



Environment Victoria submission to the 10 year review of the Snowy Water Licence draft report

Environment Victoria is the state's peak non-government, not-for-profit environment organisation. Our Healthy Rivers Campaign is dedicated to working with government, business and communities for the restoration and protection of our state's great river systems. Our vision is for a future where healthy rivers sustain abundant life and prosperous communities, providing us with good food, clean water and places to love and enjoy.

We welcome the opportunity to comment on the draft report of the Snowy Water Licence (SWL) review and endorse the proposals to increase transparency around the AWOP (Proposal 1A) and to delete the Mowamba Borrowings Account (Proposal 6). However these changes will not benefit any of the rivers impacted by the SWL and none of the other suggestions made in our previous submission for improving environmental releases have been taken up.

We are particularly concerned about the delay in implementation of the Mowamba River investigation and decommissioning of the Mowamba aqueduct. Under the terms of the 2009 SWL review, the investigation was to be completed in 2012. While the proposed Work Plan will help resolve any outstanding issues, pushing out any changes to licence conditions to beyond 2020 creates an unacceptable delay. The licence could be amended now to permit SRIF releases through the Mowamba River, even if precise volumes are yet to be determined.

We are further concerned about the failure to provide a carryover provision for SRIF. The conditions in the SWL limit environmental releases for the Snowy to 212GL per year and there is no provision to carryover any excess water in years of high allocation, such as occurred in 2016/17 when 214.3 GL were allocated to the Snowy account. Only 212 GL were released (in accordance with licence conditions), leaving the remaining 2.3 GL in limbo. In most other regulated systems in both NSW and Victoria, environmental managers would be able to carry excess water over for use in future years in the same way as consumptive users can. It is high time the SWL was brought into the modern era and carryover provisions added for SRIF and SMRIF.

A further missed opportunity is accounting for unregulated flows in the Mowamba River and Cobbon Creek (report p 48). The SWI/OID includes these unregulated flows and spills in its calculations of Mean Annual Natural Flows (MANF) and assumes that unregulated flows of 18-24 GL in addition to base passing flows of 9GL will be delivered to meet its target of 21% MANF in the Snowy. The failure to account for these unregulated flows means that it is impossible to know if the target is being achieved in full.

We reiterate our comments about MRIF and SMRIF from our previous submission in the hope that they can still be considered by the review.

River Murray Increased Flows (RMIF)

The Snowy Water Initiative recovered 70 GL of environmental water for the Murray which is held in Snowy Hydro's storages. It can only be used when SHL's Above Target Water (ATW) stands at 800 GL or more. Although SHL makes considerable effort to maintain its ATW at above 800GL because of its commercial value, it is possible that after a sequence of dry years the volume would fall below 800 GL and environmental managers would not be able to access RMIF at the time when the Murray most needed it. On the other side of the coin, if there is a spill of ATW, then RMIF is the first account to be debited and SHL retains its own precious ATW. These licence conditions restrict both the use and the volume of the RMIF. It should have its own account, independent of SHL's above target water and be callable at the discretion of environmental managers for the Murray.

Calling out the RMIF has always been difficult, as the ATW requirement has to be met and environmental managers get only a single opportunity each water year, and has only occurred once in 2005/06. Changes to the licence in 2011 were supposed to make the RMIF more accessible and give more flexibility, but there has been no discernible impact. The call out of 100 GL in 2016/17 was not made by through the interim procedures agreed with the Murray-Darling Basin Officials Committee but through a substitution arrangement in Hume Dam and juggling between different accounts. While the environmental outcomes were strongly positive, the process was not transparent or publically reported.

The issue is further complicated by the relationship between the RMIF and the Murray-Darling Basin Plan. The 70 GL of entitlements for the Murray were included in the baseline modelling for the Basin Plan.¹ In addition, the changes to the SWL to make callout provisions more flexible were made in 2011, before the Basin Plan was made in 2012, but have not been used to date. The NSW and Victorian governments have now proposed that these changes be considered as a supply measure under the SDL adjustment mechanism, on the assumption that increased flexibility in the use of RMIF could lead to a reduction in the need for environmental water recovery under the Basin Plan.²

Given that the RMIF are already included in Basin Plan, changes to the SWL were made before the Basin Plan came into operation, and there are still restrictions on the ability to call RMIF because of the ATW trigger points, along with the lack of accountability and transparency, it is unacceptable to consider the '2011 Snowy water Licence Schedule 4 amendments to River Murray Increased Flows callout provisions' as a supply measure. Including it assumes that environmental managers have absolute discretion over when the RMIF are released, and that increased flexibility rather than increased volume is the key to increased environmental benefits, both of which are unproven assumptions.

In summary Environment Victoria recommends that:

- RMIF be held independently of Snowy Hydro's ATW without restriction and in a separate account

¹ MDBA (2012) *Hydrological Modelling to Inform the proposed Basin Plan – methods and results*, p8, 3.3 Baseline scenario.

² <http://www.water.nsw.gov.au/water-management/water-recovery/environmental-works>

- RMIF should be callable as and when required by environmental managers (currently the Southern Connected Basin Environmental Watering Committee) to maximise environmental benefits
- Changes made to callout provisions in the SWL in 2011 should not be considered as a supply measure under the Murray-Darling Basin Plan in 2017.

Snowy Montane Rivers Increased Flows (SMRIF)

Environmental flows to the Snowy tributaries, the montane rivers are restricted for a number of reasons:

- Works to permit the complete delivery of SMRIF in the Gungarlin River and Perisher Creek have not yet been undertaken and should remain a condition of the SWL until complete.
- The SMRIF targets must be delivered to individual rivers identified in Schedule 3, rather than treated as a single package of water that is primarily delivered to the upper Murrumbidgee.
- SMRIF released from Tantangra dam must be protected from re-extraction and diversion as they flow downstream into the Murrumbidgee. This is part of a wider failure of the NSW government to provide adequate shepherding of environmental water through its rivers to maximise the environmental benefits.

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