

Senate Standing Committee on Environment and Communications
Legislation Committee
Answers to questions on notice
Sustainability, Environment, Water, Population and Communities portfolio
Budget Estimates, May 2012

Program: Division or Agency: 6.1: CEWO **Question 141**
No:

Topic: Loss of carryover water

Proof Hansard Page and Date 87

or Written Question: (23/5/12)

Senator Joyce asked:

Senator JOYCE: A peak flow in the middle of a flood with a flow path at my front door, in the last big flood, was 320,000 megalitres a day. An average flood is 40,000 megalitres a day. A very minor flow that you cannot even pump on; it is 1,200 megalitres a day. It is just not a flow at all. The environmental asset is the Mehi wetlands, which would be somewhere between 150 and 300 kilometres away from Copeton Dam... It is going to make no difference. It is superfluous. If it is that little, you did not need it at all. The difference it would make would be completely indistinguishable.

Mr Robinson: The water for the Gwydir wetlands gets accounted for near the Gwydir wetlands, not actually at the dam, so the 1,200 gigalitres would have been accounted into the wetlands, effectively.

.....

Senator JOYCE: Have you lost any carryover water?

Mr Robinson: Very minor volumes between last year and this year; I can take it on notice, but it was very minor.

Answer:

The volume of Commonwealth water returned for reallocation at the end of 2010-11 was 0.33 GL. This was less than 0.05 per cent of Commonwealth environmental water available in 2010-11. Commonwealth Environmental Water is subject to the same rules as all other water entitlement holders.

Senate Standing Committee on Environment and Communications
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Answers to questions on notice
Sustainability, Environment, Water, Population and Communities portfolio
Budget Estimates, May 2012

Program: Division or Agency: 6.1: CEWO **Question 142**
No:

Topic: Impacts of environmental watering in
the Murrumbidgee River

Proof Hansard Page and Date 87

or Written Question: (23/5/12)

Senator Joyce asked:

Senator JOYCE: The response to question No. 93 from the supplementary estimates last year states, 'We received two complaints regarding the impact of environmental watering in the Murrumbidgee in June last year.' Can we get a copy of those complaints?

Mr Robinson: I am not sure we can give you a copy because perhaps there would be privacy issues, but we can certainly take it on notice to see what information we can provide you.

Answer:

Refer response to Question number 151, Budget Estimates, May 2012.

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Program: Division or Agency: 6.1: CEWO **Question 143**
Question No:

Topic: 2,750 gigalitre target - storage

Proof Hansard Page and Date 88

or Written Question: (23/5/12)

Senator Joyce asked:

Senator JOYCE: Of that 2,750, how much do you think will end up being stored? It is all about how you buy it and where you buy it, but how much of your 2,750 would you say can actually be stored? Will it be the whole lot, 2,000 gigs of it or 1,000 gigs of it?

...

Mr Robinson: I can take it on notice, but it will vary between years and there will be a maximum limit which will be the same maximum limit as applied to the entitlements before they were acquired by the Commonwealth.

Answer:

As at 31 May 2012, the Commonwealth entitlement holdings stood at 938 gigalitres (in terms of Long Term Average Annual Yield), and the associated carryover limit was 652 gigalitres (excluding the spillable water accounts in Victoria, for which there is no upper limit associated with any entitlement subject to spill rules).

The maximum that the Commonwealth could expect to carryover if the Commonwealth environmental water holdings were 2,750 gigalitres (in terms of Long Term Average Annual Yield) is approximately 1,900 gigalitres, although this will depend on the type and location of entitlements that are acquired. This could be compared to the volume of the main public storages in the Murray-Darling Basin, which is 22,214 gigalitres.

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Budget Estimates, May 2012

Program: Division or Agency: 6.1: CEWO **Question 144**
No:

Topic: Commonwealth Environmental Water
Holder Annual Report - Schematic

Proof Hansard Page and Date 90-91

or Written Question: (23/5/12)

Senator Cameron asked:

CHAIR: Could you advise the committee of the link to that so that we do not send people out looking for it?

Mr Robinson: Certainly, we can—

CHAIR: Is there a link for that so that we can have a look at it and have it here next time when we are trying to—

Mr Robinson: I have in fact got a copy of that with me, if that helps.

