



The Goulburn Valley Environment Group Inc.

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GMW Water Efficiency Project

DEWLP

Rural Water Policy Team

The Goulburn Valley Environment Group (GVEG) has serious concerns surrounding the accounting of water saved, the cost per ML of water saved and the sharing of costs of the Goulburn-Murray Water (GMW) Water Efficiency Project which incorporates the Shepparton East Project (SEP) and the Backbone Transformation Project (BTP)

We have found it difficult to access business plans for individual sub projects to comment on value for money and water saved and have to assess the overall project by only the total cost and estimated water savings. We have concerns that the project is an abuse of public funds and fails to incorporate water saving impacts on base stream flows. Modernising and rationalising the channels will improve service delivery standards to irrigators and contribute to the overall viability of the GMID by reducing the irrigation infrastructure footprint and whole-of-life operation and maintenance costs for GMW and its customers. It would be reasonable to expect GMW's customers to make a contribution to the cost.

It is estimated that together, these works will provide 15.9 GL of water savings at a total cost of \$177.5M or an average price in excess of \$11,000.00 per ML. This average price per ML is capable of hiding more expensive sub-projects.

We are also concerned that works have been described as “in the conceptual phase of development”, and yet to be determined whether any of the proposed works will impact on significant wetlands or environmental assets.

The cost of this project relies entirely on Federal funding from the Water for the Environment Special Account (WESA) despite significant benefits accruing to Water Authorities, irrigators (reduced water prices and better service) and local landholders (land values). Basic cost sharing principles have been ignored.

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The recently released Review of the Water for the Environment Special Account (WESA) has highlighted not only the slow progress of water recovery but also the cost of water savings and the likely lack of funds available to recover water targets for the environment.

GVEG questions why no standalone cost-benefit analysis (CBA) of the project has not been undertaken and also cost/ benefit sharing taking into account improved service delivery standards to irrigators, the contribution to the overall viability of the GMID by reducing the irrigation infrastructure footprint and whole-of-life operation and maintenance costs for GMW and its customers are not considered.

GVEG questions the long term viability of the Shepparton East project area given, urban growth, increased lifestyle living and land values are all contributing to a reduction of the commercial irrigation footprint. We note that the Shepparton East Project will deliver a modernised connection to approximately 200 GMW customers. Of these, approximately 56% of customers are supplied through a designated irrigation outlet and 44% are domestic and stock customers only.

It is probable that many rural lifestyle property owners supplied through irrigation outlets are underutilising or trading their annual water allocations.

GVEG questions the water saved in certain classes of savings identified in the Goulburn-Murray Water (GMW) Water Efficiency Project. Our concerns centre on the appropriateness of models used to ascertain water saved by reducing leaks and seepage that do not take into account the loss of “return flows ‘ and their contribution to base flow rates used in the development of the Basin Plan.

GVEG have supported past works associated with the Shepparton Irrigation Region Land and Water Salinity Management Plan (SIRLWMP) and agrees leakage and seepage is not a good thing for the environment. We would much rather see environmental water as an entitlement that can be used to meet particular needs than leaking out of a channel. However to achieve this the reduction in return flows needs to be properly accounted for, and the loss in return flows deducted from the volume of saved water recovered for the environment by the Goulburn-Murray Water (GMW) Water Efficiency Project.

Yours sincerely,

GVEG President.

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