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Minutes of Ordinary Meeting Region 9

Leeton Shire Council Chambers, 23-25 Chelmsford Place, Leeton NSW 2705

Thursday, 15th February 2018 at 10.00am

AGENDA

1. WELCOME

1.1 Present – Chair of Region 9 – Cr Paul Maytom (Mayor of Leeton Shire Council) opened the meeting, welcomed everyone and thanked those members of Region 9 for attending.

Cr Paul Maytom	Mayor, Leeton Shire Council
Mrs Jackie Kruger	GM, Leeton Shire Council
Mrs Ruth McRae	Mayor, Murrumbidgee Council
Mr Mark Gooden	Private Member
Cr Wesley Hall	Narrandera Shire Council
Mr Bede Mecham	Life Member
Cr Dino Zappacosta	Griffith City Council
Mr Joe Burns	Private Member
Mr Bede Spannagle	RWCC
Mr Russell Campbell	Carrathool Council
Ms Emma Bradbury	CEO, MDA (via link)
Mr Jody Rudd	Murrumbidgee Irrigation
Mrs Liz Stott	Regional Engagement Officer, MDBA
Mrs Melissa Seymour	EA, Leeton Shire Council

2. DECLARATION OF INTERESTS

2.1 Declaration of Interest - Cr Paul Maytom called and no declarations were made.

3. APOLOGIES

Cr Rodger Schirmer	Mayor, Lockhart Shire Council
Mr Peter Veneris	GM, Lockhart Shire Council
Mr Greg Verdon	RWCC
Cr Mick Rutledge	Hay Shire Council
Mr Paul Funnell	Wagga Wagga Council
Cr Neville Kschenka	Mayor, Narrandera Shire Council
Cr John Dal Broi	Mayor, Griffith City Council

Moved by Mr Bede Spannagle and second by Mr Bede Mecham.

4. MINUTES

- 4.1 Minutes of the previous meeting on 12th December 2017 were noted as read and accepted – moved by Cr Wesley Hall and second by Mr Joe Burns.

5. REPORTS FROM REGION 9

5.2 Emma Bradbury CEO MDA provided a report on the current developments and reflected on 14th February 2018 when the Senate passed the disallowance motion (voted 32 to 30) against the Northern Basin Plan. This formed the basis of discussion with Emma noting that the MDA will issue a media statement in response to the motion (enclosed). Mr Russell Campbell and Cr Zappacosta both commented that time is needed to consider impacts.

6. GENERAL BUSINESS

6.1 This item was discussed at Agenda item 5.2

6.2 Emma Bradbury spoke of the Natural Resource Access Regulator (NRAR) water management and compliance and responses from the Regions to date. Emma encouraged Region 9 to provide a response by 19 February 2018.

6.3 Not discussed

6.4 Cr Paul Maytom highlighted key aspects of Ernst & Young (EY) report and the summary provided by MDA. Emma Bradbury commended the report and its value and that it made a number of key recommendations with regard to water recovery that could be done. She noted that the report identified what Local Government should be working on and the structural adjustment required at the community level.

Brief for EY was to identify how the 450 GL is to be recovered with mutual or beneficial social and economic impact rather than 'if' and this created a lot of anger. Emma commented on a few things that can be challenged from the report. The report identifies uncertainties and frustrations at a community level. Recommendations have been made on what could be done to recover water with a beneficial impact. The report is challenging for some communities to support in terms of where those water recoveries will come from. Emma encourages all to read the EY report and the MDA summary. Cr Maytom noted there are good responses at State level from NSW, SA and Victoria.

Cr Maytom raised concern about disallowance motion and spoke about 450 not recommending any change to the plan. Liz Stott confirmed 605 change to the plan is before Parliament and can be voted up or down and with 450 there is no recommended change. Cr Zappacosta thanked Emma for the MDA report and referenced the last point on page one and concern re 4%. Liz Stott and Emma clarified that 4% will not be lost from water entitlements. Cr Maytom highlighted the fact that our role is to get the best impact for our communities going forward and not give up. MDA stress that it is essential for all Governments to state the cause.

Mr Russell Campbell noted concern about motion at the MDA AGM regarding disallowance of membership and amending the Constitution. Stating you cannot be a private member and a serving Council Member. Motion was lost, however Board has adopted a policy that they will not accept serving members as individual members. MDA noted this comprises the integrity of Local Government membership. Russell thanked Emma Bradbury for her clarification.

6.5 Emma Bradbury encouraged each Council from Region 9 to consider their key priorities from a Council prospective and issues around the basin plan and to bring them to the next meeting. Mr Bede Mecham noted that past life members of the MDA are no longer included in the Annual Report. It was recommended that past life members should be remembered again in the Annual Report.

