

# Public feedback report

## Draft Constraints Management Strategy



Published by Murray–Darling Basin Authority.

MDBA Publication No. 27/13

ISBN 978-1-922177-63-6 (online)

ISBN 978-1-922177-65-0 (print)

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Cover Image: Reed Beds Swamp at sunset in the Barmah-Millewa Forest, David Kleinert

## **Acknowledgement of the Traditional Owners of the Murray–Darling Basin**

The Murray–Darling Basin Authority acknowledges and pays its respect to the Traditional Owners and their Nations of the Murray–Darling Basin. The contributions of earlier generations, including the Elders, who have fought for their rights in natural resource management, are also valued and respected.

The MDBA recognises and acknowledges that the Traditional Owners and their Nations in the Murray–Darling Basin have a deep cultural, social, environmental, spiritual and economic connection to their lands and waters. The MDBA understands the need for recognition of Traditional Owner knowledge and cultural values in natural resource management associated with the Basin. Further research is required to assist in understanding and providing for cultural flows. The MDBA supports the belief of the Northern Murray–Darling Basin Aboriginal Nations and the Murray Lower Darling Rivers Indigenous Nations that cultural flows will provide beneficial outcomes for Traditional Owners.

The approach of Traditional Owners to caring for the natural landscape, including water, can be expressed in the words of Ngarrindjeri elder Tom Trevorrow: ‘our traditional management plan was don’t be greedy, don’t take any more than you need and respect everything around you. That’s the management plan—it’s such a simple management plan, but so hard for people to carry out.’<sup>1</sup> This traditional philosophy is widely held by Traditional Owners and respected and supported by the Murray–Darling Basin Authority.

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<sup>1</sup> Tom Trevorrow (2010) Murrundi Ruwe Pangari Ringbalin ‘River Country Spirit Ceremony: Aboriginal Perspectives on River Country’.

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## Foreword

On behalf of the Murray–Darling Basin Authority, I would like to express my appreciation to the many individuals and groups who have taken the time to meet with us this year, and have helped us to further understand river constraints in the Murray–Darling Basin as we develop the Constraints Management Strategy.

We have spent a great part of 2013 speaking with local and state government representatives, industry and interest groups, and landholders—particularly those living around areas where there are key constraints—to be clear about the type of approach needed to do this important work over the coming years.

We recognise that there are many people in the Basin who have good ideas and who are keen to give us constructive feedback on the work we are doing in the Basin. The meetings we've held over the past year on constraints are no exception to this.

With the Basin's many government jurisdictions and competing interests and needs, it is no surprise that the feedback we've received has brought forward many wide-ranging perspectives. These are all highly valuable to us. In particular, we have received considerable detailed information from people about their own stretches of river, which will be a crucial focus over the coming years.

Finally, it is important to emphasise that the Constraints Management Strategy is just the start of a conversation to identify how work will proceed over the coming years, and we look forward to returning to the various parts of the Basin to continue these conversations, and start new ones, as we progress this work.

**Craig Knowles**

**Chairman**

**Murray–Darling Basin Authority**

## 1. Introduction

This report provides a summary of feedback received during consultation on development of the Constraints Management Strategy (Strategy). This includes feedback received throughout the public comment period on the draft Strategy (between 9 and 30 October 2013) and an outline of how the Murray–Darling Basin Authority (MDBA) has responded in finalising the Strategy.

The Strategy is the start of a thorough process to provide advice to Basin governments for their work on addressing key constraints over coming years. It provides an overarching framework, outlines the key directions that work needs to take and includes key principles that will guide work into the future. Central to development of the Strategy is a commitment to work with communities and other stakeholders that may be affected by any future actions to address key constraints.

Constraints are river management practices and structures that govern the volume and timing of regulated water delivery through the river system.

The next steps in looking at the Basin's river constraints will continue to be about collecting ideas and information and will not mean immediate changes to how rivers are operated. The Strategy is a necessary first step towards understanding constraints. Basin governments will be responsible for deciding on the appropriate options once all the necessary work has been completed to fully explore potential changes to constraints, and the effects of proposed changes.

