

Submission  
No 91

**INQUIRY INTO RATIONALE FOR, AND IMPACTS OF,  
NEW DAMS AND OTHER WATER INFRASTRUCTURE IN  
NSW**

**Organisation:** Central West Environment Council

**Date Received:** 22 September 2020

---

Portfolio Committee No 7  
Parliament House  
Macquarie St Sydney NSW 2000

Tuesday 22 September 2020

**SUBMISSION**  
**Inquiry into the rationale for, and impacts of, new dams  
and other water infrastructure in NSW**

Central West Environment Council (CWEC) is an umbrella organization representing conservation groups and individuals in central west NSW working to protect the local environment for future generations.

CWEC welcomes the opportunity to participate in this very important Parliamentary Inquiry into new dams and other water infrastructure in NSW.

This submission will be concentrating on the two proposals based in Central West NSW, the Raising of Wyangala Dam Wall on the Lachlan River and the Macquarie River reregulating weir.

CWEC does not support either of these proposals because of their environmental, cultural, social and economic impacts.

**1. Raising Wyangala Dam Wall**

We are particularly concerned about the fast-tracking of the Wyangala Dam proposal when there has been no business case or environmental assessment completed. The announcement that work will commence on the project in October 2020 when the assessment and approvals process has not been completed is very disturbing.

More importantly the Lachlan Valley did not enter level 4 drought measures during the 2018-2020 drought, like numerous other river systems in NSW. There is no

critical need for the project and it should not be designated as critical State significant infrastructure.

Wyangala Dam water level is currently at 58.9% and can supply all requirements.

The project should be removed from the *Water Supply (Critical Needs) Act 2019* and the application to the Department of Planning, Industry and Environment for assessment and approval as critical State significant infrastructure should be cancelled.

The proposal to raise the wall by 10 m to capture a further 650 GL (billion litres) and increase the storage capacity by 53% cannot be justified. There is no clear evidence provided by the proponents, WaterNSW, of the need to invest public money in this project. Under climate change predictions it is likely to become a stranded asset.

The political announcements about the project in October 2019 are based on funding predictions of \$650m made in the *WaterNSW's 20-year Infrastructure Options Study 2018*.

These costings are now out of date and yet have been adopted by both the Commonwealth and NSW Governments in regard to funding arrangements without a final business case.

CWEC maintains that the final costs of the project will be far greater than current funding announcements. The Commonwealth has committed to contributing one quarter of the funding through the National Water Infrastructure Fund and a quarter through the National Water Infrastructure Loan Facility that will have to be repaid by NSW.

Therefore, NSW is liable for three-quarters of the predicted cost of the Wyangala project with no transparent information about the source of this funding, and the cost is likely to escalate.

The key rationale for the project, as outlined in the WaterNSW Scoping Report, is to provide an additional 21.5 GL/yr to general security licence holders in the Lachlan Valley.

This works out at a cost of at least \$3,023 per ML to the Australian and NSW public. With no available business case, it is more than likely that this cost will increase.

It has not been made clear to Lachlan Valley water licence holders, as customers of WaterNSW, that water pricing will increase through the Independent Pricing and Regulatory Tribunal to cover the cost and maintenance of this project.

Lachlan Valley water users have had exemptions in the past for paying water storage costs during major drought. This results in public subsidisation of the management of the storage.

## **Environmental Impacts**

The environmental impacts of the proposed raising of Wyangala Dam wall by 10 m will be significant both upstream and downstream.

The Lachlan and Abercrombie Rivers will be impacted by additional flooding and the increased inundation area will impact on an additional 1,947 ha of land including 1,692 ha native vegetation containing 1,391 ha critically endangered Grassy Box Gum Woodland. The edges of and possible access to Mt Davies Nature Reserve is also in the area of impact.

Further loss of habitat for native fish and threatened woodland plants and animals will be significant.

Preliminary environmental assessment has indicated that habitat for the critically endangered Silver Perch, endangered Macquarie Perch and vulnerable Murray Cod will be impacted. Further loss of connection for upstream and downstream native fish populations will occur.

Downstream environmental impacts include changes in river hydrology through loss of important high and medium flows captured in the raised storage level. These flows currently provide important environmental outcomes, especially for the 471,000 ha of nationally significant wetlands supported by the Lachlan River.