7. PRESENTATION

7.1 Mr Jody Rudd General Manager Assets Delivery at Murrumbidgee Irrigation (MI) presented on MI's current business overview. – Slides attached

11.10am Jackie Kruger, GM Leeton Shire Council joined the meeting.

7.2 Mrs Elizabeth Stott REO MDBA provided Region 9 with a refresher on Basin Plan basics along with work to be done by MDBA over the next 6 months and post 2019 – slides attached.

Cr Paul Maytom thanked Mr Jody Rudd and Mrs Elizabeth Stott for presenting.

8. NEXT MEETING

Next Region 9 meeting will be Thursday, 17 May 2018, Leeton Shire Council Chambers 23-25 Chelmsford Place Leeton NSW 2705.

9. CLOSE

Chair, Cr Paul Maytom closed meeting and thanked all for attending.

Meeting closed at 12.50pm

*The Murray Darling Association acknowledges and thanks
Leeton Shire Council for their support in
hosting this meeting of Region 9*



Murrumbidgee
Irrigation

Growing our future together - Customers, Company, Community

Murrumbidgee Irrigation Presentation

15th February 2018

Jody Rudd
General Manager Asset Deliver

- Business Overview
- Modernisation
 - Opportunities to change the way we do business!



Murrumbidgee Irrigation (MI)



Growing our future together - Customers, Company, Community

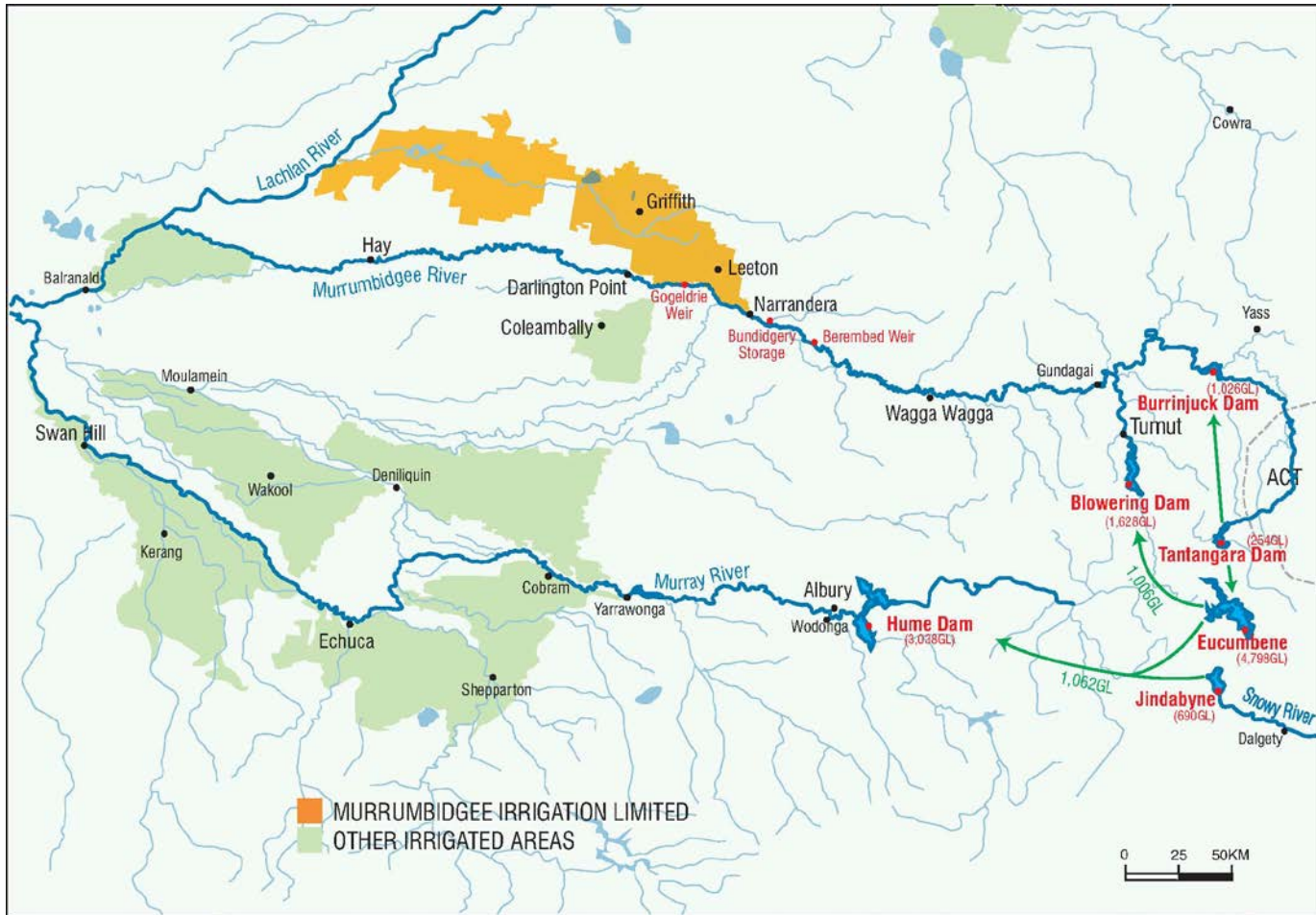
- Water distribution and delivery
- Licences to divert water from the Murrumbidgee River
- Customer water entitlements \$2.6B
- One of Australia's largest private rural water utilities
- Unlisted public company
- Cost recovery



