

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.

Agriculture Competitiveness Green Paper

Minister Joyce released the Agricultural Competitiveness Green Paper ([HERE](#)) on Monday 20 October 2014. While the Green Paper includes a range of policy initiatives relevant for agriculture, we have concentrated on those topics relevant for irrigators in NSW.

Thank you to all our members who have provided comment to our first draft submission on the Agricultural Competitiveness Green Paper. The submission can be accessed [HERE](#).

Sustainable Diversion Limit Offset Projects

A group of NSWIC Members (16 in total) attended the NSW Office of Water - SDL Offsets meeting in Sydney on Friday 14 November.

Thank you for the effort put forth to be a part of the SDL project discussion, we believe the presentations and discussion from the day was extremely useful to all.

Two documents regarding the SDL projects and status that were handed out at the meeting and should be up on the NOW site are attached [HERE](#) and [HERE](#).

Southern NSW Water Purchase Tender Announced

The Dept. of the Environment have announced a new water purchase tender targeting GS and HS licences in the southern NSW catchments - Lower Darling, Murray and Murrumbidgee.

Total value of the tender is unknown, but we believe it is similar to the last tender from April 2014 (in the order of \$10 million to \$15 million. That last tender did not result in any offers being accepted by the Government.

A link to the Department website is [HERE](#). This is a 'rolling tender', which means replies will be received for submitted applications on an ongoing basis and if unsuccessful, they can be re-evaluated. The media release from this tender is [HERE](#).

2014 Water Act Review

We received a letter from the Water Act Review Reference Panel to advise us that the final report on the 2014 Water Act review has been presented the Senator Birmingham. Under the Act, the parliamentary Secretary is required to table the report in both Houses of Parliament within 15 sitting days.

The full letter is available [HERE](#).

NSW Water - Now a Reality

The enabling legislation to allow the merger of Sydney Catchment Authority and State Water Corporation into the new NSW Water passed through parliament in the first week of November. See Water Minister Kevin Humphries Media Release on this [\[HERE\]](#).

In separate news the Minister told the NSWIC Council Meeting that the Government was working on the formation of Rural Water Directorate as part of the NSW Office of Water - to oversee the operation of the State's rural water infrastructure. This will mirror the Urban Water Directorate which is already being brought into NOW.

NSWIC AGM and Council Meeting Update

New Board Members

NSWIC Board elections at the Thursday 06 November AGM saw 2 new Directors appointed - Perin Davey from Murray Irrigation and Tim Napier from Border Rivers Food & Fibre. They replace outgoing directors Ted Hatty and Tim Duddy - who were thanked for their contribution to the Board by Council Chairman Richard Stott.

Minister Talks Up NSW Dams

Water Minister Kevin Humphries talked up the prospect for new or extended dams across NSW when he addressed the NSWIC Meeting. The Minister said the scoping

for a number of dam projects was continuing and new dams were seriously under consideration - to be funded from the proposed leasing of poles and wires in the metropolitan power networks expected to net over \$6 billion for new water and roads infrastructure. The Minister mentioned a number of dam projects under consideration:

- The Belubula Dam in the Lachlan - with final scoping on a site due in December.
- The proposed Apsley Dam near Walcha.
- Augmentation of the Chaffey, Split Rock and Burrendong Dams.
- New proposed re-regulation storages for the mid west and for the Murrumbidgee.

Thank you to all our Members for their participation in the meetings.

Energy Updates

Energy Green Paper

We have now submitted our final response to the Energy Green Paper. The final submission can be accessed [HERE](#).

Thank you to all our Members who provided input to the submission.

The final Energy White Paper is expected to be available at the end of 2014.

Senate Inquiry into Electricity Network Businesses

We have now submitted our response to the [Senate Inquiry](#) into Electricity Network Businesses. The final submission is available [HERE](#).

The Senate Committee will review all submissions and will invite individuals / organisations to give evidence at a public hearing. We have not received details on any public hearing dates, however it is expected that these will be organised in January / February 2015.

OEH - Energy Efficiency and Renewables Finance Guide

Minister Stokes has launched ([HERE](#)) an Energy Efficiency and Renewable Finance Guide that provides information on various finance opportunities for energy efficiency upgrades. The Guide ([HERE](#)) includes specific business cases and checklists.

If you feel this could be of benefit, please let us know.

Should you have any questions to NSWIC's Energy Efficiency Pilot Project or would like to receive an update on the progress, please contact [Stefanie](#).