CHAIR: I am sure you can understand it is pretty hard to conceptualise how the decision making is made if, you know, someone like Senator Joyce, who is knowledgeable in this area, thinks that someday some bureaucrat wakes up and simply makes a decision. I think we need to get that clear.

Mr Robinson: We can provide the link to that.

Answer:

The Framework for Determining Commonwealth Environmental Water Use can be found on the Commonwealth Environmental Water website at:
<http://www.environment.gov.au/ewater/publications/cewh-framework.html>.

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Answers to questions on notice
Sustainability, Environment, Water, Population and Communities portfolio
Budget Estimates, May 2012

Program: Division or Agency: 6.1: CEWO

Question No: 145

Topic: CEWH – Water usage

Proof Hansard Page and Date: Written

or Written Question:

Senator Birmingham asked:

1. In 2010-11 CEWH used just 387 of 778 GL available and reports suggest as at February 2012 had used 403 of potentially 1148GL. On what sites and for what purpose has environmental water allocated this year been used? How is remaining water being used? Is it carried over? For how long can water be carried over?
2. Are there limits to how much can be carried over and held in storages? Are there limits for particular storages? How are these impacting the carryover of environmental water?
3. Does the storage of carried over environmental water impact on the storage of carried over irrigation water? If so, how?
4. Will the CEWH consider selling excess water to farmers this year? If not, under what conditions would water be sold?

Answer:

1. The table below shows Commonwealth environmental watering actions that have been undertaken in 2011-12 as at 31 May 2012.

Catchment	Location	Delivered (gigalitres)
Murray	Coorong, Lower Lakes & Murray Mouth	187.1*
	Edward-Wakool River System	55.5
	Murray Catchment River Flows	92.1
Loddon	Loddon Catchment River Flows	1.6
Campaspe	Campaspe Catchment River Flows	5.9*
Goulburn-Broken	Goulburn-Broken Catchment River Flows	147.4
Ovens	Ovens Catchment River Flows	0.1
Murrumbidgee	Lower Murrumbidgee Floodplain	17.8
	Mid-Murrumbidgee River Wetlands	53.9*

Lachlan	Booligal Wetlands	8.9
	Other Lachlan Catchment Sites	11.4
Warrego	Warrego Catchment River Flows	24.2
	Other Warrego Catchment Sites	9.7
Condamine-Balonne	Other Condamine-Balonne (Nebine) Catchment Sites	0.1
	Other Condamine-Balonne (Lower Balonne) Catchment Sites	3.1
Macquarie-Castlereagh	Macquarie Marshes	40.0
Gwydir	Gwydir Wetlands	1.2
Moonie	Moonie Catchment River Flows	1.4
Border Rivers	Border Rivers Catchment River Flows	1.0
TOTAL		662

*As at 31 May 2012, actions are ongoing.

As at 31 May 2012, 614 GL of unused Commonwealth environmental water is forecasted to be carried over into 2012-13 for environmental use, and 0.1 GL is forecasted to be returned for reallocation. In water sources with continuous accounting, water can be carried over indefinitely, subject to account limits. In water sources with annual accounting, water can be carried over indefinitely, subject to account and carryover limits.

2. Yes, the States have created rules that apply to the carryover of water. Limits on the volume of carryover vary depending on the water source and entitlement type. The rules that limit the volume of carryover in any particular catchment are the same for the Commonwealth Environmental Water Holder as for any other entitlement holder. The Commonwealth Environmental Water Holder has managed its carryover within these limits.
3. As noted at question two the same carryover rules apply to environmental water as to irrigation water. Carryover was previously available to the water entitlements held by the Commonwealth Environmental Water Holder. Acquisition of entitlements for environmental purposes does not affect the maximum carryover in dams, and carryover of Commonwealth environmental water does not impact on the carryover rights of irrigation water.
4. The Commonwealth Environment Water Holder will not be trading water in 2011-12. Trade is provided for by the *Water Act 2007* to improve the capacity of the holdings to achieve environmental objectives over time.