MIA Region & Storages



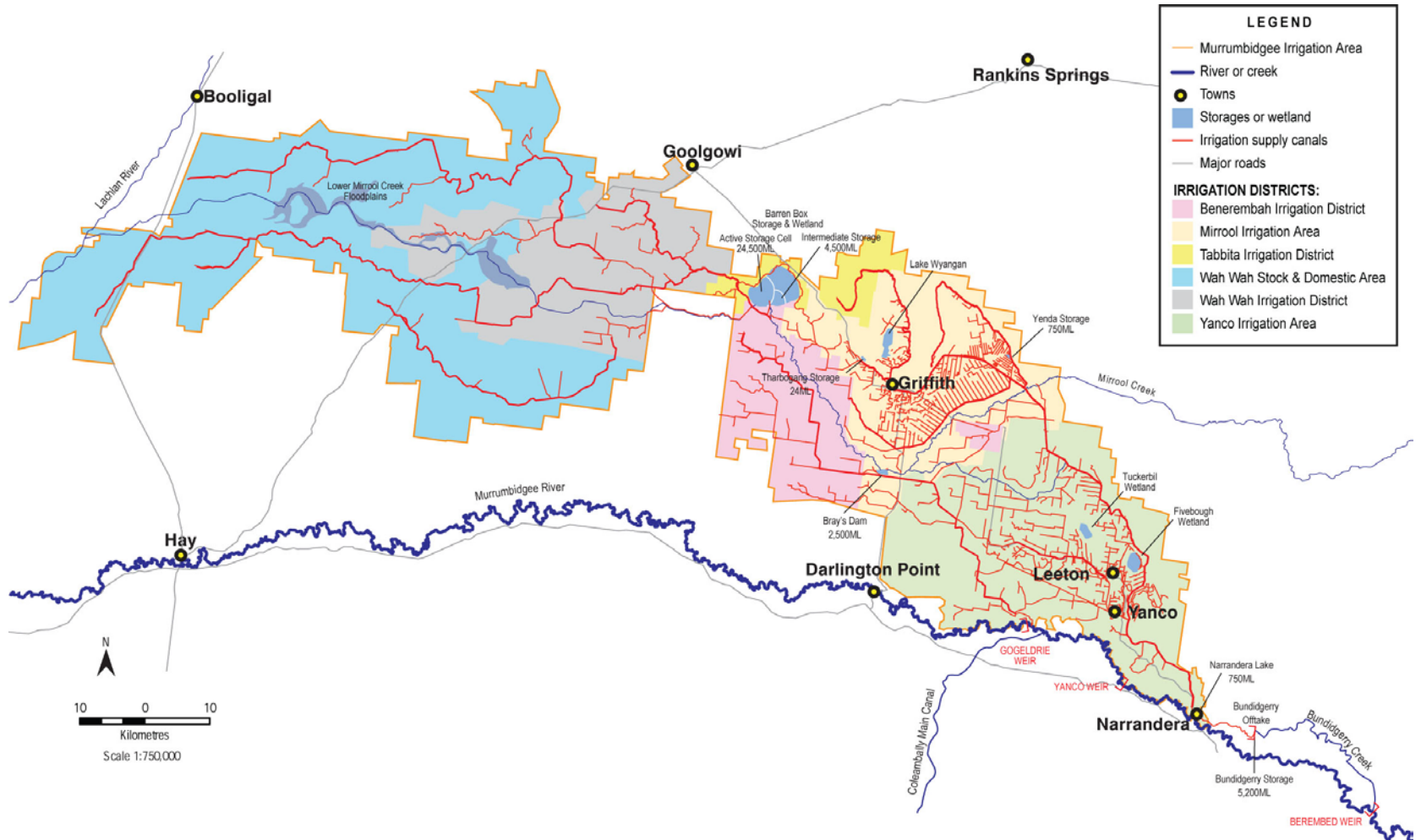
Growing our future together - Customers, Company, Community



Murrumbidgee Irrigation Area



Growing our future together - Customers, Company, Community



MI Key Stats



Growing our future together - Customers, Company, Community

- >\$500 M infrastructure assets
- \$90 M turnover (approx.)
- 5,000 km of channels/pipes
- Total area - 660,000 ha
- Total irrigated - 160,000 ha
- 182 staff & 2,600 customers
- 3,200 farms & 9 towns



