



Nimmie-Caira Landholders' Proposal Update, November 2011

Introduction

Landholders in the Nimmie-Caira prepared a project proposal for consideration by the NSW and Commonwealth Governments. This is an update for interested stakeholders of the progress made in recent months.

More information can be obtained from group spokesman Michael Spinks.

Summary of Proposal

The proposal includes:

- Sale of the Lowbidgee water entitlement to Commonwealth Environmental Water Holder. Historic extractions are in the order of 310,000ML. The exact nature and volume of entitlement is still to be finalised.
- Sale and full control of 84,000 hectares (ha) of private land, wholly within the Lower Murrumbidgee Icon Site, to the NSW Government.
- Sale and full control of channel and floodplain infrastructure to enable active management of environmental water within the Icon Site and downstream.

Key benefits of the project include:

- *A better environmental outcome.* Environmental objectives can be achieved more effectively.
- *Achieved using less water.* Environmental objectives can be achieved more efficiently.
- *Meets government commitments.* A single parcel of a large volume of water to bridge the gap between current extractions and the proposed sustainable diversion limits (SDLs).
- *With less impact on irrigation communities.* Considerable reduction in the local and regional social and economic impacts associated with the introduction of the SDLs.
- *And a positive impact on our own.* Opportunities for future regional development.

Update on negotiations

The Nimmie-Caira landholders have been negotiating with the NSW Government to progress consideration of the proposal. In the past few weeks, the following key steps in this process have been made.

- Reached agreement from the NSW Government to include the proposal (Nimmie-Caira System Enhanced Environmental Water Delivery Sub-project) in the NSW package of environmental works and measures as part of the proposed National Partnership Framework Agreement to offset Basin Plan Sustainable Diversion Limits.

Further information on these projects is provided as an attachment.

- The Commonwealth Government has committed \$200,000 to fund a feasibility study of the proposal to:
 - Progress work on defining the water entitlement and finalising water sharing plan
 - Explore future land management options
 - Document options regarding the ownership and operations of water infrastructure
 - Outline opportunities to modify infrastructure for improved environmental water delivery.

The next stages of the process are:

- Finalisation of sub-project business case by the NSW Government for submission to the Commonwealth which is aimed for late 2011.
- Commonwealth consideration (including due diligence) of the proposal.

Regards



Michael Spinks
Chair

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Attachment One

Further information on the Legislative and Governance Forum on the Murray-Darling Basin regards the progress of \$6 million in feasibility assessment funding directed to seventeen state-led environmental works and measures projects.

ENVIRONMENTAL WORKS AND MEASURES FEASIBILITY PROGRAM

PROJECT DESCRIPTIONS

New South Wales

1. Assist New South Wales to deliver feasibility investigations including, the costs, risks and benefits, of the following environmental works and measures sub-projects that have the potential to offset sustainable diversion limits (SDLs):

(a) Euston Lake restoration and improved water efficiency sub-project (\$0.4 million) will undertake a range of feasibility studies to investigate the management of Euston Lakes to assess water efficiencies and environmental benefits through a more natural wetting and drying regime. Euston Lakes are located on the northern side of the Murray River, approximately 80 kilometres south east of Mildura near the town of Euston.

(b) Upper Murrumbidgee environmental flow enhancement sub-project (\$0.5 million) will investigate the feasibility of raising the operational flow limit at Gundagai to allow improved environmental outcomes for mid-river wetlands (Wagga Wagga to Hay, NSW). The investigation will include the potential for this to provide environmental water efficiencies and will identify the need for complementary actions such as the purchase of easements.

(c) Nimmie-Caira System Enhanced Environmental Water Delivery Sub-project (\$0.2 million) will investigate the potential to enhance environmental water delivery to key ecological assets in the Lower Murrumbidgee floodplain and potentially downstream in the Murray Valley. The investigations will consider the potential to provide both significant environmental benefit and reduce environmental water requirements through changed land use and the use of existing or enhanced infrastructure to better deliver environmental water.

(d) Piping Irrigation Demands sub-project (\$0.15 million) will undertake pre-feasibility investigations of the potential for water efficiency gains from developing pipelines to supply irrigation users in close vicinity to NSW State Water dams. The investigation will include consideration of the potential to deliver better and more water-efficient environmental outcomes from returning to more variable flow patterns in rivers and streams.

(e) Burrendong Dam sub-project (\$0.2 million) environmental flow enhancement subproject will undertake a pre-feasibility study to investigate the potential benefit from enhancing the outlet capacity at Burrendong dam, south east of Wellington, NSW. This may enable the release of higher pulse flows which could lead to environmental benefits such as native fish spawning and recruitment, and potentially the more efficient delivery of environmental water including to the Macquarie Marshes.

(f) Southern Macquarie Marshes sub-project (\$0.2 million) environmental flow enhancement sub-project will assess options for more efficient inundation of the South Macquarie Marsh (approximately 50 kilometres north of Warren, NSW). This feasibility assessment will include options for restoring more stable floodplains, streambeds and wetlands.

(g) Investigation into efficient delivery of high priority stock and domestic supplies sub-project (\$0.15 million) will undertake pre-feasibility assessments to identify additional water efficiency gains by piping stock and domestic water supply schemes in high priority locations including in the Macquarie, Murray, Murrumbidgee river systems.

(h) Modify Weirs enhance floodplain inundation sub-project (\$0.2 million) will undertake a strategic assessment (part feasibility) of some existing weirs along the Murray River to determine the optimal weir pool height for facilitating more efficient delivery of environmental water onto the floodplain in a range of flow events.