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Answers to questions on notice
Sustainability, Environment, Water, Population and Communities portfolio
Budget Estimates, May 2012

Program: Division or Agency: 6.1: CEWO **Question No:** 146

Topic: CEWH – 2011-12 Environmental water usage in the Lower Lakes

Proof Hansard Page and Date Written

or Written Question:

Senator Birmingham asked:

1. During 2011-12 how much environmental water was used in the Lower Lakes and Coorong? When? What was the purpose of this water use? How were benefits measured?
2. How much water has been used in the Lower Lakes and Coorong to date this year? How much is expected to be used? For what purpose?

Answer:

1. 2011-12 was one of the wettest years on record for the Murray-Darling Basin as a result of a strong La Nina event. Rainfall has resulted in extensive flooding which met many environmental requirements.

As at 31 May 2012, 187 gigalitres of Commonwealth Environmental Water had been delivered to the Coorong, Lower Lakes and Murray Mouth between December 2011 and May 2012. In addition to this:

- a further 95 gigalitres of return flows from Commonwealth environmental watering actions in Victoria have been delivered to the Coorong, Lower Lakes and Murray Mouth; and
- watering actions for the benefit of upstream sites, such as fish refuge flows following the Murrumbidgee flood in March 2012, would have resulted in additional flows to the Coorong, Lower Lakes and Murray Mouth.

The objectives of the delivery of Commonwealth environmental water to the Coorong, Lower Lakes and Murray Mouth include:

- contributing to flows over the barrages to improve water quality;
- supporting the movement, breeding and recruitment of native fish in the lower River Murray channel, connected wetlands and the Lower Lakes and the Coorong; and
- supporting the recovery of riparian and wetland vegetation along the lower River Murray channel.

The South Australian Research and Development Institute has been contracted to conduct monitoring of Commonwealth environmental water delivered to the lower Murray River in the 2011-12 water year.

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2. In addition to the water referred to in question 1, a further 8.8 gigalitres of Commonwealth environmental water is expected to be delivered in June 2012. This volume is likely to be revised if there is further flooding in June 2012.

**Senate Standing Committee on Environment and Communications
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Answers to questions on notice
Sustainability, Environment, Water, Population and Communities portfolio
Budget Estimates, May 2012

Program: Division or Agency: 6.1: CEWO

Question No: 147

Topic: CEWH – Reduction in funding

Proof Hansard Page and Date Written

or Written Question:

Senator Joyce asked:

1. Why has the government decided to reduce funding for the Commonwealth Environmental Water Holder by \$13.2 million? How will the Commonwealth make these savings?
2. Are these savings in addition to any efficiency dividends the Water holder has had to meet?

Answer:

1. These savings are achievable following a revision of fees and charges associated with managing the Commonwealth Environmental Water holdings.
2. Yes.

**Senate Standing Committee on Environment and Communications
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Budget Estimates, May 2012

Program: Division or Agency: 6.1: CEWO

**Question 148
No:**

Topic: CEWH – Appointment of a replacement

Proof Hansard Page and Date Written

or Written Question:

Senator Joyce asked:

1. Has the government appointed a replacement for Mr Ian Robinson as the Commonwealth Environmental Water Holder?

Answer:

1. Yes. Mr David Parker has been appointed as the Commonwealth Environmental Water Holder pending a permanent appointment.

**Senate Standing Committee on Environment and Communications
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Answers to questions on notice
Sustainability, Environment, Water, Population and Communities portfolio
Budget Estimates, May 2012

Program: Division or Agency: 6.1: CEWO **Question 149**
No:

Topic: CEWH – 2011-12 allocation of environmental water

Proof Hansard Page and Date Written

or Written Question:

Senator Joyce asked:

1. What will be the government's expected allocation of environmental water for 2011-12 in the Murray-Darling Basin? Please separately identify water managed by the Commonwealth Environmental Water Holder and the Living Murray Initiative?

Answer:

1. As at 31 May 2012, Commonwealth Environmental Water had received allocations of 962 gegalitres of water in the Murray-Darling Basin in 2011-12, in addition to 331 gegalitres carried over from 2010-11.

The Murray-Darling Basin Authority has advised that the Living Murray Initiative has received allocations of 362 gegalitres in 2011-12, in addition to 65 gegalitres carried over from 2010-11.