MIA Water Entitlements



Growing our future together - Customers, Company, Community

Water entitlements (GL)	MIA	Valley
General security	738	1,888
High security	310	356
Stock/Domestic/Towns	27	56
Conveyance (max)	223	373
Supplementary water	37	198
TOTAL	1,335	2,871

(46%)

1ML = 1000m³

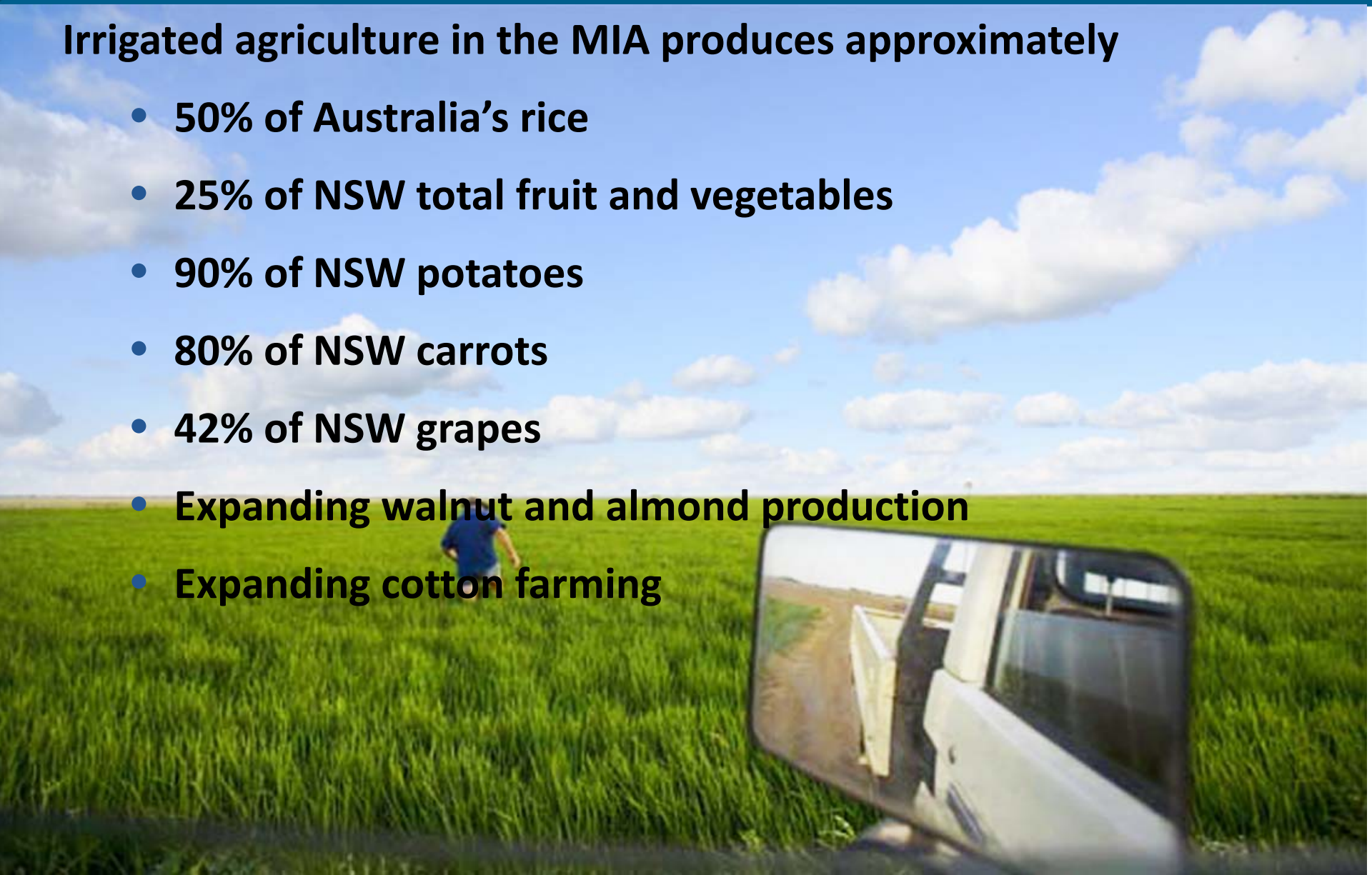
1GL = 1000ML

Our region - MIA



Irrigated agriculture in the MIA produces approximately

- 50% of Australia's rice
- 25% of NSW total fruit and vegetables
- 90% of NSW potatoes
- 80% of NSW carrots
- 42% of NSW grapes
- Expanding walnut and almond production
- Expanding cotton farming



