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Subject: Submission on regional strategy.

I was a Byron Shire ██████████ & ██████████ Rous Water for ██████████. I served as ██████████. In addition to having had a keen interest in water policy for many years, I have been an irrigation farmer, have lived in a self-sufficient rural fashion most of my life, & have a good understanding of water management from a practical perspective.

Executive Summary.
The choice being faced is a stark one. Naturally there is a school of thought that immediately turns to supply-side solutions in any infrastructure debate. This is given impetus by those who would profit, financially or otherwise, from a Big Project. But there are alternatives. Decentralised supply - especially the option of conserving one's own rainwater - is especially relevant in a relatively high-rainfall region. Demand management is paid lip-service by the Water Industry, but the reality is that it is the antithesis of what many professionals in the Industry believe in - which is expansion of an Empire; more connections; more consumption; more revenue; more centralised power.

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What is there to lose?
The area reserved for a Dam in the Dunnoon/Channon area is - guess what - a valley. Its geology is very unusual in a region dominated almost totally by igneous & metamorphic rock. The sandstone deposits support a unique range of plant & animal species. Nan Nicholson is a botanist of great repute who, together with her partner Hugh, has documented & described the regional flora comprehensively in their series of illustrated books 'Rainforest Plants - 1 to VI'. As you will be aware, she has described how a significant percentage of the already tiny remnant of what was, little more than a hundred years ago, our largest sub-tropical rainforest, would be lost if this dam is erected. She is far better qualified to argue the case for preservation than me. The question that needs to be asked now is - when do we say enough is enough? If this questionable project is allowed to proceed, what's to stop another project?

Another Dam, another Big Project.
Anyone wanting to understand how water politics works could do no better than read Mark Reisner's monumental work - 'Cadillac Desert'. He documents the history of dam building in the western United States. There, competition between 2 agencies with 2 different briefs (The Army Corps of Engineers - flood mitigation; & The Bureau of Reclamation - water supply & irrigation) - engaged in a century-long competition to out-build one another. Although some of the early dams, like Boulder Dam, were built in almost ideal locations, later dams were built in less & less suitable sites, often damming the same river several times (sound familiar). Economics plays little role here. Pork-barrelling (which, as we are seeing, is endorsed at the highest levels in this state) played a major one. And decision makers are carefully groomed & their egos massaged. No doubt a new dam will be seen as a memorial to the key players. If not just the obligatory plaque with the names of incumbent Rous councillors, maybe something more. After all, the Boulder Dam was re-named Hoover Dam.

How would a Dam be paid for, & what would be the Consequences?
No doubt some taxpayers money would be forthcoming to get the ball rolling. Pork-barrelling is not just about throwing money at an electorate. It might conceivably also involve some juicy contracts for ol' mates. But no doubt the lion's share of the capital cost will be expected to come from either developer contributions of user charges. It's worth exploring how this might happen & the implications. It has been pointed out that consumption per connection (& conceivably consumption per capita) has been steady, or even decreasing, over the last couple of decades. This inevitably leads to the conclusion that a new water source is needed not for increasing demand from the existing population, but for population growth. If this is the case, an equitable funding model would see any additional supply being paid for solely by developer contributions. Unfortunately it doesn't work that way. The Water Act & the EP & A Act allow for the setting of developer contributions for both bulk & retail water supply, but don't prevent cross-subsidisation. We are already hearing warnings that the heavy debt incurred by a new dam will lead to increased user charges in the County District. This would mean, in effect, the existing population subsidising new development. Even with such unfair burden, there would be pressure to re-zone more urban land to generate more developer contributions. The Infrastructure Tail wagging the Planning Dog.

Alternative Supply.
The Northern Rivers supports a mix of urban & rural population. Most rural dwellers collect their own water. In my own case, I have been largely self-sufficient for 30 years, only having had to buy water twice. Water authorities refuse to acknowledge that what is possible in a rural situation is equally possible in the urban one. Rainwater tanks are ostensibly supported, but never for the most vital end-use - domestic consumption. The authorities hide behind water quality guidelines which might be appropriate for a reticulated supply, but are inappropriate - in fact, unattainable - by the average rural dweller. Instead they say they support the notion of catching rainwater - but only for non-potable uses. This renders rainwater tanks of little use, since for, say, garden watering, most tanks will either be overflowing & unnecessary during wet weather, or empty & unavailable when really needed. It is ironic that when I was ██████████, the ██████████ remarked to me that most of the applicants for rainwater tank subsidy wanted the water for potable use - in preference to the municipal supply. In a plenary session at an LGSA Water Conference some years ago I compared installation of rainwater tanks for potable use (& the regulatory response), to sex amongst teenagers. It's going to happen anyway, so rather than just saying 'Don't', provide appropriate advice, & let people make their own choices. Such advice needs to focus on how to keep water clean & safe. My vision for rainwater tanks is for municipal authorities to embrace them & accommodate those who wish to install them as their preferred source of supply. This involves a re-think of regulatory & fiscal aspects (see below).

Fiscal & Policy Aspects
Demand Management is, or should be, about sending appropriate signals to consumers. I am a great believer in freedom of choice & an opponent of hidden subsidies. Those who choose to collect their own water are best supported not by an up-front grant, but by a fiscal environment that rewards them for reducing their demand on the municipal supply. In this context, I recommend the following:
Fixed (access) charges for water supply be abolished, or reduced to an absolute token amount.
Variable (volumetric) charges be always based on every litre used. No free allowance; no progressive rates.
Consumers in the urban setting who obtain the majority of their water from their own tanks may, in this context, only buy a small percentage of their water from the municipal authority. I have ██████████ agreed that there is a case for a higher volumetric charge in these cases. The municipal supply has become a drought reserve, rather than a principal source. An authority that embraces the use of rainwater will avoid the tendency so often seen to over-regulate. There should be no role for expensive application fees. A simple set of rules for tanks can be used - eg no tanks in front yards of houses, correct exclusion of vermin & mosquitoes, no toxic materials on roof catchment areas.

'Water Security'
This phrase is a favourite of the industry, like 'drought-proofing'. It is used as a tool to initiate water projects, often during a water crisis. In 2002-3, we saw the Sydney desalination project brought forward. Locally, Rous Water installed the so-called Lismore Source - a pumping station & associated pipeline from Howard's Grass, on the Wilson River near Lismore, to Rocky Creek Dam. This project, like so many public infrastructure projects, blew its budget massively. Normal tendering guidelines for supply of the pipes were ignored. A crisis, real or manufactured, can enable such cutting of corners. That's all water under the bridge now. But of relevance is that the very expensive pipeline is still there; the pump station apparently is experiencing some difficulties, but a competent agent could ensure it is ready to supplement the Rocky Creek supply during any future supply shortfall. Rous seems to have gone very quiet about the future role of the Lismore Source. But it could easily act as an insurance policy in the future.

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