

CUSTOMER WEBINAR WATER EFFICIENCY PROJECT MONDAY 17 AUGUST 2020 2PM

Background

The Goulburn-Murray Water (GMW) Water Efficiency Project is a proposal to recover water for the environment by investing in efficiency measures to reduce water losses from the water delivery infrastructure, through which GMW delivers water to its 20,000 customers. The proposed works will provide 15.9 gigalitres (GL) of water savings at a total cost of \$177.5 million.

The scope of the Water Efficiency Project includes treating channels and meters throughout all six Goulburn Murray Irrigation Districts (GMID) areas. The initial scope of works has been identified using the 'efficiency optimisation approach' which was developed under the Connections Project's Reset Delivery Plan. This approach seeks to determine the best fit-for-purpose solution for the existing assets.

Delivery of this project is consistent with the Victorian Government's commitment at the Murray-Darling Basin Ministerial Council, which agreed to a package of environmental works and measures.

The resulting agreement ensures no further water can be taken from irrigators and farming communities as part of Victoria's contribution to the 62 GL of water to be recovered. These water efficiency projects will not take water from the consumptive pool instead they will be removed from the loss provision. Water savings under the proposed Water Efficiency Project will contribute to the 62 GL target.

GMW is currently engaging with its customers and stakeholders to seek feedback on the above proposal with two customer webinars held on 14 August and 17 August 2020.

Below is a summary of the customer webinar held on 17 August 2020.

GMW representatives

- Managing Director: Charmaine Quick
- Project Director, Connections Project: Frank Fisseler
- General Manager, Strategy and Services Planning: Daniel Irwin
- ECI Executive Manager, Connections Project: Dan Arnold
- Engineering and Interface Manager, Connections Project: Peter Egglestone

A presentation was given at the start of the webinar covering the following detail:

- Victorian position
- Proposal
- Context with the Connections Project
- Indicative works
- Project delivery
- Benefits
- Socio-economic assessment
- Feedback and discussion

A copy of the presentation can be found on the '<u>Your Say'</u> page of the GMW website.

After the presentation, there was a general discussion around the following questions and feedback:

<u>Channels that have not been modernised under the Connections Project – will these now be part of the proposal being outlined today</u>

Under the proposal, these channels will be targeted – to modernise and rationalise channels and meters across the GMID. Previously, these channels did not fit the Connections Project Reset criteria which focused on value for money requirements.

This proposal has a significantly higher value for money proposition that would see these channels be treated.

When does GMW expect an outcome to the proposal?

Following today's session GMW will write to the Department of Environment, Land, Water and Planning (the Department) later this week to put forward the proposal.

A two week engagement process will then be undertaken by the Department utilising the Engage Victoria <u>website</u>.

If the engagement demonstrates positive or neutral socio-economic outcomes, the Minister would then formally submit the proposal to the Commonwealth for funding.

For a small landowner – how is value-for-money and output for the project assessed? Every channel is assessed on its merits. Water losses and usage are the key factors to determine the value-for-money solution.

For an area like Shepparton East, the solution is targeted at small properties with low but constant use. The final scope will be determined following project commencement and detailed planning.

Will there be opportunities for local suppliers?

The scope of work is a significantly smaller package than what was to be delivered under the Connections Project Reset.

It is envisaged that a number of panels would be set up for the small to medium works packages, and tenders used for the larger packages. However the procurement approach cannot confirmed until the proposal has been accepted by the Commonwealth, and GMW receives confirmation of the final scope of work.

Will meters be retained or replaced?

Not all channels and meters will be modernised following these projects. The efficiency optimisation approach targets strategic investment in higher-loss and usage assets to achieve cost effective water savings.

The final scope of the project will be determined following project commencement and detailed planning. The completion of works is expected by December 2022 subject to securing funding.

How does this proposal support Victoria's contribution to 62 GL? If successful this project would deliver 15.9GL or over one-quarter of the 62GL requirement.

Water Minister Lisa Neville confirmed that without the projects, there was a risk for further buybacks, in the GMID: "The projects do not have any negative socio-economic impacts and will actually deliver positive outcomes for regional communities, through upgraded water delivery systems and regional investment," Ms Neville said. (Stock and Land article, 1 August 2020)

Alternative options

An alternative option of Victoria selling Melbourne Water's 75GL to the Commonwealth was put forward by one attendee, but this water is now in the consumptive pool and water from additional savings is preferred.