Senate Standing Committee on Environment and Communications
Legislation Committee
 Answers to questions on notice
Sustainability, Environment, Water, Population and Communities portfolio
 Budget Estimates, May 2012

Program: Division or Agency: 6.1: CEWO **Question No:** 150

Topic: CEWH – 2011-12 environmental watering plans

Proof Hansard Page and Date Written

or Written Question:

Senator Joyce asked:

1. What are the government's plans for environmental watering in 2011-12? What volumes have been allocated in specific locations?
2. Will all of the water not used be able to be carried over? If not, how much water will be carried over and how much is expected to be lost?

Answer:

1. Table 1 shows Commonwealth environmental watering actions that have been undertaken in 2011-12 (to 31 May 2012).

Catchment	Location	Delivered (gigalitres)
Murray	Coorong, Lower Lakes & Murray Mouth	187.1*
	Edward-Wakool River System	55.5
	Murray Catchment River Flows	92.1
Loddon	Loddon Catchment River Flows	1.6
Campaspe	Campaspe Catchment River Flows	5.9*
Goulburn-Broken	Goulburn-Broken Catchment River Flows	147.4
Ovens	Ovens Catchment River Flows	0.1
Murrumbidgee	Lower Murrumbidgee Floodplain	17.8
	Mid-Murrumbidgee River Wetlands	53.9*
Lachlan	Booligal Wetlands	8.9
	Other Lachlan Catchment Sites	11.4
Warrego	Warrego Catchment River Flows	24.2
	Other Warrego Catchment Sites	9.7
Condamine-Balonne	Other Condamine-Balonne (Nebine) Catchment Sites	0.1
	Other Condamine-Balonne (Lower Balonne) Catchment Sites	3.1
Macquarie-Castlereagh	Macquarie Marshes	40.0
Gwydir	Gwydir Wetlands	1.2
Moonie	Moonie Catchment River Flows	1.4
Border Rivers	Border Rivers Catchment River Flows	1.0
TOTAL		662

*As at 31 May 2012, these actions are ongoing.

2. Commonwealth Environmental Water is subject to the same carryover, reallocation and evaporative loss rules as all other water holders. As at 31 May 2012 a total of 614 GL is forecast to be carried over, and 0.1 GL is forecast to be returned for reallocation. Additionally, evaporative loss reductions are forecast to reduce Commonwealth carryover by 13 GL.

Senate Standing Committee on Environment and Communications
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Answers to questions on notice
Sustainability, Environment, Water, Population and Communities portfolio
Budget Estimates, May 2012

Program: Division or Agency: 6.1: CEWO **Question No:** 151

Topic: CEWH – Environmental watering complaints

Proof Hansard Page and Date Written

or Written Question:

Senator Joyce asked:

1. In response to question 93 from supplementary estimates last October, the department said that it received two complaints regarding concerns about the impact of environmental watering in the Murrumbidgee in June last year. Could we have a copy of those complaints?
2. What action has been taken in response to those complaints? What action has been taken to ensure that future environmental watering does not cause similar flooding events?
3. Has environmental watering been implicated or contributed in any way in causing any blackwater event over the past year? If so, what are the details of this event?

Answer:

1. Yes. Copies attached (see 'Letter 1' and 'Letter 2' in attachments). Personal details of the complainant have been removed to protect the privacy of the individual. A representation was also received from the Federal Member for Riverina on behalf of the author of Letter 1.
2. Refer attached responses (see 'Letter 1 response', 'Letter 2 response' and 'Letter 3 in response to the representation' in attachments). New South Wales State Water Corporation is responsible for managing flows and dam releases in the Murrumbidgee River. The intended peak flow of the event was exceeded at Gundagai and New South Wales State Water Corporation advises that this was due to a number of issues with the operation of Burrinjuck Dam which has since been rectified.
3. No.

LETTER 1

Phone (02) [redacted]

① [redacted]

TUMULT NSW 3750

30-6-11

C11/650

The Hon Tony Burke,
Minister for Water
Parliament House
Canberra.



Dear Minister,
I have sanctioned the
150 gips of water for the environment this
month, perhaps you didn't consider other
environmentists. — The farmers.

The sudden influx of (water) caused
low level flooding along both the Tamant &
Murrumbidgee rivers — with stock being
isolated and crops inundated, and the
bridge between Gundagai & Wagga flooded.

