Senate Rural and Regional Affairs and Transport References Committee

Written Questions on Notice – Wednesday 20 February 2013 from Public Hearing Friday, 23 November 2012

Inquiry into management of the Murray-Darling Basin

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SENATE RURAL AND REGIONAL AFFAIRS AND TRANSPORT REFERENCES COMMITTEE

Inquiry into the management of the Murray Darling Basin

Written Questions on Notice by Senator the Hon Bill Heffernan

Department of Sustainability, Environment, Water, Population and Communities

20 February 2013

Questions:

The following questions refer to the recent sale of Cubbie Station to Shandong RuYi and Lempriere Pty Ltd and access to water through Cubbie Station's overland flow licence.

1. How will the Department distinguish between water that Cubbie Station receives through overland flows from other water reliability types (i.e. high security, general security, low security or supplementary water) that may be traded in the surrounding Murray-Darling Basin area?

Answer:

All water allocations and licences in the Lower Balonne Water Management Area are controlled in accordance with the water sharing rules in the Condamine and Balonne Resource Operations Plan. Relevant details, including terms and conditions, are specified on each water licence.

2. What measures are in place to ensure that water entitlements that may be purchased from Cubbie Station return water to the Basin system with sufficient reliability and sustainability to meet the Basin Plan's environmental targets?

Answer:

All water entitlements offered for sale to the Australian Government are subject to a value-for-money assessment. This is in the context of prevailing market prices and the potential environmental benefits from the entitlements being considered. In the Queensland Lower Balonne this assessment is informed by hydrological modelling provided by the Queensland Department of Natural Resources and Mines.

3. The overland water access entitlements were granted to Cubbie Station based on the size of its storages that captured overland flow. Can water from the Cubbie Station storage facilities be traded to another part of the Murray-Darling Basin system?

Answer:

The ability to trade water access rights in the Murray-Darling Basin is largely based on the hydrologic and physical connections between and within water resource systems. The rules and conditions for trading water access rights within and between water resource systems are set out in legislation in the *Water Act* 2007 and Basin Plan (Commonwealth) and state and territory water acts and water resource plans such as the Condamine and Balonne Resource Operations Plan. There are also agreements which set out the arrangements for interstate trade such as the Border Rivers and the Murray-Darling Basin Agreements. The circumstances in which trade of water access rights can occur from the Condamine and Balonne water resource area (including from Cubbie Station) to other parts of the Murray-Darling Basin is determined by these arrangements. For precise arrangements applying to the trade of overland flow licences at Cubbie Station, the question would best be directed to the Queensland Department of Natural Resources and Mines which is responsible for administration of the Condamine and Balonne Resource Operations Plan.

4. If overland water is purchased from Cubbie Station to be returned to the Murray-Darling Basin, how will this occur? That is, would water from Cubbie Station be shepherded to the Basin via the floodplains, weir loading on the Culgoa River, or through other means?

Answer:

The Australian Government recently provided funding to the Queensland Government which commissioned RPS Aquaterra and JTA Australia Community consultants to prepare a report investigating the potential for and issues surrounding water recovery of overland flow water entitlements in the Queensland Lower Balonne. The outcomes of this report will assist in informing any decision by the Australian Government to recover overland flow water in this area. In considering whether and how overland flow entitlements might be included in the Commonwealth's water recovery programs in the Condamine-Balonne, an important input will be advice from Queensland agencies as to how the Commonwealth can be assured that the resulting environmental water would reach the target environmental assets.

The following question refers to the proposed Nimmie-Caira project area.

5. If overland water forms part of the proposed Nimmie-Caira project how will it be returned to the Murray-Darling Basin? That is, would the overland flow entering the Nimmie-Caira system be shepherded to the Basin via the floodplains or through other means?

Answer:

The Nimmie-Caira System Enhanced Environmental Water Delivery Project does not include a proposal to transfer or change the ownership of overland water. The only water proposed to be transferred under the project is the Lowbidgee Supplementary Water Entitlement as defined in the Murrumbidgee Regulated River Water Source Water Sharing Plan.