Department of Climate Change, Energy, the Environment and Water

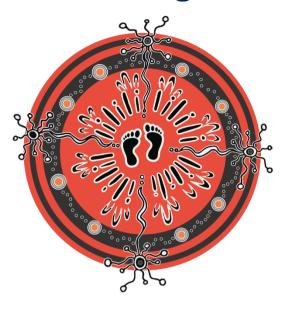
Murrumbidgee Irrigation Urban Channels Pipeline Project

What We Heard Report

November 2024



Acknowledgement of Country



Department of Climate Change, Energy, the Environment and Water acknowledges the traditional custodians of the land and pays respect to Elders past, present and future.

We recognise Australian Aboriginal and Torres Strait Islander peoples' unique cultural and spiritual relationships to place and their rich contribution to society.

Artist and designer Nikita Ridgeway from Aboriginal design agency – Boss Lady Creative Designs, created the People and Community symbol.

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1 Executive summary

Murrumbidgee Irrigation is proposing a \$62 million project that involves replacing 47.4 km of aging concrete and earthen urban supply channels and replacing 1.4 km of leaking pipeline in the Leeton and Griffith area with 47.5 km of new pipeline. The project would reduce the conveyance losses from supplying water to irrigators, stock and domestic customers and towns, while also improving socio-economic outcomes.

The project is applying for funding from the Australian Government under the Resilient Rivers Water Infrastructure Program, a \$494 million program designed to recover water for the environment from reducing water losses in the Murray-Darling Basin.

The Resilient Rivers Water Infrastructure Program invests in water delivery infrastructure to reduce water losses in the Murray–Darling Basin, providing broad benefits by sharing the water saved between water users and the environment.

The NSW Government is working in partnership with applicants across the Murray-Darling Basin to develop applications for funding from the Australian Government.

For a project application to be submitted to the Australian Government for construction funding, the NSW Government must apply the Murray-Darling Basin socio-economic test, which includes a requirement to seek community comment on the project. The NSW Government then submits a summary of the findings to the Australian Government as part of the grant funding submission.

Public comment was sought on the Murrumbidgee Irrigation Urban Channel Pipelines Project between 24 April 2023 and 5 May 2023. The NSW Government received 7 responses, reflecting a diverse range of views. Of the responses, one respondent strongly agreed that the project would result in positive socio-economic outcomes, with 5 respondents either disagreeing or strongly disagreeing. There was also one submission that neither agreed nor disagreed with the proposal.

Some views related to wider Murray-Darling Basin Plan issues, which are outside the scope of the socio-economic assessment for the proposed project.

Key concerns raised by respondents centred around whether the project should be eligible for funding under the Resilient Rivers Water Infrastructure Program, the project's potential environmental and cultural impacts, and whether the project represents value for money based on the share of the water savings returned to the environment.

Respondents that supported the project noted the benefits, including that it would increase local employment opportunities during construction, contribute to water savings through more efficient water use, create greater security for downstream water users and provide livestock and native animals with better quality of water.

2 Public comment process

The project's response to the socio-economic criteria was published on the Water Infrastructure NSW website and was open for public comment between 24 April 2023 and 5 May 2023.

The purpose of the consultation was to gather public feedback on the expected socio-economic outcomes of the project. When working with project proponents to prepare funding applications, the NSW Government expects that the project proponent, in this case Murrumbidgee Irrigation, would have previously completed community or stakeholder engagement as part of the project development.

This What We Heard Report is a summary of the feedback received during the public comment process undertaken as part of the socio-economic assessment of the Murrumbidgee Irrigation Urban Channels Project.

2.1 Previous community or stakeholder engagement undertaken by Murrumbidgee Irrigation

Murrumbidgee Irrigation engaged with Leeton Shire Council and Griffith City Council on the project, and both councils support the project. The councils noted the project benefits include:

- better water security for residents
- reduced burden on the town water system by allowing connections for residents that do not currently have connections to the Murrumbidgee Irrigation network
- enhanced road safety through eliminating channels adjacent to roads
- reduced road maintenance costs because of seepage.

2.2 Advertising activities

The NSW Government invited community feedback on the project and promoted the public consultation period through the following channels:

- local radio advertisements
 - Hit 99.7 Southern Cross Australia 30 seconds morning advertising from 24 April 2023 to 5 May 2023
 - Triple M Southern Cross Australia 30 seconds morning advertising from 24 April 2023 to 5 May 2023
- newspaper advertisements
 - Leeton Murrumbidgee Irrigator Early General News 25 April 2023 and 2 May 2023
 - Griffith Area News Early General News 26 April 2023 and 3 May 2023
 - The Land Early General News 27 April 2023 and 4 May 2023
- electronic direct mail (eDM)

- an eDM was sent through WaterNews and to peak body subscriber lists on 24 April 2023
 - 4.512 successful deliveries
 - open rate of 38.53%
- website
 - the proposal was highlighted on the program's website from 24 April 2023 to 5 May 2023
- the proposal document received 16 clicks and was downloaded 36 times between 24 April 2023 and 5 May 2023

2.3 Who we heard from

The NSW Government received 7 responses via the online feedback form, with respondents providing comment on the project's response to the socio-economic criteria. Note that one response was provided before the documents were available on the website. The document upload was slightly delayed due to a technical issue with the website.