The worst effect of the sudden inflow
was the erosion damage to the banks of
these rivers.

I ask that you consider the farmer
in the future. They produce the food
to feed us all.

Yours faithfully

[redacted signature]



[redacted]

LETTER 1 RESPONSE



Australian Government

Department of Sustainability, Environment, Water, Population and Communities

CI116505

Mr [REDACTED]
[REDACTED]
[REDACTED]
TUMUT NSW 2720

Dear Mr [REDACTED]

Thank you for your letter of 30 June 2011 to the Minister for Sustainability, Environment, Water, Population and Communities, the Hon Tony Burke MP, concerning the use of environmental water in the Murrumbidgee. The Minister has passed your letter to me for reply.

The Commonwealth Environmental Water Holder (CEWH) is a statutory position, created under the Commonwealth *Water Act 2007*, to manage Commonwealth environmental water for the purpose of protecting or restoring the environmental assets of the Murray-Darling Basin. Decisions by the CEWH are made following an assessment against publicly available criteria and consideration of important factors such as the capacity to deliver the water, risks and potential impacts on third parties.

The release of approximately 160 gigalitres of water for the environment began on 14 June 2011 and included water provided by the Commonwealth and the Living Murray program. The action was planned in conjunction with the NSW Office of Environment and Heritage (OEH), NSW Office of Water (NOW) and NSW State Water Corporation (State Water). Management of the releases from Burrinjuck and Blowering dams is the responsibility of State Water.

I understand that the flow rates along the Tumut River for the environmental water release were similar to those that normally occur along that river stretch during irrigation season and within the flow rates specified in the Water Supply Work Approval, issued by NOW to State Water. Environmental flow releases operate within the same rules and requirements as apply for irrigation water releases.

In regard to the closure of the Fenandra Bridge at Mundarlo, this was not expected to occur as water flows were to be managed within levels that had previously not closed the bridge. State Water is currently investigating what occurred to ensure improved results in the future.

Thank you again for bringing your concerns to our attention.

Yours sincerely

Ian Robinson
Commonwealth Environmental Water Holder
26 July 2011



GPO Box 787 Canberra ACT 2601 Telephone 02 6274 1111 Facsimile 02 6274 1666
www.environment.gov.au



LETTER 2

[Redacted]
Coleambally 2707

6th September 2011

The Hon. Tony Burke,
Minister for Sustainability, Environment, Water, Population
And Communities,
Parliament House,
CANBERRA, A.C.T. 2600



Dear Minister,

Today I received a circular from Waterfind Pty. Ltd. purporting to represent the Commonwealth in water Buy-Backs for 2011-12.

I take great exception to this insidious method of undermining my community for the following reasons:-

- At [Redacted] years of age and recently widowed I am very vulnerable to this offer
- I was [Redacted]
- [Redacted]
- [Redacted]
- By targeting individuals the Buy Back scheme is dividing the community; and isolating vulnerable land holders.
- Stranded Assets will include the town of Coleambally
- The June 2011 Environmental Releases have done irreparable damage to the Murrumbidgee River, with black water suffocating fish and destroying wildlife.
- It has taken 100 years to come up with an equitable Water Sharing Plan for the Murrumbidgee, so why ignore the accumulated knowledge.

[Redacted] I believe there are Constitutional rights of the State and Local Government yet to be investigated.

This is a personal plea for the Buy Back procedures to be halted until all aspects are investigated and a proper use of the water on a scientific basis is put forward.

Yours sincerely

[Redacted Signature]

SEP 2011



The Hon Tony Burke MP

Minister for Sustainability, Environment, Water, Population and Communities

C11/9010

Mr [REDACTED]
[REDACTED] NSW 2707

- 3 NOV 2011

Dear Mr [REDACTED]

I refer to your letter of 6 September 2011 concerning water purchase in the Murray-Darling Basin. I regret the delay in responding.

The government is determined that Murray Darling Basin reform delivers healthy rivers, strong communities and sustainable food production. The Australian Government has committed to 'bridge the gap' to the new sustainable diversion limits in the Murray-Darling Basin Plan through its *Water for the Future* programs.

