

GMW - Water Efficiency Project

Q&A Topics

1. What is the Water Efficiency Project?

The Water Efficiency Project (**Project**) is modernisation and rationalisation works that have been identified across the Goulburn-Murray Irrigation District (**GMID**) to deliver automation and rationalisation opportunities and water savings.

The Project is expected to benefit approximately 1,000 customers by modernising or decommissioning more than 250 km of channels and upgrading or rationalising more than 1,000 outlets. Water savings totalling 15.9 GL will be achieved by undertaking these works.

The Project provides the opportunity for the recovery of water through investment in efficiency measures, which will generate benefits for local and regional communities, reduce the ongoing asset financial liability and achieve environmental enhancements.

2. What is the scope of the Project?

The scope of the Water Efficiency Project includes treating channels and meters throughout all six GMID areas. The Project's planning undertaken to date has identified the works in the table below. Note that the work types and number of customers may change following detailed planning and engagement with customers which may result in different works being undertaken within each irrigation area.

The initial scope of works has been identified using the 'efficiency optimisation approach' which was developed under the Connections Project's Reset Delivery Plan as well as a review of the Shepparton East proposal. This approach seeks to determine the best fit-for-purpose solution for the existing assets.

Irrigation Area	Customers to Benefit	Channels to be treated	Outlets to be treated
Central Goulburn	270	63 km	274
Loddon Valley	50	38 km	42
Murray Valley	110	33 km	114
Rochester	150	19 km	174
Torrumbarry	220	79 km	238
Shepparton	200	24 km	179
Grand Total	1000	256 km	1021

3. When will the Water Efficiency Project occur and how much will it cost?

Subject to Commonwealth Government approvals, it is anticipated that the Water Efficiency Project will commence engagement activities in late-2020 with completion of all works by December 2022.

The Project is expected to cost \$177.5m.

4. What are the objectives of the Project?

The Water Efficiency Project aims to generate water savings while pursuing infrastructure solutions that improve level of service and reduce ongoing cost liability. This will include a channel-by-channel farm enterprise assessment to determine the best fit-for-purpose solution.

Works will be prioritised under the following principles:

- a) *Value for money*, considering total cost for water savings to be achieved;
- b) *Volume of water recovered*;
- c) *Social outcomes*, including supporting food and fibre production, regional development, jobs and growth;
- d) *Complexity*, considering the number of unsigned agreements and complexity of works; and
- e) *Deliverability*, considering the ability to bundle with other works, ability to deliver, overall project schedule considerations.

5. How does the Project's objectives align with Victoria's Murray Darling Basin Plan position and socio-economic criteria?

The Victorian Government supports Commonwealth investment in water saving infrastructure projects that deliver additional water for the environment above the Basin Plan's 2,750 GL target, in a manner that delivers neutral or positive socio-economic outcomes.

The modernisation of irrigation delivery systems and stock and domestic pipelines are important investments for Victoria. These types of projects will improve how water is supplied to, private diverters and stock and domestic users and ensure Victoria's irrigation districts remain viable in the long term.

More broadly, the Water Efficiency Project helps meet Victoria's obligations as part of Murray Darling Basin Plan and avoids water buy-backs by the Commonwealth Government.

As part of seeking agreement to commence Water Efficiency Project, GMW will consult with customers and key stakeholders to ensure the projects meet the socio-economic criteria and have the support of the community.

For more information about Victoria's approach to additional water recovery and about the socio-economic criteria can be found at: www.water.vic.gov.au/mdb.

6. How does the Project's objectives benefit GMID irrigators?

The Water Efficiency Project builds on the success of the Connections Project with the opportunity to further modernise the GMID and providing an improved level of service to more irrigators.

Together with the Connections Project, the Water Efficiency Project will maintain Victoria's competitive advantage in the agri-food sector with greater stability in its agricultural productive systems and providing a more sustainable future for the GMID and supporting further regional development.

Furthermore, the project is estimated to create 1000 Full Time Equivalent jobs in the region (direct and indirect) and generate an estimated regional GDP increase of \$167.5 million.

7. Who will get the water entitlements from the water savings delivered by the Project?

All the water savings delivered by the Water Efficiency Project will be provided to the environment.

Prolonged drought has demonstrated the importance of sustainable water use and supply. Australia is a country of extreme weather and water needs to be used more sustainably in the future.

Water is a precious resource and using it more efficiently and effectively is vital to our long-term sustainability as a region producing high quality, large quantity produce.

8. Will the project result in a reduction to the amount of water available to Water Entitlement holders?

No, there will be no reduction in the volume of water available to irrigators.

Water savings are generated by reducing conveyance losses in the GMID channel system. The conveyance losses include evaporation, seepage and leakage in open channel and meter error and leakage in legacy meter outlet. Conveyance losses are provided for in GMW's bulk entitlement. As a result of the Water Efficiency Project, there will be no reduction in the amount of water available within the consumptive pool.

The proposal is for the Project to recover water for the environment by securing losses from seepage and evaporation through the modernisation of channels and outlets. Because water savings are achieved by avoiding losses and not by reducing the volume of water available to irrigators, the Project will not impact the water market or increase water prices. Other factors such as the move to higher value agricultural enterprises, commodity prices and water availability will be the primary factors affecting market prices.