Senate Standing Committee on Environment and Communications Legislation Committee

Answers to questions on notice **Environment portfolio**

Question No: 23

Hearing: Supplementary Budget Estimates

Outcome: Outcome 4

Programme: Water Efficiency Division

Topic: Desalination Plant SA

Hansard Page: 0

Question Date: 18 November 2013

Question Type: Spoken

Senator Ruston asked:

Senator RUSTON: Okay. Finally on this one, in terms of your expectation of the South Australian government's reducing its reliance on the River Murray for its water supply, in all the negotiations that have taken place in relation to this desalination plant, at no time has anything been put into any agreement to the extent that this kind of rubbish can be spoken by the minister and that would require them to reduce the amount of water that they take out of the River Murray?

Ms Harwood: As I said, there is the requirement to provide the water for the environment as specified in the agreement with the South Australian government. That is the main place where that requirement to provide savings in terms of the extractions from the Murray is stated. Other than that, I am not aware of any specific requirements of South Australia, but I will take it on notice and give you a detailed account of the conditions.

Answer:

Providing water for the environment is specified in the Implementation Plan (the Plan), agreed to by the Commonwealth and the South Australian (SA) Government and signed in 2011. This Plan provides detail on the funding, milestones, payments and the Environmental Provision associated with the 100 gigalitre (GL) plant.

Under the Plan, the SA Government was required to secure a 6 GL high reliability environmental provision during 2012-13. The Murray-Darling Basin Authority (MDBA) advised the Department that 6 GL of high reliability water entitlement was secured by SA Water at the end of November 2012.

Also under the Plan, an Eligible Year for the Environmental Provision is when at least 1,600 GL of water is allocated in that year to South Australia via the MDBA allocation announcement process, and SA's Critical Human Water Needs (204 GL) have been secured for the following year.

In Eligible Years, after 1,600 GL are allocated to SA, the next 12 GL will be allocated to the Environmental Provision. Once the 12 GL have been provided; 5 per cent of all subsequent inflows up to 1,850 GL will be allocated to the Environmental Provision.

A maximum of 120 GL will be provided to the Environmental Provision over any 10 year rolling period of Eligible Years. Any years which are not Eligible Years will be excluded from the rolling year period. This water is held and managed by the SA Government for environmental purposes.

There is no specification in the Implementation Plan as to where this water must come from.

The Environmental Provision is used for environmental purposes in the SA portion of the Murray-Darling Basin and is not returned to the Commonwealth.