Private Irrigation Infrastructure Operators Program (PIIOP)

- Australian Government program
- Efficiency savings through infrastructure modernisation
- Three rounds of funding

PIIOP Funding



Growing our future together - Customers, Company, Community

- PIIOP 1 - \$50million - Complete
 - Lake Wyangan
 - Lake View Canal
- PIIOP 2 - \$185million - 2019
 - Hanwood
 - MIA Modernisation
 - Wah Wah
 - On Farm
- PIIOP 3 - \$125 million - 2019
 - Automation
 - Channel Lining
 - Channel refurbishment
- Remaining Automation – 2021
\$70 million



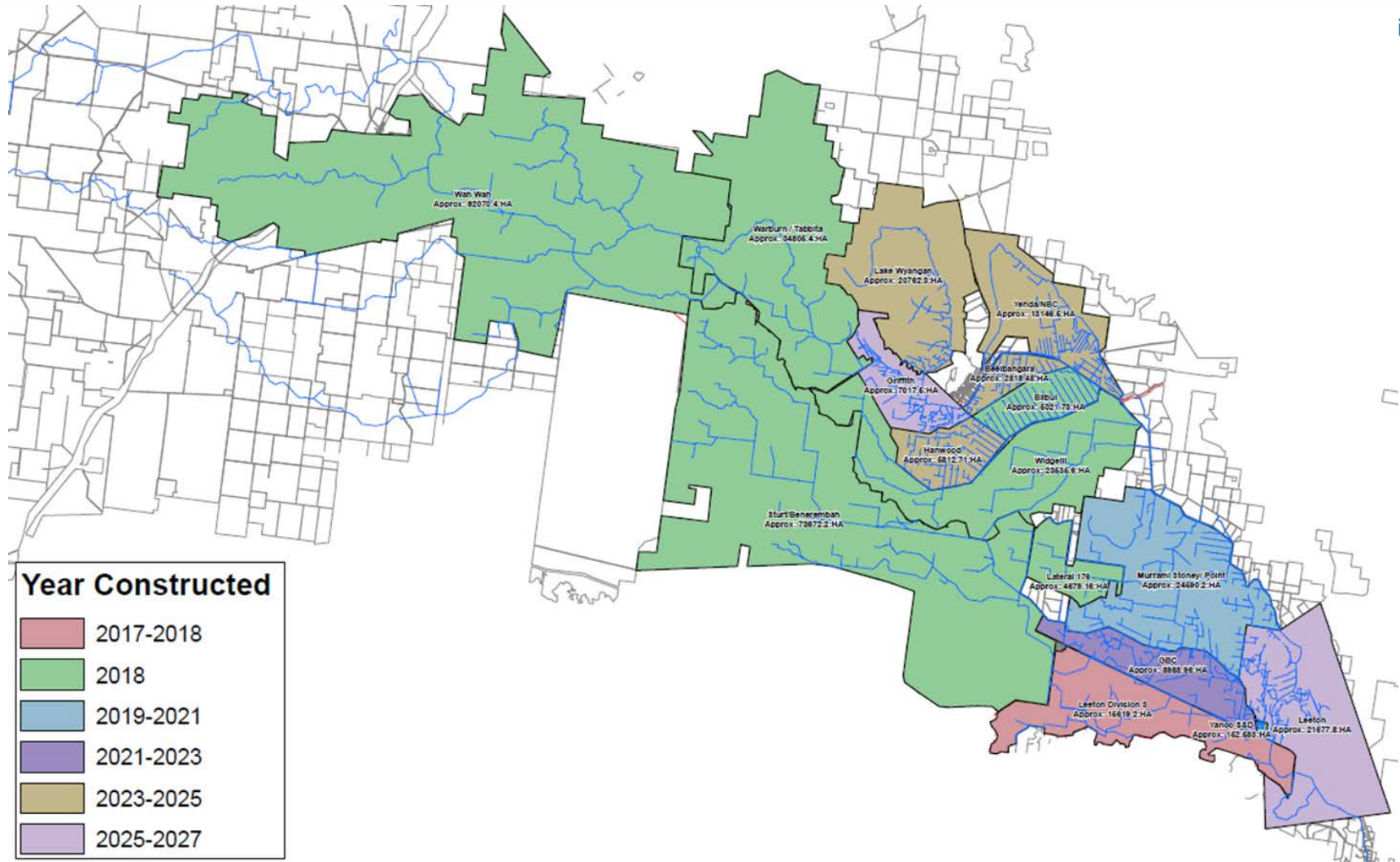
Full Automation

- Automation of all regulators, offtakes, outlets and escapes
- Upgrade of MI's Communications network
- Design and implementation of the water delivery centralised control room
- Reconfiguration and rationalisation