The feedback was received from 6 stakeholders not affiliated with a specific stakeholder group and one response was received from a local irrigator.

3 Summary of feedback

3.1 What we heard about the socio-economic outcomes of the project

Of the 7 responses, one respondent strongly agreed that the project would result in positive socioeconomic outcomes, and 5 responses either disagreed or strongly disagreed the project would result in positive outcomes (Figure 1).

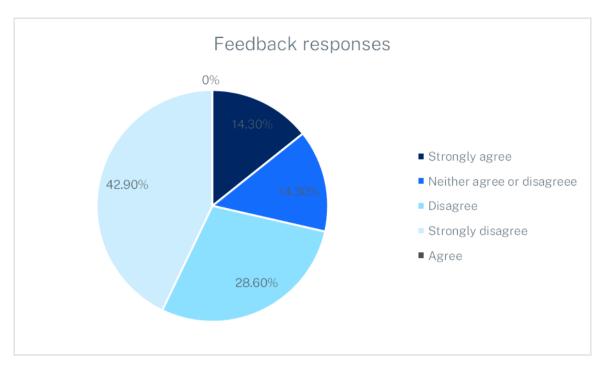


Figure 1: Agreement that the project demonstrates a positive socio-economic outcome.

The key themes in the responses related to value for money and water for the environment.

3.2 Value for money and water return to the environment

Several respondents raised concerns about the amount of water to be returned to the environment, the overall value for money project, and how the share of water to be returned as water for the environment was calculated.

One respondent expressed the view that the project should not be paid for by taxpayers given the respondent believed Murrumbidgee Irrigation to be a private company. Another respondent questioned whether the work should be carried out at the expense of the 'public purse'. The respondent recommended that the Australian Government buy the water outright as water for the environment.

One respondent believed that the cost of the water being returned to the environment from the project was high compared to the value of water on the open market. However, the respondent also noted that the water released to the environment would be valuable. Another respondent suggested the upgrade would support water security, reduce evaporation and water wastage, while also benefiting the region both directly and indirectly.

There was one response that queried the project scope, specifically what the channels would be replaced with and noted that if it were a covered system, the reduction in evaporation would be a benefit. The respondent also questioned whether replacing the 1.4 km of leaking pipeline would be the most cost-effective approach and suggested relining technologies as an alternative.

Those supportive of the project noted the benefits to stakeholders in the region, either directly or indirectly, and highlighted the project outcomes to reduce evaporation and water wastage.

3.3 NSW Government response

The role of the NSW Government is to assess if a project meets the socio-economic criteria. This assessment is based on not just the value of water returned to the environment but also on the socio-economic benefits obtained through the project. It is also important to recognise that the total share of water savings to be returned the environment are not set or defined by the Australian Government in this program.

The proposed project would create efficiencies in the water delivery network and result in direct and indirect flow-on benefits to stakeholders. NSW Government notes that MI operates as an unlisted public company (limited by shares), owned by its customers, who are local irrigators.

Any projects under this program must ensure that they deliver value for money for the taxpayer dollar, as well as ensuring that businesses are not 'left short' by surrendering more water than they can afford.

The NSW Government notes the concerns raised by respondents and will consider these in applying the socio-economic test.

The Australian Government will also consider value for money, water savings and water return in their assessment of the project.

4 Next steps

The NSW Government has established an Expert Panel to review proposals against the socio-economic criteria. The panel includes water experts from the Department of Climate Change, Energy, the Environment and Water, experts in socio-economic analysis both from within the NSW Government and externally, as well as an independent probity advisor. The panel considered this report as part of assessing the Murrumbidgee Irrigation Urban Channels Pipeline Project in May 2023.

Following the panel's consideration, the NSW Government will prepare a Statement of Reasons identifying why NSW Government support is or is not provided for the project, which will be published on the program's website.

If the NSW Government supports the applications, it will then submit this to the Australian Government for assessment. The Australian Government will assess the application and make a recommendation to the Minister for Environment and Water on whether to provide funding for the project.

5 Further information

For further information regarding the Resilient Rivers Water Infrastructure Program:

- visit water.nsw.gov.au/resilient-rivers
- email winsw.programs@dpie.nsw.gov.au
- call 1300 081 047.