



NSW SDL ADJUSTMENT PROJECTS | SUPPLY MEASURE

Barmah-Millewa Forest Environmental Water Account

February 2017

The Basin Plan sets a sustainable diversion limit (SDL) for each catchment and aquifer in the Basin, as well as an overall limit for the Basin as a whole. In order to meet the new limits, 2750 GL of water needs to be recovered Basin-wide. NSW's share of this "SDL gap" is 1310 GL, with approximately 965 GL¹ of water recovered to date. For the remaining 345 GL of recovery, NSW is pursuing investment by the Commonwealth Government in a range of projects and programs, with infrastructure projects being prioritised over water buybacks.

This document provides an overview of *Barmah-Millewa Forest Environmental Water Account* supply measure project being proposed by NSW.

This is a joint proposal by NSW and Victorian agencies. The proposal will revise the operating rules for the Barmah-Millewa Forest Environmental Water Allocation (BMFEWA) to ensure better coordination with other environmental watering initiatives.

The resulting outcome will be the delivery of equivalent environmental outcomes as proposed in the Murray Darling Basin Plan but with less water, thus generating a possible Sustainable Diversion Limit (SDL) offset. These changes will enhance the ability to use environmental flows when most needed to meet the environmental objectives of the Basin Plan.

Fast Facts

Location	Murray River below Barmah-Millewa Forest
Type of project	Supply measure involving a change to river operation rules which allow more flexibility and control when environmental water is delivered to the River Murray
Status	Business case was submitted in November 2015 and is being assessed by SDLAAC
Estimated SDL adjustment	Potentially 40 GL/year (A possible increase of 30 GL in the plausible supply contribution is the total for all projects modelled in the 10 pack collectively)
Related SDL adjustment projects	Any potential inter-dependencies between this supply measure and other measures cannot be formally ascertained at this time, until a final package of proposed supply measures is identified and modelled by the MDBA

The project area

The Barmah-Millewa Forest is the largest River red gum forest in Australia covering 66,000 ha and is listed under the Ramsar International Convention on Wetlands as a significant breeding site for waterbirds. The Forest is one of The Living Murray (TLM) icon sites and is managed by

¹ Information sourced from MDBA website. Includes Commonwealth water recoveries contracted through the Sustainable Rural Water Use and Infrastructure Program (SRWUIP) Infrastructure projects, the South Australian River Murray Sustainability Program (SARMSP) and the Water Smart Australia Program. Estimates do not take into account potential changes as a result of the Northern Basin Review and proposed changes to the long term diversion limit equivalent factors.

an Icon Site Coordinating Committee, on behalf of TLM, with representatives from across jurisdictions.

The Barmah-Millewa Forest was the first site along the Murray to be allocated an environmental water allocation, in 1997, as the BMFEWA. Recent growth in environmental water entitlements means that there are now other flows down the Murray for environmental watering programs. The current rules for the BMFEWA are not well coordinated with these other environmental water deliveries. The modelling of the 2,750 GL environmental outcomes in the Basin Plan reflected this poorly coordinated approach.

Figure 1: Location of Barmah-Millewa Forest (Source: MDBA).



The proposal

The business case proposes changes to the operating rules for the release of the BMFEWA that will drive greater integration with other environmental watering initiatives along the River Murray. The proposal is to incorporate two new rules into the BMFEWA operating procedures, these are:

- Do not initiate or continue release from BMFEWA if a continuous four monthly flood has already occurred; and
- Do not automatically trigger target flow releases in December.

All the other BMFEWA rules remain as they currently are, including the ability to extend watering to maintain water bird nesting events through to completion in January in specific years when major breeding events are triggered.

These changes will enable the BMFEWA to be used more effectively, and improve the number of successful environmental events that can be delivered, within the same overall volume of allocation.

Ecological Outcomes

This proposal involves an operating rule change (i.e. rather than structural works and measures) to retain the original aims and objectives of the BMFEWA but to allow some additional flexibility in their operation so that they can be better integrated with other environmental watering initiatives.

There should, therefore, be enhanced delivery of ecological objectives within the reach and downstream. As the proposed changes involve only changes in operating rules there will be no risks regarding the construction of major works and measures.

At present, the rules based approach in the BMFEWA may result in sub-optimal outcomes, for example, when BMFEWA releases are triggered even though the forest has already been watered from other environmental initiatives. This additional watering from the BMFEWA may generate few environmental benefits and uses the water when it could have been held in reserve and used to greater benefit on other occasions.

Risks and Impacts

A rigorous risk assessment was completed as part of the Business Case development. None of the identified risks met the “high” criteria consistent with the AS/NZS ISO 31000:2009 (as required under the guideline requirements).

Consultation

Due to the scope and scale of the proposal (operational rule changes), the drafting of the business case did not include a detailed consultation process with local landholders and interest groups. Engagement undertaken to date has involved consultation with key agencies and providing information about the proposal to other interested parties. However it is proposed that following approval of this business case, further consultation will be undertaken with key agencies, local landholders, and other interest groups. In anticipation of this future consultation a stakeholder map is part of the business case.

Next steps for adjustment mechanism confirmation

Date	Details
30 June 2017	BOC notification of final approved SDL adjustment package
Late October 2017	MDBA public consultation on proposed SDL adjustment
15 December 2017	MDBA recommend SDL adjustment to Commonwealth Water Minister
February 2018	Amendments tabled in parliament
From March 2018	Commence detailed design, construction and commissioning under Commonwealth funding

More information

Background on the Basin Plan implementation and the SDL adjustment process can be obtained from:

www.mdba.gov.au

DPI Water is the lead agency for the implementation of the Basin Plan agreements within NSW. Reports on NSW SDL adjustment activities reports can be obtained from:

<http://www.water.nsw.gov.au/Water-management/Water-recovery>

Acknowledgements

This is a joint proposal between NSW DPI, and the Victorian Department of Environmental, Land, Water and Planning. Goulburn-Murray Water and Goulburn Broken Catchment Management Authorities have all contributed to the development of the Business Case for this NSW SDL adjustment project.

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Disclaimer: The information contained in this publication is based on knowledge and understanding at the time of writing (February 2017). However, because of advances in knowledge, users are reminded of the need to ensure that information upon which they rely is up to date and to check currency of the information with the appropriate officer of the Department of Primary Industries or the user's independent adviser..