Automation



ity



Operational Benefits



Growing our future together - Customers, Company, Community

- Improved orders to delivery
- Water accounting more accurate
- Enhanced visibility and control of flows
- Improved WHS outcomes
- Balance Management
 - Restrictions i.e. recent shortage



Customer Benefits



- Improved water delivery reliability
- Improved flexibility in water ordering
- Farm reconfiguration opportunity
- Pricing kept as low as possible
- Greater flow capacity
- Tonnes/ML



Other key focus areas



Growing our future together - Customers, Company, Community

- Customer Engagement
- Growth – benefits all customers
- Storage/Surge Reservoirs
 - Security
 - Opportunity
 - Efficiency
 - Capacity

Implementing the Basin Plan ~ 2018

Elizabeth Stott
Regional Engagement Officer

6 February 2018



Australian Government



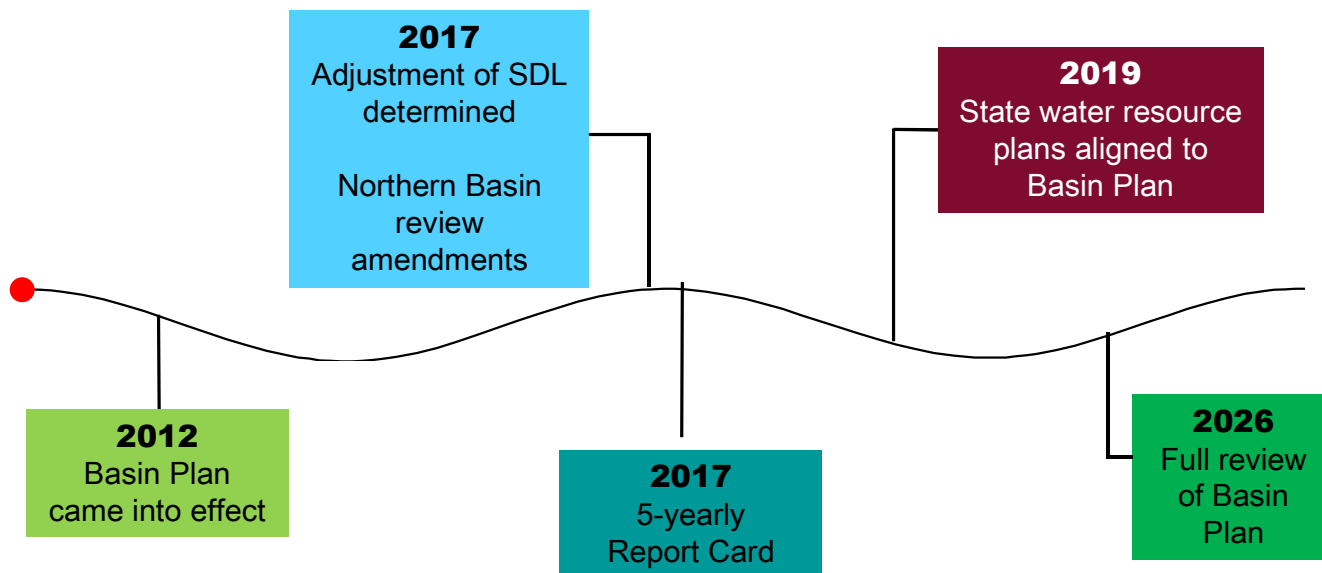
Basin Plan Basics



Basin Plan refresher

- Limits on use – both surface and ground water (SDLs)
- Targets for water quality
- Rules for water trading
- Water resource planning
- Environmental watering plan
- Monitoring and Evaluation
- SDL and WRP implementation by 2019

Basin Plan implementation timeline



Recent activity

-
- Northern Basin Review Amendments
 - Compliance Review
 - Evaluation
 - SDL Adjustment Mechanism

Northern Basin Review Amendments

- MDBA recommended to Minister that water recovery target in Northern Basin is reduced by 70 GL
- Amendments were disallowed in the Senate last night, 32-30.

Compliance

Basin-wide compliance review released 25 Nov 2017

Key findings:

- Some states have more robust and effective compliance and reporting systems than others
- Water measurement improvements required, particularly metering of take and measurement of floodplain harvesting
- All Basin regulators need to improve consistency and transparency in enforcing compliance
- The MDBA should be more assertive in undertaking its compliance responsibilities

Compliance - Actions

- MDBA Office of Compliance established to deliver a more effective compliance regime and ensure recommendations are implemented.
- Independent Assurance Committee established to provide expert advice on design, implementation and adequacy of MDBA compliance program
- Published and maintaining a register of state progress on water resource plan development

Basin Plan evaluation

1



Is implementation on track?

2



What impacts and benefits are we seeing so far?

