

The Lower Murray Water (LMW) Water Efficiency Project presents an opportunity to secure Commonwealth investment into the modernisation of LMW's rural irrigation supply infrastructure. This proposal aims to modernise existing irrigation channels and improve metering to reduce water seepage, increase the integrity of infrastructure and provide improved service for irrigation and rural customers. Together, these works are estimated to provide 2.5 GL of water savings at a total cost of \$37 million.

Building on the successful delivery of the Sunraysia Modernisation Projects, the LMW Water Efficiency Project will achieve water savings by upgrading remaining outdated infrastructure within the pumped irrigation districts of Mildura, Red Cliffs and Merbein. These works will generate benefits for local and regional communities, reduce ongoing asset financial liability, achieve environmental enhancements and secure water recovery for the environment with neutral or positive socio-economic outcomes.

The project is expected to recover a total of 2.5 GL from reduced seepage and losses. It is proposed that 1.8 GL will be transferred to the Commonwealth for the environment. Additional water savings above 1.8 GL will be retained by the State to achieve positive socio-economic outcomes. These savings will be allocated on a 50:50 basis to deliver water for Traditional Owners and improved urban water security for LMW customers in Mallee towns.

The project will treat approximately 27.2 km of outdated irrigation channel to improve efficiency and service delivery, including 23.6 km of plastic lining and 3.6 km of piping where reconfiguration opportunities exist. Around 700 existing Dethridge and domestic & stock meters will be replaced with modern, accurate meters.

Total water recovery (GL)	Transferred to Commonwealth Government (GL)	Retained by Victoria for positive socio-economic outcomes (GL)
2.5	1.8	Approx. 0.7

**TOTAL PROJECT COST:**  
**\$37 million**



**PROJECT TYPE:**  
Off-farm

**PROPONENT:**  
Lower Murray Water

**COMMONWEALTH FUNDING SOUGHT**  
**\$37 million**

**ENVIRONMENTAL WATER RECOVERY:**  
**1.8 GL**

**PROJECT STATUS: Proposal complete**  
Public comment on socio-economic outcomes underway

### Socio-economic outcomes

The LMW Water Efficiency Project complies with the socio-economic criteria established to ensure efficiency measures have neutral or positive outcomes for communities.

The project's water savings are generated by reducing delivery losses in the irrigation supply system. These losses include evaporation, seepage and leakage in open channels and meter error and leakage in legacy meter outlets. Delivery losses are provided for in LMW's bulk entitlement. Because the water savings are achieved by securing seepage and evaporation losses, the project does not reduce the amount of water available for consumptive use or increase water prices.

Modernising irrigation channels will improve service delivery standards to irrigators and contribute to the overall viability of the Sunraysia pumped districts by bringing down the whole-of-life operation and maintenance costs for LMW customers. Reducing losses will also reduce the risk of salinity impacts on the Murray River.

The project will support local industry and regional economies by creating 110 employment opportunities through project construction and procurement of supply services. The improved level of supply delivered to irrigators in Merbein, Red Cliffs and Mildura districts is expected to provide long-term drought and climate resilience and productivity improvements, generating flow-on benefits to the regional economy.

Customers, stakeholders, and the local community including traditional owners will continue to be engaged during detailed design and project delivery.

The Water Efficiency Project works align with LMW's strategic directions, infrastructure plans and the recently developed Irrigation Strategy. Water savings retained by LMW will improve the drought and climate resilience of our urban water supplies.

Construction activities will be delivered in compliance with relevant state and Commonwealth legislation, including the *Environmental Protection and Biodiversity Conservation Act 1999* and the *Victorian Environmental Effects Act 1978*.

LMW is committed to working with local Traditional Owners to ensure that cultural values are identified, protected and improved through any infrastructure works. A cultural heritage investigation will be undertaken in consultation with local Traditional Owners during detailed works plans development. Consistent with the objectives of *Water for Victoria 2016*, this investigation will consider opportunities for the project to enhance recognition of Aboriginal values and traditional ecological knowledge in water planning and build capacity for Aboriginal involvement in water management.

The sharing of water savings between the environment, urban water security and Traditional Owners maximises the positive outcomes of the project among multiple stakeholders.