### Consultation through 2013 leading up to the Draft Strategy

The MDBA has placed an emphasis on consultation during development of the Strategy. Since early 2013, staff held more than 70 meetings with Basin communities, particularly those in key focus areas (totalling more than 500 people) to:

- share information about the purpose and requirements of the Strategy
- understand how communities would like to be engaged
- access knowledge and expertise of river flows patterns.

During this period, MDBA consulted with Basin states and communities most likely to be affected if changes were made to constraints in their area. Bilateral and multilateral meetings were held with states throughout the year to discuss engagement activities and how the Strategy would be developed. This included discussion of both the concepts and draft Strategy.

MDBA staff also met with landholders and other stakeholders in some of the key focus areas to understand how changes to constraints to allow higher river flows might affect public and private properties and assets.

The following stakeholders were involved in these early discussions:

- some of the landholders whose properties are located in key focus areas (next to or near key constraints) and who possess significant knowledge of the impacts of flows at various levels, at a property and regional scale
- state government agencies with an interest and knowledge in water management, including those with responsibility for environmental water delivery and land management in areas adjacent to key focus areas
- Catchment Management Authorities in key focus areas that hold expertise in integrated catchment management and who possess knowledge of local and community interests and contacts
- local government and State Emergency Services that possess information and knowledge of the impacts of flows on public and private infrastructure
- water delivery authorities that manage the delivery of water from storages to customers, whether that be for consumptive or environmental use
- industry and representative bodies for the sharing of views, knowledge and information between MDBA and their constituents.

MDBA recognises that broader and more detailed consultation and participation will be required for the next stages of the Strategy to further identify issues and test potential solutions. This will be a two-way communication process between MDBA, Basin governments and communities.

### Public comment period on the draft Strategy

The MDBA held a three-week public comment period on the draft Strategy between 9 and 30 October 2013.

There were also more than twenty briefing sessions on the draft Strategy held in regional areas of the Basin during this time. In particular, there were seven constraints-specific workshops held in the key focus areas of Shepparton, Deniliquin, Mannum, Tulney Station near Mildura, Moree, Narrandera and Corowa.

There were also facilitated discussions held about the constraints work at fourteen meetings in Shepparton, Deniliquin, Mildura, Mannum, Renmark, Moree, Griffith and Narrandera.

All feedback on the draft Strategy, including that documented during the various meetings and workshops and feedback received via MDBA's 1800 number, website, engagement email and in letters, was recorded and considered for inclusion in the final Strategy.

### Is feedback being published?

MDBA is seeking permission from individuals and groups who have provided feedback to publish individual feedback on MDBA website. In accordance with the Privacy Act (1988), feedback will only be made publicly available where permission is granted.



## 2. Consultation outcomes

### Feedback summary

Feedback was received from sixty-eight respondents in addition to the information we heard at the public meetings. Feedback came from a wide range of individuals and groups including:

- private landholders
- tourism operators
- indigenous people
- scientists and researchers
- state government agencies
- irrigator and farmer groups
- environmental non-government organisations
- local councils.

Many people stressed the need to clarify and strengthen some of the messages within the Strategy, and emphasised the importance of continued engagement with communities to better understand and address local issues.

In addition to the areas where MDBA requested specific feedback (overarching principles, timetable and phasing, operational and management constraints and key focus areas), there were also some further clear areas, or themes, that consistently emerged from feedback. The key themes arising from the comment period are discussed in this report under the following headings:

- adequacy and role of consultation
- clearer language
- environmental watering and why we need to address constraints
- overarching principles and purpose
- a phased approach to Strategy implementation
- operational and management constraints
- specific feedback on the key focus areas
- effects of making changes (benefits, impacts, the need for caution, mitigation options and broader natural resource management issues)
- relationship to Sustainable Diversion Limits (SDL) levels and to the SDL adjustment process
- prioritisation and investment.



