approximately 140,000 people. The REROC region includes the Murray, Murrumbidgee and Lachlan river systems.

While our region does not encompass the irrigation areas of the western Riverina our members appreciate the significant role that water plays in the prosperity of the entire region. In addition our members are actively



pursuing strategies to increase population and economic activity in the region, the success of those strategies is underpinned by the availability of water.

In 2011, utilising funding from the Federal Government's Strengthening Basin Communities initiative, REROC undertook a project which considered the impacts of a world with less water. One of the reports generated by the project considered the impacts of reduced water availability on the industries within the REROC region. The Discussion Paper and Final Report recognised that less water would have significant impacts on the manufacturing, agriculture and timber and forestry industries which are integral to the prosperity of the eastern Riverina. The final reports are available on the REROC website at <u>www.reroc.com.au</u>

It would seem obvious that critical to addressing the issues of growth in regional and rural NSW is access to a sustainable and reliable supply of water. To this end REROC welcomes the Committee's investigations into water storage adequacy in NSW.

In relation to the Inquiry's Terms of Reference REROC offers the following comments:

a) The capacity of existing water storages to meet agricultural, urban, industrial and environmental needs

It would seem to our members that the debate generated by the development of the MDB Plan indicates that there is insufficient storage capacity to meet all the above needs – if there was sufficient capacity then it seems likely that there would be no need to cut the water to productive uses in order to provide water for the environment.

We are concerned that development in the region will be constrained by lack of water – indeed we understand that some councils are already augmenting their town water supplies by purchasing High Security water which they can then utilise to support economic development.

The only way that NSW can grow and maintain its industry and agricultural production is to have guaranteed access to a sustainable water supply – if current storages are insufficient to provide that guarantee of supply then our members believe that the storages are insufficient. We note that when water supply in the Sydney catchment was deemed to be insufficient to meet the needs of industry and the population, the Government invested almost \$2 billion in a desalination plant. Our members argue that similar levels of investment are warranted to support the more than \$8 billion generated by agriculture and agriculture value-added industries which operate in rural and regional NSW.

We also have some concerns in relation to the impact on storage capacity of water held for environmental purposes. Currently water is held on behalf of the Murray Darling Basin Authority (as part of The Living Murray program), the New South Wales Office of Environment and Heritage, the Victorian Environmental Water Holder and Commonwealth Environmental Water Holder (CEWH). It is our understanding that the water is primarily held in NSW water storages. As the CEWH's holdings in particular increase, we are concerned that where the

CEWH does not use its entire allocation it will "bank" the unused allocations in the NSW storages taking up valuable air space. It is only in limited circumstances that the CEWH is able to sell its allocations or entitlements back into the system and we are unclear as to whether or not there is a ceiling on the amount of water that can be banked for environmental purposes. If there are competing demands for the storage of banked water, as irrigators are also able to bank unused allocations, then all the user's needs must be accommodated in the current storages. It is unclear whether current storages have the capacity to meet these demands.

b) Models for determining water requirements for the agricultural, urban, industrial and environmental sectors

Our members believe that it is imperative that models be developed for determining water requirements. Our understanding is that State Water currently determines demand for up to 24 months using History of Use data, environmental water needs, long term weather forecasts and IQQM modelling. We note that the modelling does not appear to include projections for populations and industrial growth. As stated above our member councils are actively pursuing growth strategies for both population and industry, however the modelling undertaken by State Water does not appear to take this into consideration.

We believe that given the growing competition for storage space that it is imperative that State Water have at its disposable modelling capacity which can take into account current demands for water as well as future projections of what water may be needed to fulfil urban and industrial growth.

If rural and regional Australia are to grow and prosper we need to be sure that water supply is able to meet those new demands as well as existing demands for agriculture and environmental needs. We suggest that there would be value in undertaking an audit of industry and urban needs for water in NSW which could inform the modelling for water requirements in the State.

