



Broken Hill City Council

... a safe, vibrant, prosperous and culturally rich City achieved through community leadership and sustainable management.

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Telephone / Personal Enquiries
Ask For Mr F Zaknich



Please address all communications to:
The General Manager,
240 Blende Street,
P.O. Box 448,
BROKEN HILL N.S.W. 2880
Telephone: (08) 8080 3300
Fax: (08) 8080 3424
ABN: 84 873 116 132
Email: council@brokenhill.nsw.gov.au
Website: www.brokenhill.nsw.gov.au

December 17, 2010

Chair
Murray Darling Basin Authority
GPO Box 1801
CANBERRA CITY ACT 2601
email: engagement@mdba.gov.au

Dear Chair,

Submission: Inquiry into the Impact of the Murray Darling Basin Plan in Regional Australia

Broken Hill City Council takes this opportunity to convey its strong concerns regarding the enormous consequences that the proposed changes foreshadowed in the Guide to the Murray Darling Basin Plan and in particular to the management of the Menindee Lakes System will have for Broken Hill and region; the security and cost of the City's water supply; and the effects on the townships of Menindee and Wilcannia, and the Central Darling Shire Council.

Following, are the major points of input and concern:

Guide to the Murray Darling Basin Plan:

- Sustainable Diversion Limits SDLs – Council suggests setting a figure of 1500-2000 GL as an interim target and set a timeframe to achieve that target taking into account impacts on the community. Then calculate the % drawback over a number of years (a more realistic staged approach)
- Socio-economic impact - including the social costs created by unemployment, social dislocation, increased crime - caused by water drawback from communities (i.e. the impacts on increased welfare provision, employment programs, law and order issues). Real concern for the social and economic impacts (retaining, moving population, cost of creating new business, water supply and tourism)
- Guide to Plan forums and consultation should be deferred pending completion of detailed socio economic report and release.
- Disappointment that no MDBA Forum has been held to date in Broken Hill and Menindee during the first round of consultation.
- The Guide includes a Lower Darling Catchment boundary area (appears to include) however should not include Murray River licences within this Catchment as these relate to the Lower Murray region.

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Broken Hill's Water Supply and the Menindee Lakes System - Darling River Water Savings Project (DRWSP)

- Little if any focus in the Guide to quality of water supply – Guide to MDBA Plan appears focussed on water quantity alone. Critical issue is quality of Broken Hill's water supply - Darling River source is often the most saline and turbid supply in the Basin.
- The relationship between the MOU (NSW Premier and Prime Minister) the Basin Plan and Menindee Lakes (DRWSP) needs clarification - \$300M of the \$400M previously allocated to the Menindee Lakes – appears to have been allocated to other regional water projects. Council is concerned that the Government's announced \$300M to help secure urban water supplies across regional NSW may not be used on the Menindee Lakes System.
- In terms of a dedicated quality water supply for Broken Hill, utilisation of the deeper storages (Lake Tandure/Lake Wetherell) in concert with local storages in Broken Hill (Stephens Creek and Umberumberka) continues to be supported. Council remains concerned to ensure that the required economic modelling (including operating costs) and hydrology assessments must have regard to the long term impacts on water users in what has historically been a subsidised water supply environment.
- Council is concerned that the DRWSP suggested operational use of reverse osmosis or managed aquifer recharge proposals (as opposed to drought supply activation only) will add significant and unsustainable costs to water users and long term operating costs must be realistically balanced against capital project costs and the water savings objectives of the project. While there appears to be a commitment to assist costs of the recharge project for the first five years, there is no ongoing commitment.
- The extensive cost involved in operating a Reverse Osmosis/Aquifer Recharge plant; the cost to the community; and the process for disposal of associated solids and brine.
- While Council notes that a closed aquifer may well be one of the most efficient systems, the arguments against it are supported because of the cost of water and the social effects, including job losses, if the Menindee Lakes are closed down.
- The Government's media release "Progress on Menindee Lakes" regarding the use of groundwater supplies; a substantial amount of work will be required to prove the adequacy of an aquifer to meet the supply needs of the city of Broken Hill and its surrounding mining operations; and that this would need to be large enough to compensate the lakes being drawn down to 100GL.
- Any significant changes to the storage volume and/or operational characteristics of the Menindee Lakes will require amendment to the Murray Darling Water Sharing agreement (where control passes to the NSW Government when storage reaches low levels) and Council is concerned that if the agreement is altered and the control rests with some other authority then this may have a significant impact on the interaction with the system as a whole including the trigger points associated with the additional flows for South Australia.
- The proposed efforts to secure water savings from a single source (Menindee Lakes) appears to be clouding the broader issue that the Menindee Lakes are integral to the system as a whole. The broader environmental, social and economic impacts must also be considered and the whole system needs to be managed in harmony – Dartmouth, Hume, Murray River, Menindee Lakes and the Darling River and Lake Victoria.
- Council supports the recent "Declaration of Concern" from the Murray Darling Basin Council's Group and has resolved to be involved in future joint submissions or activities with the Murray Darling Basin Councils group; and draws this to your attention.

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Comparative Analysis for Potential Menindee Lakes (ML) Schemes – Council has strong concerns regarding the proposal of rapid draw down of Lake Menindee and Lake Cawndilla to 100GL which would adversely affect the security of Broken Hill’s water supply.

- Reducing the use of Lake Menindee and Lake Cawndilla would result in the lakes becoming a dry habitat and would not result in savings as the ability to draw water out of the lakes would diminish. The only way to make savings of 200GL will be to by-pass Lakes Menindee and Cawndilla; and that this by-pass is not environmentally acceptable.
- There is a strong argument for a channel out of the bottom of Lake Cawndilla back to the River, with the addition of other channels and a regulator, all of the water can be accessed downstream because Cawndilla is more efficient and deeper than Lake Menindee.
- The population trend used in the DRWSP project to date is significantly lower than that of even the low case scenario for the Far West Growth and Investment Strategy (FWGIS). Further, Council reiterate that on this basis and having due regard to the environmental (dust and environmental lead) and aesthetic (greening of the city) project objectives that the current licensed capacity of 10GL/annum for Broken Hill must be maintained for storage/supply design purposes.
- In relation to the DRWSP projects stated objective of "contribute to the economic development in the region" Council continues to have concerns with the lack of attention by the project to the economic and social impacts of the proposals to minimise or reduce the operation of the Menindee Lakes system.
- The Lakes provide a strong focus for economic development; recreation and tourism which help support the local and regional economies and in particular contribute to the employment, retention and attraction of residents to the region. The key social and recreational infrastructure, uniquely provided by the Lakes is critical in order to retain not only residents but a range of cultural heritage, environmental, social and economic values as well. Council requests that the DRWSP project critically assess the component options recommending changed or reduced Menindee Lakes operations to clearly identify the socio-economic impact of such options.
- Council supports the Menindee Lakes Region being listed as an Icon or RAMSAR listed site to protect it because of its ecological value.

Thank you for the opportunity to relay Council's input and concerns.

Yours faithfully,

FRANK ZAKNICH
GENERAL MANAGER