It is important to note that many respondents provided specific local information that has not been explicitly presented in this report (because it is at a level of detail beyond the scope of the Strategy) but which will be essential information for the detailed assessment of the key focus areas (see *Section 8 - Effects of Changes* for further detail) and will be considered in key focus area analyses in 2014.

## Key themes arising from comment period

### 1. Adequacy and role of consultation

This Strategy proposes a collaborative approach with Basin governments to the development of constraints projects and includes a strong focus on community involvement throughout the process.

#### Summary of issues

Many people welcomed the approach undertaken to date by the Strategy. The role of communities and importance of ongoing commitment to consultation was recognised in a large proportion of the feedback. Respondents from key focus areas where consultation activities are well progressed appreciated the opportunity to be involved in the process from the start. There was widespread recognition that affected communities should be involved throughout the process to identify issues and mitigation options at the local level.

Others suggested that more work was required with communities in both focus areas and non-focus areas, and other respondents felt that they had been engaged but not heard. Several respondents raised the need for more engagement with interested stakeholders on operational and management constraints.

It was also noted that the draft Strategy did not directly acknowledge Traditional Owners or the role of aboriginal communities in development of the Strategy. Additionally, it was suggested that there should be an explicit commitment to involve and consult Aboriginal communities as the Strategy is developed further.

There were a number of responses about the timeframe allocated for the public comment period. Most respondents indicated that the three week period was insufficient, especially as spring is a very busy time for many farmers. We also received feedback that there was not enough notice provided to allow some people to attend public consultation meetings convened by MDBA; and that these meetings were not held widely enough in the northern parts of the Basin.

#### MDBA response

The MDBA would like to reiterate our thanks to those people who provided feedback and took the time to meet with us. We recognise the importance of working with communities and Traditional Owners across the Basin, not only in the development of this Strategy, but also as partners in future work. For this reason, we have and will continue to place significant effort and resources into consultation with communities that could be impacted by addressing key constraints. We will incorporate the feedback we have heard in future planning, especially in regard to timing and advanced notice for meetings in our future planning.

The MDBA recognises and acknowledges that the Traditional Owners and their Nations in the Murray–Darling Basin have a deep cultural, social, environmental, spiritual and economic connection to their lands and waters and will take this into consideration in future work to undertake the Strategy.

Consultation activities in some key focus areas were delayed, or limited, in recognition of other processes or programs that were already underway. The MDBA will continue to coordinate consultation activities with state and Commonwealth agencies to avoid burdening communities already involved in similar discussions with other agencies.

Avenues for communities to be involved were not closed off at the end of the three week consultation period. While the consultation period closed on 30 October 2013, MDBA continued to consider late feedback. A process has also been established whereby individuals can register their interest in being kept informed about future opportunities to participate in the constraints work: by contacting MDBA (email [engagement@mdba.gov.au](mailto:engagement@mdba.gov.au) or phone 1800 230 067).

Specific actions for 2014 include:

- project officers in each of the key focus areas will continue working with landholders, Traditional Owners, management agencies, entitlement holders and local communities to ensure that local knowledge and impacts are recorded and people are kept informed and involved
- commencing engagement and consultation in areas downstream of key focus areas which may be subject to higher flows in the future if constraints are relaxed
- commencing consultation regarding the broad operational and management constraints identified in the Strategy in 2014 with Basin states, interested industry groups and community members.

**Response in the Strategy:** The ‘*Executive Summary*’ includes a brief overview of the consultation process. Actions specific to key focus areas are included, as appropriate, in Section 9: ‘*Key focus areas: prefeasibility findings to date and priority actions for 2014*’ of the Strategy. Community involvement is recognised as foundational in the revised Strategy’s overarching principles and is reflected in the roles and responsibilities for implementing the Strategy. Traditional owners have been explicitly included in Section 5 ‘*Overarching principles*’ of the revised Strategy.

