

Please find NIC's responses to questions taken on Notice following the Water Bills Inquiry:

In your 'SDL adjustment' submission you stated In some instances the MDBA has even passed on information which was subsequently found to be false." Can you state this information with references?

Please see attachment provided.

In regards to the recent 'SDL adjustment Bill' and The House of Representatives amendments made on 30 October 2012, does NIC approve of these amendments?

The NIC does approve the amendments to the Water Amendment (Long Term Average Sustainable Diversion Limit Adjustment) Bill 2012 that Minister Burke moved in the House of Representatives on the 30 October 2012.

Incorporating the Living Murray project environmental outcomes into the Basin Plan

The NIC has always argued that the environmental outcomes of The Living Murray (TLM) and all other 'prior effort' offsets should be included in the benchmark modelling and accreditation of the projects; and that the Sustainable Diversion Limits be adjusted accordingly.

On numerous occasions senior officials within the MDBA, including the Chair, claimed that environmental outcomes from TLM Projects would be included. This would lead to an increase in Sustainable Diversion Limit, therefore leading to a decrease in the amount of water needing to be recovered.

We note that the TLM and 'prior effort' works are represented in the models, but only in terms of flows through the Murray River system as a whole. That is, the models include flows delivered to the sites with the works, however there is no assessment of the environmental benefits at these sites, and there is no specification of those works in accounting of water recovery for the environment.

The MDBA currently is excluding TLM projects as potential environmental offsets to reduce the 2750GL target in the draft altered proposed Basin Plan. This is appalling when the Authority has repeatedly said these projects would be included.

MDBA officers told Senate Estimates in [February](#) and the Windsor Inquiry in [June](#) this year, that TLM works were yet to be assessed as offsets, however would be included when completed. MDBA Chair, Craig Knowles also acknowledged this statement in a [YouTube video](#) in September 2011, and again to a [Senate Inquiry](#) in April this year. Now it seems we were all misled – ministers, MPs, regional communities and maybe even the MDBA's chair.

However the NIC does notes and welcomes Minister Tony Burke's letter to the MDBA on the 1st November 2012, which provided 'further suggestions under section 44(1) of the Act for [MDBA] consideration' where he suggested that the MDBA change the Basin Plan to ensure that all environmental outcomes of TLM Works are included in the accounting of the SDL, and therefore the SDL is adjusted accordingly. (Annex B)

Minor Flooding

Page xii of the MDBA report; ['Hydrologic modelling of the relaxation of operational constraints in the southern connected system: Methods and results October 2012'](#) states:

'... delivery of environmental flows to the 'actively managed' floodplain are still generally not expected to exceed currently identified minor flood levels.'

This statement is evidently false if we take into account Victorian Water Minister Peter Walsh's comments. Minister Walsh, told the [Victorian Parliament](#) on the 9th October 2012 that the MDBA's modelling is wrong and the:

'...3200-gigalitre modelling shows there would be substantial and sustained flooding of towns and private land in transmitting that water down the river, which is unacceptable to Victorians.'

Further on the 10th October Minister Walsh told the Victorian Parliament that:

‘From Victoria's point of view a 3200-gigalitre model run would lead to sustained flooding of private land and communities in northern Victoria.’

‘For argument's sake, if you take an example from the model that was released, the authority talks about having 40 000 megalitres a day at McCoys Bridge on the Lower Goulburn River, which is in the member for Rodney's electorate. If you look at the Goulburn Broken Catchment Management Authority's environmental flow hydraulic study, it says that if you had that much water at McCoys Bridge, you would flood 100 buildings, you would flood 250 kilometres of road, you would flood 8000 hectares of dryland agriculture and you would flood 1000 hectares of irrigated agriculture.’

Localism

During the 20 week MDBA consultation period where numerous public meetings were held across the Basin, the MDBA Chair constantly referred to ‘Localism’ and need to incorporate this concept. ‘Localism’ has not been embedded into the Plan. It remains nothing more than a rubbery concept designed to give the pretence of local input into decisions.