Our water utilities have participated in or are currently participating in the development of Integrated Water Cycle Management (IWCM) plans. In addition they have undertaken demand management planning in order to make long term projections about their water needs. These plans take into account actual and anticipated growth (both population and industrial development) as well as the potential impact of climate change on water availability and supply security. This is information that could be feed into State-wide modelling for water needs.

Consideration could be given to developing a data gathering resource which would bring together all the information held by Local Government on future urban supply needs, this could then be accessed by State Water to undertake demand modelling.

c) Storage management practices to optimise water supply to the agricultural, urban, industrial and environmental sectors

Storage management should be approached on a consultative basis to ensure that water is released at the most optimum times for productive use as well as environmental benefit.

Over the years REROC has raised the issue of using weirs along Murrumbidgee River as part of the water storage solution. Weirs could serve several purposes, firstly allowing water to be released more slowly from water storages. It is our understanding that water that is currently released for irrigation comes down the Tumut River at a very fast pace, to the detriment of fish habitat and breeding because it causes substantial erosion to riverbanks. This area of our region has a strong tourism focus which in part is dependent on its natural wonders and outdoor activities including fishing.

So somewhat ironically while water release for irrigation is supporting economic growth in the west it is undermining it in the east. We believe the use of weirs would mitigate this by allowing releases to occur in a staged way which would lessen the speed at which the water was released from the dam resulting in less impact on fish habitat.

We also believe that weirs could provide some mitigation for floods, capturing excess water en-route. On 5 March this year Central Wagga Wagga was evacuated as a result of flood water moving down the Murrumbidgee. The evacuation displaced over 8,000 residents and closed all the businesses located in the CBD, costing millions of dollars in lost time and productivity. North Wagga Wagga was inundated with hundreds of residents evacuated and homes destroyed by flood waters. We believe that deep water weirs strategically placed along en-route would provide insurance against this occurring again.

Management practices should also include as a primary objective the minimisation of water losses, including transmission losses. It is for this reason we have suggested the use of deep water weirs. We strongly suggest that the Committee consider the work undertaken as part of the Pratt Water¹ project for the Murrumbidgee which contained a number of recommendations for the management of the water resources with the aim of reducing water losses.

d) Proposals for the construction and/or augmentation of water storages in NSW with regard to storage efficiency, engineering feasibility, safety, community support and cost benefit

As stated above we believe that it is worth exploring the use of en-route storage such as deep water weirs. Water could be released from dams and "parked' in

¹ The Business of Saving Water (2004), The Pratt Water Murrumbidgee Project Report.

these weirs awaiting use. We believe this approach would lessen water transmission losses.

The Pratt Water project recommended a number of initiatives for the Murrumbidgee with the goal of improving water efficiency, which included:

- Just in time water delivery capacity to match product market demands;
- Investment in water measurement information systems;
- Refurbishment of irrigation channels using new piping technology;
- New piping of stock and domestic water supplies;
- Increased investments in water efficiency technologies.

We have seen some of these initiatives introduced as part of infrastructure improvement grants awarded by the Commonwealth. However we believe that there is merit in revisiting these recommendations with a view to ensuring that NSW makes every drop of water count.

e) Water storages and management practices in other Australia and international jurisdictions

REROC has not undertaken any research into this issue and therefore can provide no comments.

f) Any other matter relating to the adequacy of water storages in NSW

REROC wishes to raise the importance of town/urban water supplies. Often in the water debate the needs of towns seems to be lost. While REROC appreciates that urban water represents only a small portion of the total water "take" it remains its most vital role – water for human needs.

Town water is not only used by residents but by manufacturing and other industries, mainly small business which underpin the economic life of rural and regional NSW. It is imperative that town water supplies are not only guaranteed but that there is also some provision for growth. We encourage members to consider this issue in their deliberations.

We thank the Committee for the opportunity to provide a late submission to the Inquiry and to appear at Hearings in Wagga Wagga. If any further information is required please do not hesitate to contact the REROC Chairman Cr Paul Braybrooks *OAM* or the REROC Executive Officer, Mrs Julie Briggs.