## 2. Clearer language

### Summary of issues

Many of the respondents suggested MDBA could refine the language used to enhance the clarity and messages about significant components of the Strategy, in particular:

- clarify the definition of constraints under consideration
- place a greater emphasis on the benefits that will come from addressing constraints, both for the environment and local communities

- emphasise that Basin Ministers will make the decisions on whether to proceed with projects proposed in the Strategy
- define why we need environmental watering and what we are trying to achieve
- explanations of the relationship between constraints and the SDL and the SDL adjustment mechanisms.

Feedback generally supported the premise that governments should explore options to improve the efficiency of environmental water delivery.

### **MDBA response**

MDBA agrees that the language needs to be understood by a range of audiences and is committed to using clearer language.

The definition of constraints is that they are things that affect water delivery and make water use less efficient. They can be physical constraints (e.g. bridges, outlet capacity, structures etc.) or operational and management constraints (practices which govern water use, many of which are many decades old). Given the number of constraints across the Basin, a Basin-wide assessment of known physical constraints to the delivery of environmental water was completed in July 2013 ([\*Preliminary Overview of Constraints to Environmental Water Delivery in the Murray–Darling Basin\*](#)) to identify those constraints most limiting the delivery of environmental water. These physical constraints have been the focus of investigation through development of the Strategy. This is discussed in more detail in *Section 7* of the key themes outlined this document.

The other issues raised have been addressed in more detail in *Section 3*, *Section 4* and *Section 9* of this document.

**Response in the Strategy:** Revisions have been made in a number of places throughout the Strategy to acknowledge the feedback received on refining the language. Edits to the *Section 5: ‘Overarching principles’* of the Strategy have been undertaken to clarify issues and is discussed in more detail in *Section 3* of this report.

To clarify the definition of constraints in the Strategy new text has been included in the *‘Executive summary’*, *Section 1: ‘Introduction’*, *Section 2: ‘Understanding constraints to environmental water delivery across the Basin’* and in the box titled *‘Why do we need to look at constraints?’*. New content titled *‘The Barmah Choke’* has been added to *Section 9: ‘Key focus areas: pre-feasibility findings to date and priority actions for 2014’* to provide an answer about why the Barmah Choke is not considered a constraint.

Actions undertaken in the Strategy to address the other issues raised are outlined in more detail in the responses sections of *Section 3*, *Section 4* and *Section 9* of this report.

### 3. Environmental watering and why do we need to address constraints?

During the development of the Basin Plan, the Murray–Darling Basin Ministerial Council requested that the MDBA explore the potential additional environmental benefits that would result if some major existing river operating constraints to the delivery of water in the southern connected system were relaxed.

#### Summary of issues

A number of people raised issues about environmental watering activities and what we are aiming to achieve by addressing constraints. In general, people felt that there needed to be more justification for why environmental watering is needed and a greater understanding of how it is delivered. Some of the specific feedback suggested we should:

- clarify why addressing constraints is needed to get outcomes from environmental watering
- provide more detail on what environmental watering is aiming to achieve, in particular the types of flows being proposed and outcomes being targeted
- better explain the types of environmental water that exist
- recognise that environmental watering is a new activity and that we are still learning how best to undertake activities to minimise impacts to communities
- consider that timing should take into account natural seasonal variation and consumptive water use demands.

#### MDBA response

During the debate about the Basin Plan there was general agreement by all stakeholders that we needed to look at many aspects of how water is managed; and not just by changing the balance between consumptive use and what's left for the environment. The continued challenge of sustaining river health in the Basin has given us a strong signal that we need to be more efficient and flexible managers, and to start running the rivers as a connected system; whereas we have sometimes neglected to think about what happens downstream. The Strategy is looking at ways to achieve positive outcomes, so that the environmental benefits of returned water to the river system are maximised and the community has neutral or better outcomes, such as improved capacity to cope with flows up to minor flood levels.