I note your concerns about water purchase. In response to the Windsor Inquiry I have been working with stakeholders to determine ways in which water recovery can become more strategic, especially in the southern connected system. [REDACTED]

Note that the government does not endorse, accredit or employ water traders or brokers to act on its behalf in current water buyback activities and market participants are not required to use an agent when submitting an expression of interest. Please be assured that the government only buys water entitlements from irrigators who choose to offer water for sale.

In regards to your concerns about environmental watering decisions in the Murrumbidgee, the Commonwealth Environmental Water Holder (CEWH) makes water use decisions following a full assessment against publicly available criteria and consideration of the capacity to deliver the water and the risks and potential impacts on third parties.

Following the December 2010 floods there was a poorer than expected vegetation response and a blackwater event along the Murrumbidgee. Commonwealth environmental water was used in February and March 2011 to provide dilution flows and create fish refuges. In June environmental water from the Commonwealth, NSW Government, landholders and the Living Murray program was delivered to inundate wetlands. I am advised that Charles Sturt University is monitoring this event and has not reported any fish kills or blackwater.

Thank you for writing on this matter.

Yours sincerely

Tony Burke

Parliament House, Canberra AC1 2690 Telephone (02) 6277 7640 Fax (02) 6273 6101

ATTACHMENTS: LETTER 3 IN RESPONSE TO THE REPRESENTATION



Senator the Hon Don Farrell

Parliamentary Secretary for Sustainability and Urban Water

CI 11/6438

Mr Michael McCormack MP
Member for Riverina
Suite 2
11-15 Fitzmaurice Street
WAGGA WAGGA NSW 2650

14 SEP 2011

Dear Mr McCormack

I refer to your representation of 28 June 2011, on behalf of Mr [REDACTED] to the Minister for Sustainability, Environment, Water, Population and Communities, the Hon Tony Burke MP, concerning environmental releases from the Burrinjuck and Blowering Dams. The Minister has asked me to thank you and reply on his behalf. I regret the delay in responding.

Mr [REDACTED] has also raised concerns regarding the inundation of the Tenandra Bridge at Mundarlo and erosion along the Tumut River with the Minister. Mr Ian Robinson, the Commonwealth Environmental Water Holder has responded directly to Mr [REDACTED] regarding the issues he raised.

This environmental watering action was planned in conjunction with the NSW Office of Environment and Heritage, NSW Office of Water and NSW State Water Corporation. I am advised that management of the releases from Burrinjuck and Blowering dams is the responsibility of State Water.

I am further advised that the use of the environmental water was intended to be within limits that would not have closed the Tenandra Bridge at Mundarlo. State Water has undertaken an investigation and identified a number of issues which they intend to rectify for the future.

Thank you for bringing Mr [REDACTED] concerns to the government's attention.

Yours sincerely

A handwritten signature in black ink that reads "Don Farrell".

Senator Don Farrell

**Senate Standing Committee on Environment and Communications
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Answers to questions on notice
Sustainability, Environment, Water, Population and Communities portfolio
Budget Estimates, May 2012

Program: Division or Agency: 6.1: CEWO

Question No: 152

Topic: CEWH – Staffing

Proof Hansard Page and Date Written

or Written Question:

Senator Joyce asked:

1. How many staff does the Commonwealth Environmental Water holder employ at the moment?

Answer:

1. As at 31 May 2012, the Commonwealth Environmental Water Office employs 56 staff.

Senate Standing Committee on Environment and Communications
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Budget Estimates, May 2012

Program: Division or Agency: 6.1: CEWO **Question 153**
No:

Topic: CEWH – Use of water allocations

Proof Hansard Page and Date Written

or Written Question:

Senator Joyce asked:

1. From an answer to question 100 from supplementary estimates it is clear that the government has only used 61 per cent of its water allocations in the first three years of environmental watering. Does the government have a target for how much it should use?
2. Will the government be able to use more water as its allocations rise to the 2750 proposed under the draft basin plan?

Answer:

1. No. Commonwealth environmental water is actively managed to maximise environmental outcomes. Active management means that there are many possible options and decision points. The option to use water at a particular time and place is assessed relative to the benefits achievable under other options, including benefits achievable in future years and elsewhere in the Murray-Darling Basin.
2. Yes.