3

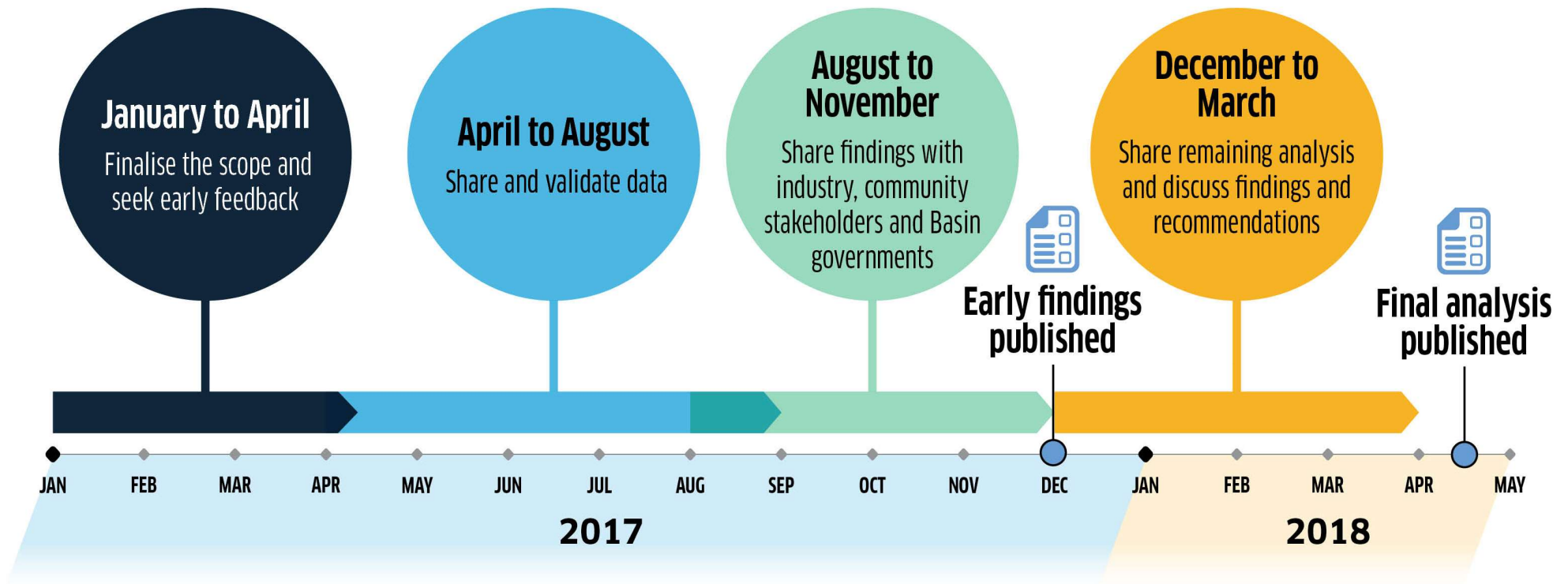


How can we improve implementation?

Key Findings

- Healthy and productive Basin will take years to achieve
- Some early signs Basin Plan is working and on track in many areas
- Progress is lagging in a few important areas, including water resource plans and compliance regimes.
- Difficult work lies ahead to recognise the benefits of the Basin Plan.
- The Basin Plan is a shared responsibility among governments and the MDBA, and success requires commitment to work together.

Basin Plan evaluation



Still to come February – May 2018

- **Community profiles for 40 areas**
- **Water trade data**
- **Industry profiles for rice, dairy and winegrapes –**
- **Final SE analysis** – impacts (positive and negative) of water recovery and infrastructure investments

