

Thank you for agreeing to receive our monthly update. We appreciate you taking the time to keep abreast of what NSWIC is doing to represent Water Access License holders in NSW. This electronic bulletin is a collation of our weekly updates which are sent to our Member organisations.

If you would like more details about your local Member of NSWIC, please don't hesitate to contact us.

### 2014 Water Act Review

We have now submitted our response to the 2014 Water Act review. The final NSWIC submission can be accessed [HERE](#).

We thank all our members (and in particular the reference group) for their input to our submission.

### Water Act Review Roundtable

Irrigators Council has been invited to attend the stakeholder roundtable discussion for the 2014 Water Act Review. The roundtable will be held in Melbourne on Thursday 21 August.

This roundtable is the only one that will be taking place and having representatives attending will be very important. Submissions received to the Water Act review are now available on their website - [HERE](#).

### Energy Updates

#### Energy Saver Pilot Project - Expression of Interest

As part of our strategy to reduce the impact of escalating electricity costs NSWIC, in collaboration with Cotton Australia, have engaged with the Office of Environment and Heritage (OEH) to set up a pilot energy efficiency project that will run over the next six months.

The pilot will consist of 7 to 10 **subsidised** on-farm energy efficiency audits and the development of specific business cases that will detail potential energy efficiency opportunities on-farm. These case studies will then be used to better inform irrigators

on how changes in on-farm energy management could reduce their electricity costs.

Further information and the registration form can be accessed [HERE](#).

The pilot project has also been picked up by the media - [HERE](#) - and we look forward to further coverage on this in the coming weeks.

### **Energy Saver Pilot Project - Update**

We have already received a range of expressions of interest for our joint energy efficiency pilot project with Cotton Australia and the Office of Environment and Heritage. We think this is a wonderful opportunity, so if you know anyone who would benefit from the pilot and might be interested in taking part, please let us know. Even if they don't fit the outline exactly, contact us as there may still be opportunities here.

### **Carbon Tax update**

Legislation to abolish the carbon tax passed the Parliament on Thursday (17th July). The Senate decision was 39 to 32 for the repeal of the tax. We had a range of media inquiries in which we welcomed the decision if it leads to lower power costs.

However, at the same time as the carbon tax was repealed, Labour announced that it will bring a policy on an emission trading scheme to the 2016 election.

In short, the price impact we will see from the abolition of the carbon tax is not yet clear.

### **Essential Energy Network Determination**

The AER is currently inviting comments to Essential Energy (network) pricing proposal. Essential Energy's proposal can be accessed [HERE](#). You might want to get comfortable before you delve into this one. The Essential Energy proposal is about 20,000 pages long and contains over 80 attachments!

To emphasise our dissatisfaction with Essential Energy's proposal, we put together a joint media release with Cotton Australia on Wednesday (30 July). The media release is available [HERE](#). The story was picked up as a front page article in The Land on Thursday. For anyone who has not seen the article, you can access it [HERE](#).

The Land also ran a story on the energy efficiency trial - [HERE](#). Please do not hesitate to share this information!

Many thanks to all who have provided feedback to the AER submission. We have now submitted our response to Essential Energy's regulatory proposal. The final submission can be accessed [HERE](#).

## CEWH Update

The CEWH has released its Commonwealth Environmental water use options for 2014-15. The valley specific reports are available on the website [HERE](#).

These reports form a framework to help guide the CEWH's decisions around the locations, volumes and timing of water use. They are not the decision to actually use water, which is only taken after further analysis of the current weather conditions, benefits and risks of each action.

## MDBA Charges

Further to MDBA CEO Rhondda Dixon's call to us regarding the ACCC's wording of the MDBA charges in the final determination of State Water's bulk water charges, the ACCC posted this on their website;

**CLARIFICATION:** *This news release was amended on 27 June 2014 to clarify the relationship between increased State Water charges and the Murray-Darling Basin Authority (MDBA).*

*The increased fees for State Water customers in the Murray and Murrumbidgee valleys are a result of the NSW Government decision to increase the revenue requirement on State Water, to be recovered from its customers, to fund the user share of the NSW Government's contribution to the MDBA's joint programs. These joint programs, principally River Murray Water operations, are managed by the MDBA on behalf of Basin States.*

*The MDBA does not impose charges on irrigators, State Water Corporation or the NSW Government.*

*The ACCC also notes the MDBA have stated that the cost of running the River Murray system and maintaining its assets (dams and weirs) has remained about the same over recent years.*

Quite an interesting last sentence given that no one really knows what we exactly pay the MDBA for...

## Bulk Water Charges

After the release of the final determination on State Water's bulk water charges we were made aware that the allocation trade processing charges in the final ACCC determination were uncapped. We inquired with the ACCC and received the following response;

*"The absence of a reference to the cap in the final decision was an inadvertent omission which will be corrected. Charges for allocation trade processing for each year will be the charges shown in table C9 of the final decision, up to a maximum charged amount per trade of \$150 (nominal \$).*

On the question as to when this cap will be inserted in the final determination we were told;

*(..)the cap was part of the final decision which applies from today (1 July). We will be issuing an addendum to the final decision.*

The update has appeared on the ACCC's website - [HERE](#).