MDBA understands that people have concerns about potential changes to the way rivers are operated to undertake environmental water delivery. Environmental watering has been undertaken throughout the Basin over many years, but is still a relatively new practice. However, environmental water is delivered by the same people (the 'river operators') that deliver water for consumptive uses; these operators have extensive experience in water delivery and take a precautionary approach when delivering all water.

The experience of these river operators has resulted in valuable learnings and forms the basis of some of the outcomes we have identified to address constraints, which will allow

more effective delivery of environmental water. To maximise the benefits from environmental watering, managers need to be able to work with the natural variability of river systems. At times, overbank flows are required to allow connection between rivers and floodplains and to support in-stream functions.

General information on what we are trying to achieve is available in previous MDBA publications and through the [MDBA website](http://www.mdba.gov.au/) (<http://www.mdba.gov.au/>), but will be tested more rigorously through the next steps of the process. There is also information available from the Commonwealth Environmental Water Holder and states on how environmental water will be used in particular regions but this information needs to be expanded and made more available as communities start to participate in watering activities over the coming years.

**Response in the Strategy:** Revisions have been made in a number of places throughout the Strategy to acknowledge the feedback received about environmental watering and constraints. New text has been included in the *'Executive summary'*, Section 1: *'Introduction'* and in *'Why do we need to look at constraints?'* In addition, changes have been made to Section 2: *'Understanding constraints to water delivery across the Basin'* to provide more clarification. Section 10: *'Operational and management constraints explained'* discusses in more detail how addressing these types of constraints will support environmental watering activities.

#### 4. Overarching principles and purpose

The draft Strategy presented overarching principles to underpin future activities in addressing key constraints. These principles have already been important in facilitating discussions between MDBA, governments and communities and will continue to guide the roll out of the Strategy.

##### Summary of issues

A large proportion of respondents provided feedback on the overarching principles and how these relate to the purpose of the Strategy. In general, most were supportive of the inclusion of a set of principles to guide the Strategy through to project implementation.

Response to the content of these principles included statements that:

- community consultation should be foundational to all activities as the Strategy progresses
- we should pursue the maximum environmental outcomes possible
- actions should take into account the social and economic considerations or be based on a triple-bottom-line assessment
- addressing constraints should not be pursued unless third party impacts can be avoided or mitigated appropriately
- it is important to make investment decisions on the basis of the best outcomes and providing lasting solutions.

A number of people also provided suggestions to edit the principles, including:

- making the purpose of the strategy more clear, does the strategy relate to delivery of all water or only the 450 GL of efficiency measures
- recognise potential benefit to others beyond the environment
- move the principles to the front of the document to emphasise their importance
- stronger messaging that actions will not be taken unless third party impacts can be avoided or mitigated appropriately, and clearly stating that Basin Ministers will make the decisions on whether to proceed
- expand existing principles to be more explicit about who will be considered (e.g. more than just entitlement holders, need to be expanded to include landholders); and specifically recognise aboriginal groups as Traditional Owners
- make reference to the need for project partners to have regard to relevant legislation and international agreements such as Native Title, Environmental Protection and Biodiversity Conservation Act 1999, and The Convention on Wetlands of International Importance (the Ramsar Convention)
- recognition of property rights
- emphasise that we are not increasing the probability of severe flooding
- emphasise that environmental water should retain the same rights as entitlements.

### **MDBA response**

The MDBA has appreciated the suggestions made and altered the principles to reflect the feedback.

The Strategy aims to maximise environmental outcomes that can be obtained from managing all water available for environmental use (and managing water for other purposes on route). The 2,750 GL of environmental water to be recovered can be delivered within the current physical constraints, relaxing or removing key constraints would allow for more flexibility in water delivery, which means we can achieve even more with all of the water we have available. The Constraints Management Strategy is about investigating how we can do that in ways that avoid or address impacts on third parties; and therefore optimises environmental, social and economic benefits.

