

Department of Climate Change, Energy, the Environment and Water

# NSW Statement of Reasons: Southern Irrigation Districts: Building Resilient Infrastructure Feasibility Project

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Resilient Rivers Water Infrastructure Program

August 2024



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# 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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## More information

Commonwealth Grants Program, Grants Management Office (GMO)

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# 1 Project details

<b>Name</b>	<b>Southern Irrigation Districts: Building Resilient Infrastructure Feasibility Project</b>
<b>Location</b>	Murrumbidgee, Murray and Coleambally Irrigation Districts
<b>Proponent</b>	Murray Irrigation Ltd, Murrumbidgee Irrigation, and Coleambally Irrigation Co-op Ltd
<b>Commonwealth funding sought</b>	\$5,728,102
<b>Water recovery for the environment</b>	Nil – Feasibility project only

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## 2 Project summary

The southern NSW Irrigation Infrastructure Operators (IIOs) of Murray Irrigation Ltd, Murrumbidgee Irrigation, and Coleambally Irrigation Co-op Ltd have developed a joint application to undertake a feasibility project focussed on building long-term resilience and business viability for their irrigation districts.

The project intends to help ensure long term viability for the IIOs in a future where less water is available. A key outcome of the study will be quantifying the availability of water as a co-investment from the IIOs to return to the environment, whilst building capacity for greater resilience.

Planned project outputs include:

- a detailed report to inform future actions and IIO requirements
- detailed costing for future work under the identified program
- confirmation of the quantity of water available for co-investment by the IIOs to the Australian Government
- mapping networks to identify areas suitable for implementing efficiency measures
- development and assessment of options for engineering solutions
- development and assessment of options for on-farm efficiency solutions

The proposal takes a place-based, community driven approach to develop options to increase resilience in the southern irrigation districts. Proposed solutions recommended by the feasibility study are expected to deliver environmental water returns to the Australian Government.

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## 3 NSW Government decision

The NSW Government has determined that this project meets the feasibility criteria and the intended full project is likely to allow water for the environment to be returned to the Australian Government through efficiency gains from eligible activities.

The NSW Government Resilient Rivers Water Infrastructure Program (RRWIP) expert panel (the panel) reviewed the project against the case for change and deliverability criteria and determined that this project meets the criteria.

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## 4 Summary of key steps

The NSW Government worked with the southern IIOs between June to August 2024 to develop a project proposal for the Southern Irrigation Districts: Building Resilient Infrastructure Feasibility Project.

The panel reviewed the feasibility study proposal on 2 August 2024. The panel includes water experts from within the NSW Government and an independent advisor, as well as an independent probity advisor. The panel considered the information prepared by the southern IIOs when making its recommendation.

The panel requested an interview with the applicant to seek further detail on the feasibility study, and this was conducted on 7 August 2024.

The panel endorsed the NSW Statement of Reasons on 15 August 2024 and the steering committee approved the proposal on 22 August 2024 to be submitted to the Australian Government.

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## 5 Reasons for the decision

### 5.1 Impacts on the region

The proposal intends to investigate the feasibility of carrying out projects to ensure the long-term viability of the irrigation industry in the region if less water is available in the future. This will help drive economic growth and job creation, while also providing social and economic benefits for communities in the region who are dependent upon the agriculture industry. This includes the opportunity for communities and industry to build climate resilience, by being able to thrive in an environment where less water may be available.

The proposal states that First Nations contractors and providers will be engaged where possible and that opportunities to continue to do so will be available as a result of the feasibility project.

Additionally, the inclusion of on-farm components in the proposal is positive and indicates the potential for the industry to be more efficient with what water is left after other off-farm efficiencies such as channel piping or lining have been implemented.

Full projects developed as a result of the feasibility project are also expected to benefit the region by utilising local contractors to carry out works, leading to increased local employment. Additionally, the feasibility study itself is expected to invest in the region by engaging local consultants for some elements of the work, in order to utilise local knowledge and expertise.

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## 5.2 Eligibility

The panel determined that the project is eligible under Stream D of the [Australian Government RRWIP Program Guide State-led Water Recovery Project Start up](#) which require projects to investigate the feasibility of developing a full project under streams A to C of the RRWIP.

The feasibility project will determine the volume of water savings that can be achieved in a full project.

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## 5.3 Value for money

A detailed budget has been provided for valid activities that will inform a full project proposal. The project budget includes a suitable contingency funding amount. The panel assessed the submission and is satisfied that it represents value for money.

While the requested project funding is significant for a feasibility project, it is recognised that the study will facilitate a full project that will deliver significant socio-economic benefits in a more efficient and effective way than would otherwise be possible. In assessing the proposal, the panel noted that although the project cost appears high when considering just water efficiencies, the other benefits associated with the project are consistent with the RRWIP objectives. Additionally, the panel noted that the project cost is insignificant relative to the socio-economic impacts that the project aims to mitigate, by adapting to a future with less water available.

The southern IIOs have indicated that full projects resulting from the feasibility study would utilise local contractors and providers wherever possible, which represents value for money by reducing mobility costs and taking advantage of local knowledge.

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## 5.4 Community and industry engagement

The scope of the feasibility study includes a dedicated stream of stakeholder activities both internally within the irrigation industry and externally amongst customers, the community, First Nations people and other stakeholders. The stakeholder engagement stream will include a listening tour to collect views, ideas and challenges to contribute to project outcomes.

As a key objective of this feasibility study is to improve and optimise the core water delivery service to IIO customers, the southern IIOs seek to maintain high levels of community support as has been done with previous projects. The initial works proposed under this feasibility study will focus on internal stakeholder engagement within the southern IIOs, and leverage findings from

past customer surveys to understand customer sentiment and expectations. To provide the best outcome within the project timeframe, the project will engage with representatives from across the southern IIOs operations and functional units.

It is anticipated that a full project will deliver transformative change which will significantly impact the future, and all affected stakeholders will be included in this change process.

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## 5.5 Cultural and environmental considerations

The southern IIOs acknowledge the prior use of the land by First Nations people and are currently independently progressing Reconciliation Action Plans that will be developed with Reconciliation Australia and the National Centre for Reconciliation, Truth, and Justice at Federation University. The southern IIOs have historically engaged First Nations contractors and providers where possible, and it is expected that they will continue to do so by continuing the good relationships they already hold with First Nations people.

The project engagement and stakeholder licence stream will also seek to engage more closely with First Nations people, and the outcomes of this will contribute to the design of full projects.

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## 6 Next steps

The Southern Irrigation Districts: Building Resilient Infrastructure Feasibility Project will be submitted to the Australian Government for assessment. The Australian Government will consider the application and make a recommendation to the Minister for the Environment and Water on whether funding for the feasibility project should be granted.

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## 7 Further information

For further information regarding the Resilient Rivers Water Infrastructure Program, please visit:

[water.nsw.gov.au/resilient-rivers](http://water.nsw.gov.au/resilient-rivers)

or contact the Commonwealth Grants Program team, NSW DCCEEW on:

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