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Budget Estimates, May 2012

Program: Division or Agency: 6.1: CEWO

Question No: 154

Topic: CEWH – 2011-12 water holdings

Proof Hansard Page and Date Written

or Written Question:

Senator Joyce asked:

1. For the Commonwealth's environmental water holdings, could you please list the amount of water allocated, the carryover water and the amount of water delivered for 2011-12 (year to date)?

Answer:

1. As at 31 May 2012, Commonwealth Environmental Water had been allocated 962 gegalitres in 2011-12, it had carried over 331 gegalitres from 2010-11, and it had delivered 662 gegalitres in 2011-12.

**Senate Standing Committee on Environment and Communications
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Answers to questions on notice
Sustainability, Environment, Water, Population and Communities portfolio
Budget Estimates, May 2012

Program: Division or Agency: 6.1: CEWO **Question 155**
No:

Topic: CEWH – Proportion of carryover
water holdings

Proof Hansard Page and Date Written

or Written Question:

Senator McKenzie asked:

1. What proportion of CEWH's water holding has some form of carry-over attached to it?
2. How much water did the CEWH carry-over last year and how much water is expected to be carried over in the coming year?

Answer:

1. There are 40 entitlement types in the Commonwealth Environmental Water Holder's (CEWH's) water holdings of which 21 have some form of carryover rights associated with them. These entitlements account for 84 per cent of the total CEWH's water holdings (in terms of their Long Term Average Annual Yield).
2. Commonwealth Environmental Water carried over 331 gigalitres from 2010-11 into 2011-12. Commonwealth Environmental Water is forecast (as at 31 May 2012) to carryover 614 gigalitres from 2011-12 into 2012-13.

**Senate Standing Committee on Environment and Communications
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Sustainability, Environment, Water, Population and Communities portfolio
Budget Estimates, May 2012

Program: Division or Agency: 6.1: CEWO

Question No: 156

Topic: CEWH – Environmental watering volumes

Proof Hansard Page and Date Written

or Written Question:

Senator McKenzie asked:

1. Can you express the environmental watering volume used:
 - a. as percentage of the total water held, including carry over water for the years 2010-2011 and what is expected to be carried over in 2011-2012?
 - b. In each of the Basin States individually as percentage of the total water held, including carry over water for the years 2010-2011 and what is expected to be carried over in 2011-2012?

Answer:

1. Table 1 shows the amount of entitlement held in the Commonwealth environmental water holdings as at 30 April 2012, and in total, for Queensland, New South Wales, Victoria, and South Australia in the Murray-Darling Basin. These are expressed in long term average annual yield terms.

Table 1

State	Commonwealth environmental water holdings as at 30 April 2012 (GL)	Total entitlements¹ (GL)	Commonwealth environmental water holdings as at 30 April 2012 as a percentage of total holdings
Queensland	34	1,551	2 per cent
NSW	426	7,299	6 per cent
Victoria	385	4,021	10 per cent
South Australia	85	700	12 per cent
Total	930	13,571	7 per cent

¹ – Estimated baseline diversion limit, from the Plain English summary of the proposed Basin Plan, Murray-Darling Basin Authority.

To 30 April 2012, New South Wales and Victorian entitlement holders in the Murray-Darling Basin had used on average between 40 and 45 per cent of the water available to them in 2011-12 (including carry over from 2010-11). The Commonwealth had used 43 per cent of its water, and was forecast to use around 53 per cent of its water by 30 June 2012. Table 2 shows Commonwealth environmental watering volumes as a percentage of total water held, including carryover and allocations, for 2010-11 and 2011-12 (the latter being an end of year forecast).

Table 2

Year	Water held (GL) including carryover and allocations	Volume used (GL)	Volume used as a percentage of water held
2010-11	724	387	53 per cent
2011-12 (end of year forecast)	1,292	683	53 per cent

Table 3 shows Commonwealth environmental watering volumes as a percentage of total Commonwealth environmental water available in each Basin State, for 2010-11 and 2011-12 (the latter being an end of year forecast).