We recognise that it is essential that we continue to incorporate local knowledge and involve stakeholders, Traditional Owners and local communities and will continue to seek every opportunity to allow local input throughout implementation of the Strategy.

As the strategy is implemented, potential changes would be worked through with relevant Basin governments and relevant stakeholders to resolve issues before changes to operations or on-ground arrangements are made. Decisions to proceed with removing constraints will be made by Basin governments, following assessments of the Basin-wide



environmental outcomes, taking into account economic and social considerations. This is set out in the *Intergovernmental Agreement on Implementing Water Reform in the Murray Darling Basin (2013)* (IGA). Aside from the pathway laid out in the IGA, Basin governments may also choose to address constraints or review their rules at any time, including when water sharing plans are negotiated.

**Response in the Strategy:** The principles have been revised in the Strategy and have been included in the '*Executive summary*' and in Section 5: '*Overarching principles*'. The revised principles in the Strategy are included for reference.



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### Overarching principles

The following key principles have been central to thinking through how constraints should be managed in the Basin. They have been important in the discussions that have already occurred between the MDBA, governments and communities and should also guide the roll out of the Strategy. They have been revised in light of the feedback we received through the Strategy consultation process.

- The Strategy aims to maximise environmental outcomes that can be obtained from managing all water available for environmental use (and managing water for other purposes on route).
  - Affected communities, including land holders and managers, water entitlement holders, traditional owners, management agencies and local government need to be involved from the beginning to identify potential impacts and solutions.
  - In pursuing environmental outcomes through the relaxation or removal of constraints, solutions need to:
    - recognise and respect the property rights of landholders and water entitlements holders
    - not create any new risks on the reliability of entitlements
    - be identified in consultation with affected parties to determine if impacts can be appropriately addressed and mitigated to enable changes to proceed
    - identify and aim to achieve net positive impacts wherever possible
    - be worked through in a fair and transparent/equitable way
    - work within the boundaries defined by the Water Act, the Basin Plan and relevant state water access and planning systems.
  - All water holders, whether existing consumptive users or environmental water holders, should be able to use their water efficiently to meet the needs of that use, while not adversely affecting other entitlements.
  - Potential changes would be worked through with relevant Basin governments and relevant stakeholders to resolve issues before changes to on-ground arrangements are made.
  - Decisions to proceed with removing constraints will be made by Basin governments with investment being decided by the Commonwealth on the collective advice of governments. Investment should:
    - be prioritised on addressing the constraints that will provide the best Basin-wide environmental outcomes, taking into account economic and social considerations
    - focus on lasting solutions to provide certainty and protection to stakeholders over time.
    - be focussed on avoiding and addressing any impacts to third parties.
-

## **5. A phased approach to Strategy implementation**

A timetable and phased approach were presented in the draft Strategy to provide a framework for how the Strategy will be progressed. Three phases were recognised: pre-feasibility, Phase 1: 2013–2014, feasibility; Phase 2: 2015–2016 and implementation; Phase 3: 2016–2024. Roles and responsibilities for government and community were also outlined to recognise that a multi-partisan and collaborative approach to mitigating constraints will be essential.

### **Summary of issues**

Feedback on the proposed timeframes and phased approach within the draft Strategy attracted a significant amount of attention. Feedback was supportive of the phased approach in recognition of the complexity of this work. Feedback was mixed on the amount of time allocated; with a number of people suggesting it sufficiently reflected the amount of work to be done, while others expressed concern that the time allocated was insufficient. Some respondents were concerned the timelines would lead to a long period of uncertainty; while others suggested that the discrete timeframes for the phases restricted the ability for more developed areas to progress through to feasibility in a timely fashion.

A number of people suggested that there is insufficient time allocated to complete the work required in phases 1 and 2, especially given the magnitude and importance of the tasks and the requirement for reasonable community consultation. It was suggested that MDBA consider merging these phases or extending the 2016 deadline.