## Mining and Coal Seam Gas Updates

### **Planning Assessment Commission (PAC) Hearing on the Shenhua Coal Mine Proposal**

We reported that UNSW Groundwater Engineer, Doug Anderson, presented the NSWIC co-funded independent review of the Shenhua Watermark Coal Mine water impact assessment at the PAC hearing into the mine at Gunnedah last Friday (27 June).

Consequently the PAC has ordered an independent assessment of the groundwater impacts of the mine proposal, and has also taken up the invitation to visit close-by sites to the proposed mine site to view the potential impact on agriculture on the Liverpool Plains. This invitation was co-sponsored by NSWIC. The PAC has since toured agricultural production sites near the mine. NSWIC has formally submitted the UNSW research to PAC.

The slide presentation from Doug Anderson is available [HERE](#).

## IPART

### **IPART Determination of NOW charges**

We were informed during the Council meeting (10 July) that the NOW sought an extension to their current determination of NOW's water management charges.

We now have confirmation that the next determination of water management charges will be postponed for one year. New charges will be applied from 1 July 2016.

The media release from IPART can be accessed [HERE](#).

### **State Water Charges - Coastal Valleys**

IPART issued a media release ([HERE](#)) stating that the review of State Water's bulk water charges for the Coastal Valleys will be deferred for 2 years. This means that current charges (2013-14) will remain fixed for 2014-15 and 2015-16 with no CPI adjustment. New charges will apply from 1 July 2017.

This deferral will result in the determinations of State Water's bulk water charges (both coastal and MDB) to be aligned.

## Irrigators Council Meeting

It was a busy and very productive meeting of Council on Thursday 10 July. Thank you to our Member Delegates, Representatives as well as observers for their participation.

Some robust discussion turned out the following motions and actions for Council:

### **Electricity Strategy –**

"That NSWIC supports the Electricity Strategy and designates resources to pursue the identified targets."

### **Lower Darling Licence Issue**

The issue creates broader policy consideration. NSWIC will set up a reference group and draft an issues paper in order to bring a policy motion to the next Council meeting. In addition NSWIC will have a discussion with NOW to address the management of the TLM licence in Menindee - to gain clarity and facilitate further discussions aimed at finding a solution to this issue.

### **Cap on Buybacks**

That NSWIC continues to support the cap of 1500GL and the need to have this legislated. Council has included this in the Water Act Review submission and will look for more ways to pursue it being legislated.

## Long Term Diversion Limit Equivalence Factors

1. Support the correction of the anomaly which is known to exist for the Gwydir and Macquarie long-term diversion limit equivalence factors (Cap Factors)
2. Write to MDBA Chair, Craig Knowles, and Basin Ministerial Council representatives Senator Simon Birmingham and Minister Kevin Humphries, recommending that be undertaken as a matter of priority through the Northern Basin Review.
3. Recognise that this is an outcome negotiated with affected parties and there are no negative third party impacts.

The date for our next Council meeting and AGM is **Thursday 06 November**,

The confirmed dates for **2015** are as follows:

- **Thursday 05 March 2015**
- **Thursday 02 July 2015**
- **Thursday 05 November 2015 - AGM**

### Snowy Hydro Irrigator Tour

Irrigators Council will again be running a “behind the scenes” tour of the Snowy Scheme.

The Irrigator Snowy Scheme Information Tour is set to run Wednesday 26 to Friday 28 November 2014. All interested parties are requested to contact Irrigators Council for full details as there are limited spots available.

### NOW Allocation Announcements

The NSW Office of Water has released the available water determinations (AWD) for the 2014-15 water year.

Full details of the available water determinations by area are available [HERE](#) and a quick overview chart available [HERE](#).

### General Security Increase for NSW Murray and Murrumbidgee

The NSW Office of Water announced on Friday 01 Aug a 3 percent increase in NSW Murray GS allocations (bringing it to 12 percent of entitlement) and a 7 percent increase in Murrumbidgee GS allocations (bringing it to 24 percent of entitlement).

The NOW media release can be found [HERE](#) or watch The Water Market website where we post these notices [HERE](#)

## Great Irrigation Challenge

Our friends at Irrigation NZ will be conducting a 'Great Irrigation Challenge' in Ashburton this year (2 - 3 October). The Challenge will consist of a series of four concurrent streams of half day workshops for irrigators and representatives. The full program can be accessed [HERE](#).

## National Farmers Federation

### Departure of Matt Linnegar

Friday 04 July was Matt Linnegar's last day as the CEO of the National Farmers Federation. We wish Matt all the best for the future and thank him for all the work he has done in representing food and fibre producers at a national level.

Matt steps into his new role as the CEO of the Australian Rural Leadership Foundation.

### Weekly Update

The NFF put out a weekly newsletter for their Members, much like the one NSWIC distributes. To access these newsletters, click the link beside the date of each issue.

04 July – No update sent

11 July – [HERE](#)

18 July – [HERE](#)

25 July – [HERE](#)

01 August – [HERE](#)

## ABARES REPORTS

ABARES brought out its quarterly Agricultural Commodities report. The full report can be accessed [HERE](#). A concise briefing note with all aspects relevant to irrigated agriculture can be accessed [HERE](#).

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### Climate, Water and Agriculture ABARES Updates

The last two months of reports can be accessed on our website page link [HERE](#).