Table 3

Year	State	Carryover from previous year	Water held including carry over (GL) and allocations	Volume used (GL)	Volume used as percentage of water held
2010-11	Queensland	0	23	17	76 per cent
	New South Wales	32	495	280	57 per cent
	Victoria	0	176	60	34 per cent
	South Australia	1	30	30	100 per cent
	Total	34	724	387	-
2011-12 (end of year forecast)	Queensland	6	30	22	71 per cent
	New South Wales	213	810	397	49 per cent
	Victoria	112	382	195	51 per cent
	South Australia	0	69	69	100 per cent
	Total	331	1,292	683	-

The total volume of all water to be carried over in the Basin from 2011-12 to 2012-13 is expected to be in the range of 7,000 to 8,000 GL, of which nearly all would be in New South Wales and Victoria. The total volume of Commonwealth environmental water expected to be carried over in the Basin from 2011-12 to 2012-13 is around 620 GL.

The forecast volume of environmental water used in 2011-12 (683 GL) as a percentage of the total volume of water expected to be carried over from 2011-12 into 2012-13 is in the range of 7 to 10 per cent as shown in Table 4.

Table 4

State	Expected CEW carryover into 2011-12	Expected total carryover (GL)	Commonwealth environmental water carryover as a percentage of total carryover
NSW	400	Up to 5,000 GL	Up to 8 per cent
Victoria	220	Up to 3,000 GL	Up to 7 per cent
Total in Murray-Darling Basin	620	7,000 – 8,000	7 – 10 per cent

620 GL of carryover is equivalent to less than 3 per cent of the capacity of major public storages in the Basin (22,214 GL).

**Senate Standing Committee on Environment and Communications
Legislation Committee**
Answers to questions on notice
Sustainability, Environment, Water, Population and Communities portfolio
Budget Estimates, May 2012

Program: Division or Agency: 6.1: CEWO **Question 157**
No:

Topic: CEWH – Banking of entitlements

Proof Hansard Page and Date Written

or Written Question:

Senator McKenzie asked:

On the 10th February 2012 in Mildura MDBA Public Meeting, Tony Burke said,

“First of all on carry over I just want to say I am absolutely alive to the concern that during flood years an entitlement simply being banked in water storages which if you then if tried to use it significantly in one water year it would have absolute and immediate impact on your allocations for that water year. I have met only in the last couple days and had another conversation with the Commonwealth Environmental Water Holder about this to try and make sure we put some boundaries around the use and work out we can still be meet the objectives of this statutory role. But not be creating the worst of all worlds when straight after a flood your water allocation takes a hit even though your water storages are full.”

1. Explain how?
 - a. If during flood years, the CEWH entitlement is simply banked in water storages and then used significantly in the following year how it would have absolute and immediate impact on irrigators’ allocations for that water year.
 - b. Boundaries have been placed around the use of CEWH held water to minimise adverse affect to irrigators’ allocations.

Answer:

1a. The amount of Commonwealth environmental water that can be carried over or ‘banked’ in storages is determined by State rules, including carryover limits and maximum account limits. The Commonwealth is bound by the same rules as any other holder of water entitlements. Those rules were designed by the states to manage the scale of impact of one water user on another.

Whilst use and carryover will vary between years it is not envisaged that over the long-term there will be any substantial difference between environmental and agricultural use.

1b. Commonwealth Environmental Water operates under the same rules as other water entitlement holders. Fact sheets have been released on the Commonwealth Environmental Water website (<http://www.environment.gov.au/ewater/>) to provide information about likely levels of carryover from 2011-12 to 2012-13. In addition, Commonwealth Environmental Water will report each year on the volume of water that has been carried over on each entitlement type held in the Murray-Darling Basin. In past years, Commonwealth Environmental Water has carried over less water (proportionately) than other water users.

Senate Standing Committee on Environment and Communications
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Budget Estimates, May 2012

Program: Division or Agency: 6.1: CEWO **Question No:** 158

Topic: CEWH – Third party effects of allocations

Proof Hansard Page and Date Written

or Written Question:

Senator McKenzie asked:

1. What modelling has been conducted on the usage of the Commonwealth Water Holding and its third party effects on allocations? If any, could you provide it?

Answer:

1. The states have established the rules associated with the entitlements so as to manage any third party effects. Commonwealth Environmental Water operates within the same rules as other users. Whilst use/carryover will vary between years and catchments, it is not anticipated that there will be any substantial difference between environmental and agricultural use in 2011-12.