It was also identified that the Strategy should outline the process for assessing impacts on Aboriginal communities through cultural heritage and cultural land use. It was suggested that partnerships in program development are needed to enable the local Aboriginal communities to be involved in each phase.

Clarification was requested on the roles and responsibilities of MDBA, Basin governments and communities in undertaking the components of work outlined in the phased approach. A number of people acknowledged that the amount of work to be done through the Strategy is substantial and would require a transparent, coordinated and multi-partisan process to effectively address constraints.

In addition, respondents questioned how the Strategy will align with other processes, including state water policy (e.g. Water Resource Plans) and other Basin Plan programs (e.g. Sustainable Diversion Limit (SDL) Adjustment Mechanism and the northern Basin work program).

### **MDBA response**

The phased approach outlined in the draft Strategy arises from the complexity of the work required to understand impacts and mitigation options; the current lack of data in key areas; and the need to comprehensively consult with entitlement holders, land holders, Traditional Owners and the wider community. Consideration will be given to ensure that the assessments include recognition of time required to consider cultural heritage, land use and the role of Aboriginal communities throughout the phases.

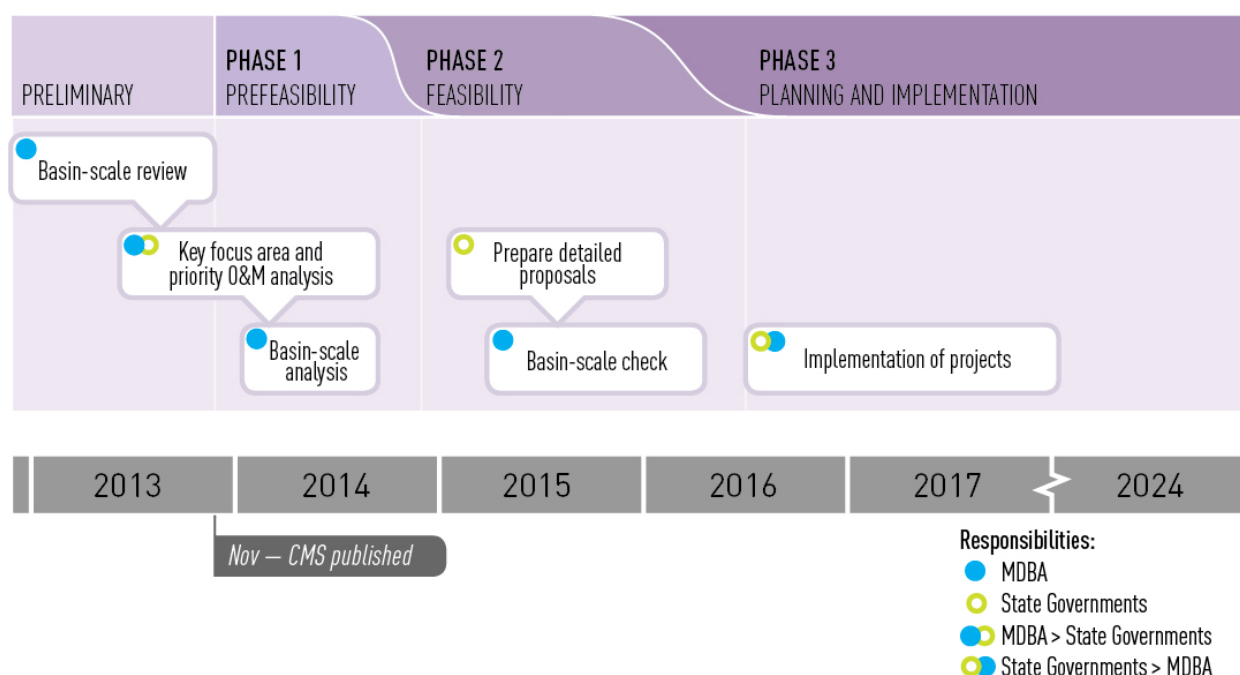
The 2016 timeframe for Basin government decisions on how to progress constraints is necessary under the *Intergovernmental Agreement on Implementing Water Reform in the Murray Darling Basin (2013)* (IGA). MDBA recognises the need to provide as much timing flexibility as possible and has amended the Strategy phasing diagram and timeline. For those key focus areas that are relatively advanced, business cases (phase 2, feasibility) may commence at the same time as the pre-feasibility work and Basin scale assessment (phase 1).