AER Draft Determination on Essential Energy

The Australian Energy Regulator has released its draft determination on Essential Energy's revenue proposal for 2015 - 2019. The draft determination is available [HERE](#).

Here are the key figures from the draft determination:

- The AER has set an overall revenue for Essential Energy of 3678.6 million (instead of Essential Energy's proposal of 5561.6 million). This is a difference of \$1883 million (or 34%)
- The AER set Essential Energy's CAPEX at \$1.9 billion (instead of Essential Energy's proposal of \$2.6 billion). This is a difference of \$0.7 billion (or 27%)
- The AER set Essential Energy's OPEX at \$1.4 billion (instead of Essential Energy's proposal of \$2.3 billion). This is a difference of \$0.9 billion (or 39%)
- The AER set a WACC of 7.15% (instead of 8.83% proposed by Essential and 10.02% allowed in the last determination)

However, one of the key issues that remains is Essential Energy's current regulated asset base. The AER's draft determination has only slightly lowered Essential Energy's RAB to \$6685.4 million (at 1 July 2014). Essential Energy initially proposed \$6770.3 million. Given the size of the asset base, there will be continued pressure on network charges in the future as the corporation seeks to maintain its returns against this assumed value.

Prior to the release date of the AER's draft determination on Essential Energy's revenue proposal, we issued the following media release ([HERE](#)) to highlight (again) the cost pressure of electricity on irrigated agriculture.

Competition Policy Review

The Federal Government has released a draft report on the Competition Policy Review. Further background to the review (including the draft report) can be accessed [HERE](#).

As the draft report provided recommendations on water management and electricity, we have prepared a short submission [HERE](#).

The final report from the review is expected to be released early 2015.

Minister Humphries Visiting Coastal Irrigators

The Office of The Hon Kevin Humphries have advised that the Minister would be spending time in coastal valleys to meet with irrigators.

To date there have been meetings with irrigators at two locations:

- Coraki
- Coffs Harbour

This was an opportunity for the Minister to sit down with irrigators and discuss the issues that water users face on the coast. Topics of discussion included:

- Water pricing
- Harvestable Rights
- Water trading
- Sleeper licences

We will coordinate with the Ministers Office on further dates and details of other requested meetings in the Hunter Valley and Bega Valley. We feel this is a very positive step in understanding and guiding solutions for coastal irrigator issues as the new Water Sharing Plans for coastal areas begin to be shaped.

NSW Gas Plan

Deputy Premier Grant and Minister Roberts jointly announced the release of the 'NSW Gas Plan'. The media release is available [HERE](#) and the Plans [HERE](#).

NSW Irrigators Council put out a media release regarding the NSW Gas Plan [HERE](#).

DPI Agriculture Industry Action Plan

The NSW Government released the NSW Agricultural Industry Action Plan on Wednesday 19 November - [HERE](#). The full action plan is available [HERE](#).

All of the recommendations from the taskforce were supported by the Government (some however only in principle).

Allocation Updates

NSW Murray and Murrumbidgee

A media release from the NSW Office of Water on Monday 03 November advised that the dry conditions persisting has meant that no further allocations could be made for GS in the NSW Murray and Murrumbidgee at this time. The Media release is available [HERE](#).

Allocation information and updates are available in various locations. NSWIC has two spots where you can access this information;

The Water Market website - [HERE](#) (you can access the latest Snowy Consultative Committee presentation also)

The NSW Irrigators Council - Water Allocation Info page [HERE](#)
(New to our site, we have added additional helpful information regarding allocations, but unfortunately due to technology changes it is not accessible with an iPad / iPhone at this time. We are working on trying to find a cost effective solution to this issue).

NSWIC Working Group

Water Sharing Plan / Water Resource Plan Stakeholder Engagement

As a result of the November Council meeting, we are setting up a working group with our Members on the Water Sharing Plan / Water Resource Plan stakeholder engagement framework.

Visitors to the NSWIC Office

Chinese Delegation

We met with a Chinese delegation from the Department of Water Resources (Sichuan Province) who were interested in Australian water management and irrigation. The delegation was visiting Sydney for two days and was then heading to Queensland for before heading back to China.

We had a very good visit and the delegation showed particular interest in the way Council works with its Members to frame the irrigation sector agenda and our interactions with Government.

National Farmers Federation

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.

07 November – [HERE](#)

14 November – [HERE](#)

21 November – [HERE](#)

28 November – [HERE](#)

ABARES REPORTS

Climate, Water and Agriculture ABARES Updates

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