

## Productivity commission

- The Plan's continuing focus on the "recovery" of water volumes at the expense of effective environmental performance targets will continue to undermine the Plan's credibility and its ability to reach its full potential.
- There are substantial losses because river operators continue to exceed the constraints and capacity of the system
- The rigours and accountability that apply to the management of productive water should be applied to e-water and river operations
- Insufficient priority is being given to targeting system efficiency gains likely capable of generating e-water recovery targets

## Observations

The Basin Officials Committee's general objectives and outcomes 4 (2) are *to operate the River Murray System efficiently and effectively and to maximise the water available to the Southern Basin States*.

A foundation rule is being manipulated whenever water is sourced in one location is allowed to be used elsewhere; this practice is rife and inequitable. For example, water sourced above The Choke is being delivered elsewhere often with significant transmission losses.

## Observations - environmental

- There is insufficient auditing and monitoring of the effectiveness of environmental flows

## Inequity

Environmental water holders are permitted to choose which storage their account water is released from under BOC approved trials of "directed release from storage". This means that river operators cannot use downstream tributary inflows to help meet these orders, as they have always done for irrigators. The effect is that more water is required to be released from storage than would previously be the case for the same amount of water delivered and produces a system inefficiency.

## Impact of the plan

- The MDBA is not required to report instances where the impact/s of the plan are much greater than anticipated; this lack of transparency and social accountability is leaving communities vulnerable and under threat.

## Comment

The MDBA should collaborate more closely with commercial infrastructure managers who would bring their private sector experience and innovation to help identify savings and efficiencies in the system. The company firmly believes savings and efficiencies in the system are key to delivering the Basin Plan while mitigating the negative impact on Basin communities.

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The company strongly agrees with the Productivity Committee' findings that 450GL of so-called "upwater" cannot be effectively used unless constraints management protocols are resolved.

#### Water Resource Plans – consultation and response

- Consultation with non-governmental stakeholders is grossly ineffective and cursory. A more cost-effective and efficient method is to provide communities and other stakeholders with sufficient funding to engage subject matter experts to examine all proposals and changes and make recommendations to achieve a united, informed position.
- Two thirds of the Water Resource Plans under review relate to NSW. The quality of these plans is seriously undermined by the Department of Industry – Water capacity to produce plans in the time available. DoI-W must be given additional time to produce plans that reflect genuine consultation and quality analysis.

#### MDBA Operations

- We agree with the Commission that the MDBA should be split into operator and regulator. Both entities would then be audited and held accountable.
- Finding 3.2: If the delivery of E-water increases transmission losses in the regulated river system then this is a third-party impact.
- Finding 3.4 – communities will need assistance to effect any structural change. There have been negative impacts on regional communities and there must be clear pathways to structural assistance.
- Finding 10.1 Regulation should be extended to developments as well as trade. The sector operates in a highly regulated environment in which there is exponential unregulated development highly dependent on water downstream. This downstream demand also contributes to increased transmission losses.
- Finding 11 E-watering plans are not coordinated particularly those in NSW. Prerequisite Policy Measures are unlikely to be implemented by 30 June leaving the sector in a state of uncertainty