Sustainable Diversion Limit Adjustment Mechanism

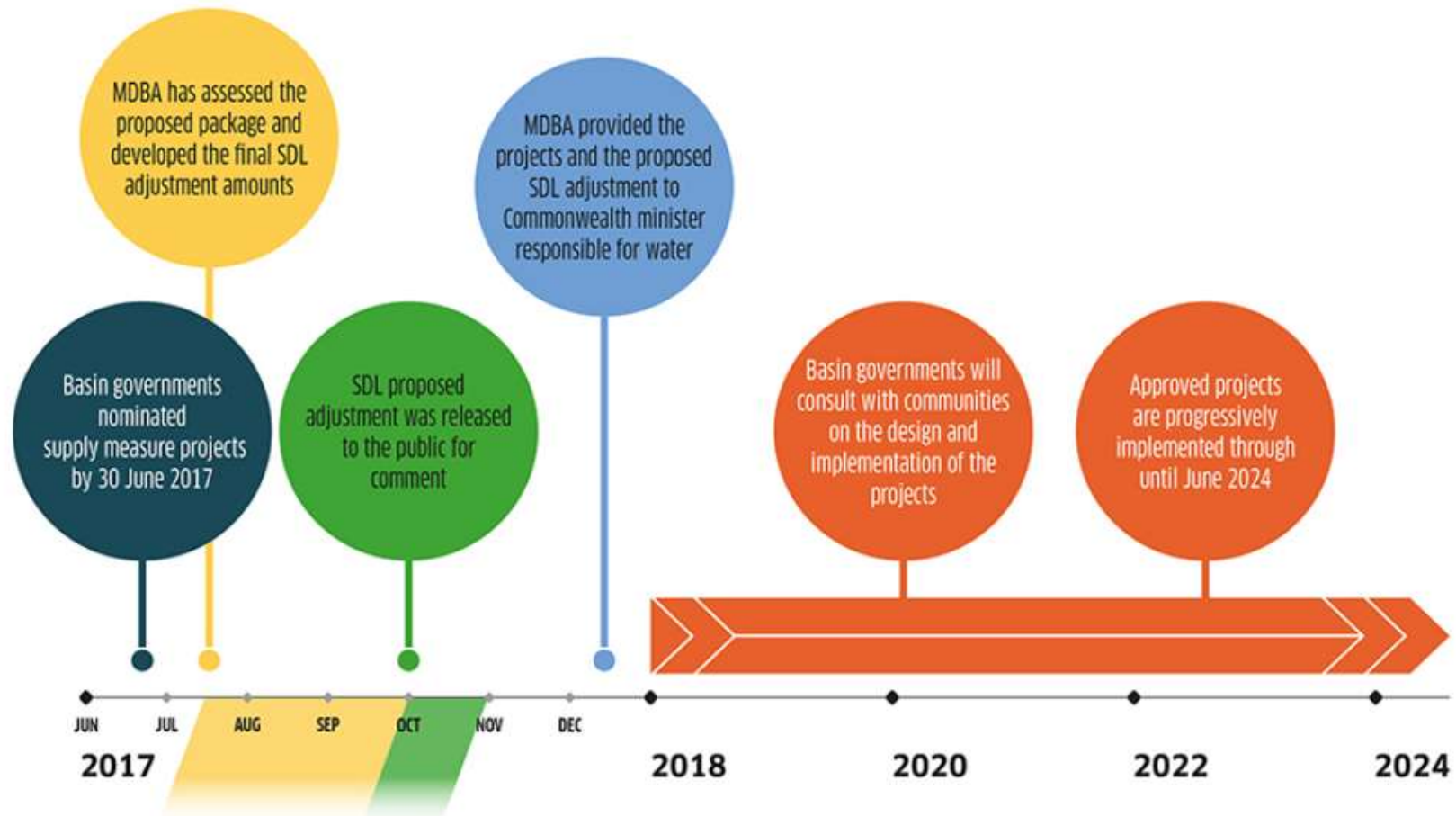
- Basin Plan is flexible and adaptive
- When the Basin Plan was established, it was acknowledged that the SDLs may need adjusting
- The mechanism was built into the legislation to provide this flexibility in the south
- Adjustment up or down by 5 per cent (approx. 543 GL).

Basin states	DAWR	MDBA	Commonwealth Minister	Federal Parliament
Propose and deliver projects	Provides project funding and implementation	Assesses projects, makes recommendation to Commonwealth Minister Monitors	Review MDBA recommendation and introduce legislation in Parliament	Allow/disallow legislation

SDL Adjustment Mechanism



Timing for the SDL adjustment mechanism



Supply projects

- Make the delivery of water for the environment more efficient and flexible
- Detail on individual projects to be provided by state governments
- The MDBA has recommended to the Minister that an additional 605 GL be made available for communities through supply projects

Efficiency projects

- Make water delivery systems more effective
- Can include replacing or upgrading on-farm irrigation, or lining channels to reduce water losses within an irrigation network
- Basin governments are evaluating ways in which up to 450 GL may be secured for the environment through programs that improve the efficiency of water use between now and 2024

EY Report – Analysis of Efficiency Measures

- Basin Ministers commissioned EY to review how best to design, target and resource efficiency measures to recover additional 450 GL for environment
- Under the Basin Plan Efficiency projects must have neutral or positive SE impact on communities
- Governments will now consider the review findings and commit to next steps for the efficiency component of the Adjustment Mechanism

Upcoming external reports and activity

- Productivity Commission into the effectiveness of the Basin Plan
- SA Royal Commission into water theft in the Murray–Darling Basin

Timeline for 2018

- **Feb-May** – Further S&E work to be released
- **By June**
 - Basin-wide compliance compact agreed by CoAG
 - Publish guidelines for hydrometric network and hydrological modelling to increase accuracy of reporting on water take
- **Ongoing**
 - Work with States to finalise Water Resource Plans
 - Finalise Regional Engagement Officer presence

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Australian Government

