

Linda Shreeve Is :F0710037K:\Assets\Environmental\Waterways & Catchments\Murray - Darling Basin Authority\Addendum to Submission to Murray - Darling.dot

10 March 2011

The Committee Secretary
House of Representatives Standing
Committee of Regional Australia
PO Box 6021
Parliament House
CANBERRA ACT 2600

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Secretary:	SL

ADDENDUM TO SUBMISSION TO MURRAY-DARLING BASIN AUTHORITY – REGARDING THE GUIDE TO THE PROPOSED BASIN PLAN (MACQUARIE – CASTLEREAGH REGION) – FROM MID-WESTERN REGIONAL COUNCIL AND CUDGEGONG VALLEY WATER USERS GROUP.

Mid-Western Regional Council (MWRC) and the Cudgegong Valley Water Users Group recently attended as witnesses for the Public Hearing of the Standing Committee held in Dubbo on 16 February 2011.

As a follow-up to that Hearing, the Chairman requested that additional information be forwarded to the Committee in support of the written submission and witness statements to clarify in particular the actual allocations of water as distinct from the licensed amounts issued.

The following data has been supplied by NSW State Water.

Year	Releases from W'mere Dam (incl BWT) ML	Bulk Water Transfer ML	Extraction in Cudgegong ML	Allocation in Macquarie/Cudgegong General Security %	Notes
2009-10	13120	0	5346	0	
2008-09	12264	0	5600	10	
2007-08	6933	0	4092	5	1 July 2007 WSP was suspended. Restricted alloc for HS licence until Nov when it rained
2006-07	26227	0	11607	0	
2005-06	22289	0	7400	44	
2004-05	33699	14332	6303	9	

Licences in Cudgegong System

General security 20398ML
LWU 2600ML
High security 3141ML
Stock and Domestic 728ML
Sub-total 26,867ML
Supplementary 1393ML (water not used or available in Cudgegong)
Total 28,260ML

In addition to these statistics the Joint Group also make the following comments:-

- Releases from the Windamere Dam include town water supply, irrigation, stock and domestic and transmission losses (which are substantial in dry years ie the 5 years prior to 2010 being an exceptionally wet year with well over 1 m falling across the region and catchment of the dam).
- Transmission losses are Releases less Extractions – with the figures being 80,833 ML Releases less 34,045 ML Extractions which equates to 46,788 ML transmission loss for 5 years or 9,357 ML annual average for the past 5 years. Improvements in infrastructure would significantly reduce this loss of water from the system.
- Average annual allocation over the last five years has been 13.6% - High security, General Security, Stock & domestic licences equate to 26,867 ML.
- Using the above data the average annual available water is 26,867 x 13.6% which equates to an average annual allocation of 3654 ML over the past 5 years.
- The sleeper licences included in the 28,260ML licenced water is 6,390ML as estimated and provided by State Water.

The Bulk water transfer in 2004/5 was 14,332 ML (equivalent to 4 years entitlement). This transfer was released to Burrendong Dam for use in the Macquarie Valley and was converted to General security water. The Cudgegong Valley paid for this in that allocations for this system have been capped at a very low rate since that time.

The town water supplies for the townships of Mudgee and Gulgong and the villages of Rylstone and Kandos are also generally sourced from the Windamere Dam / Cudgegong River system. The current water licensing arrangements allow for a usage rate of 2,000 ML of river water for Mudgee, 600 ML for Gulgong and at a rate for Rylstone and Kandos that is based on ensuring that a minimum of 6 ML per day is discharged from Rylstone Dam (if the flow into the dam is less than this target then the flow to be released shall be equivalent to the inflow). Mid-Western Regional Council also has bore licenses that are accessed from time to time to supplement river water for the towns of Mudgee and Gulgong.

It has been estimated that there will be a 25% increase in the population of the Mid-Western Region in the next 5 years due to the rapid expansion of the mining industry and associated and affiliated industries in the Mudgee area. In this regard the other water users in the region will be competing for a reduced resource due to the ever increasing demands from town users.

The Group is also concerned that when the moratorium on water trading is completely lifted that there will be the potential for licenses to be traded from within the Cudgegong system for use by end users located well outside the catchment. In particular there is the potential for mining enterprises to buy up licences within the Cudgegong system and pipe the water some considerable distance to support their mining enterprises located within a different catchment, for example mining enterprises located in the Hunter system. Should this occur then the impact on existing agricultural users may be significant, due to reductions in allocations as the limited resource is shared amongst an ever increasing number of users.

Should you have any queries in relation to this matter please do not hesitate to contact Linda Shreeve of Council's Environment Unit.

Yours faithfully

WARWICK BENNETT
GENERAL MANAGER