These wetlands provide important habitat for migratory waterbird species protected under international agreements signed with Japan, China and Korea.

Wyangala Dam currently causes significant cold water pollution in the Lachlan River. Public funding would be better invested in a variable level off-take on the existing dam wall to allow for water to be released from warmer strata in the storage.

## **Cultural heritage impacts**

The project will have significant impact on Aboriginal cultural heritage. There are a number of burial sites within the existing inundation area and an additional site in the proposed increased area.

Important ceremonial sites, scar trees and other evidence of ancient occupation of the landscape is under threat.

The Lachlan River has important cultural values for the Wiradjuri Nation and other downstream First Nations groups. The lack of allocation of cultural water is significant and not addressed by this proposal.

Consultation with Aboriginal people has been very poor.

## **Social & Economic Impacts**

The increased inundation area is having significant social and economic impacts on small communities such as the townships of Wyangala and Reids Flat. Loss of access to properties is another key impact.

The proposal to fast track the shifting of two major recreational facilities at the dam, Wyangla Waters Holiday Park and Grabine Lakeside Holiday Park, prior to the development of a business case or environmental impact statement has major social and economic impacts.

The proposed full water level may take years, if ever, under climate change predictions. Recreational facilities will be stranded on higher ground, making it more difficult to access the water for boating and fishing activities. This is likely to make the facilities less popular.

Downstream water users and basic rights access will be impacted by the loss of flows captured by the increased storage capacity.

Water availability to Lake Cargelligo and Lake Brewster will be compromised.

There has been no modelling released to the public to demonstrate the impact of loss of an additional 650 GL from downstream water access and availability.

## **2. Macquarie River Re-regulating storage**

There is no rationale for designating this proposal as State significant development. The beneficiaries will be a handful of general security licence holders in the Lower Macquarie at huge cost to the NSW public and the river environment.

This project has been predicted to cost at least \$30m with the aim of increasing general security licence availability by 6 GL. This at a cost of \$5,000 per ML.

The Macquarie Valley is over-allocated with the size of the irrigation industry exceeding the yield capacity of the Valley.<sup>1</sup> This project will exacerbate the impacts of over-extraction causing greater environmental, cultural, social and economic harm downstream.

The proposal to construct a new 10 m weir at Gin Gin on the Macquarie River will create a 30 km weir pool capturing natural inflows below Burrendong Dam and impacting on a significant Murray Cod breeding site and a registered Aboriginal heritage site. The increased weir pool will inundate neighbouring land and drown out important stands of River Redgums and riparian vegetation.

The capture of additional water is predicted to decrease natural flows and water availability to the downstream internationally significant and threatened Macquarie

<sup>1</sup> Infrastructure NSW, 2014. State Infrastructure Strategy Update p 89

Marshes. Poor water management and over allocation have caused a considerable shrinking in size of the core Marsh area. NSW and Commonwealth have obligations under the Ramsar Treaty to maintain the health and extent of this wetland area.

The extensive reed beds, couch grass, mixed marsh and River Red Gum woodlands are important wetland habitats for a wide diversity of colonial-nesting waterbirds, migratory waterbirds, amphibians, reptiles and threatened woodland species.

It is critical that the existing flow regime into the Marshes is maintained without further loss of natural inflows.

Connectivity to the Barwon-Darling River will also decrease through this proposed additional capture of water in the Macquarie system. This has impacts on both fish passage into and out of Macquarie during key fish migrations and also on Darling River communities' water access for critical human needs.

Downstream Macquarie water users and unregulated licence holders below the regulated river section will lose access to inflows. Warren and Carinda town water supply, stock & domestic licences and basic rights access will be impacted by the proposal.

The best solution in the Macquarie is to repair the existing Gin Gin weir and construct the fishway that has been an outstanding legal obligation of WaterNSW since 2011. This fishway plus one at Gunningbar and Marebone weirs are an unmet condition of approval for the upgrade of Burrendong Dam.

The failure to meet these legal obligations is causing a lack of community trust in WaterNSW to properly manage water infrastructure in NSW.

There is no economic, social or environmental justification for the Macquarie River re-regulating storage project. The development application to the Department of Planning, Industry and Environment for assessment and approval as State significant infrastructure should be cancelled.

Contact for Central West Environment Council

Cilla Kinross  
President