This Strategy proposes a collaborative approach to the development and prioritisation of constraints projects, and includes a strong focus on community involvement throughout the process. MDBA will have a critical role in this process in providing the Basin-scale analysis and prioritisation of constraints.

The proposed Strategy phasing and the IGA timetable means that throughout 2014 there is likely to be concurrent work by MDBA and jurisdictions on constraints measures. MDBA will be working with jurisdictions to undertake these activities in collaboration, as appropriate.

**Response in the Strategy:** Revision to the Strategy in Section 7: '*A phased approach to addressing constraints*' more explicitly indicates the tasks to be undertaken in each of the phases. This section also details that it is possible for overlap to occur between phases to allow work to proceed more quickly in areas where more information is available. The diagram titled '*Three broad phases of the Constraints Management Strategy implementation*' has been amended to reflect these changes and to more clearly identify the responsibilities of MDBA and Basin governments. Additional text has been included in the detailed sub-sections on each of the phases to link key dates for other related activities such as the SDL Adjustment Mechanism and the northern Basin work program.

The new figure in the Strategy is included below for reference.



**Figure 1 Three broad phases of the Constraints Management Strategy implementation showing potential overlap between phases**

More detail and clarity has also been included in Section 6: ‘*Roles and responsibilities*’ to define the approach and how MDBA will work with Basin governments and the community while undertaking specific activities and implementing the Strategy.

## 6. Operational and management constraints

There are a number of operational and management constraints that limit environmental water delivery across the Basin. The draft Strategy presented operational and management constraints and categorised these against three environmental outcomes sought by environmental water holders.

### Summary of issues

There was significant interest, and wide ranging feedback, relating to operational and management constraints. Some people expressed support for the operational and management constraints for the environment to be solved to achieve improved environmental outcomes across the Basin. Clarity was requested about which operational and management issues would be considered constraints. In addition, there were a number of questions about the relationship of operational and management constraints to Sustainable Diversion Limits (SDL).

There were comments emphasising the important role of relevant Basin governments to consult with entitlement holders and stakeholders through their existing processes, such as water management reviews.

Significant concerns were raised that the operational and management issues identified in the Strategy could cause impacts to the reliability of existing water entitlements. These concerns related to the equity between different users of a particular entitlement class.

Specifically, a number of respondents stressed that water access entitlements and allocations held by environmental water holders should not be treated differently to water access entitlements and allocations held by other users.

Several people raised the need for more engagement with interested stakeholders, including sharing the modelling of rule changes between government and users. Some respondents also detailed the specific impacts of operational and management constraints to their local area.

Several people raised questions about the future process for addressing operational and management constraints and wanted to see a timeline and action plan for progressing these issues.

### **MDBA response**

The Strategy identifies those management and operational issues that restrict the use of environmental water, hence limiting the capacity to achieve maximum environmental benefit from available environmental water. Operational and management provisions relate to the management of dams and rivers. They comprise the policies, procedures and protocols and are outlined in legislation, intergovernmental agreements, water resource plans, river operating manuals and procedures, guidelines and practices. Often, the constraint is not a policy, protocol or process itself, but the absence of one of these to allow the effective delivery of environmental water.

In determining the volumes of water required to achieve environmental requirements under the Basin Plan, the modelling used to inform the choice of SDLs by MDBA assumed two policies, which are currently unimplemented, would be implemented by the states. The plan states these 'unimplemented policy measures' need to be implemented by 30 June 2019, otherwise the size of any adjustment to the SDL may differ to that which would otherwise occur. The unimplemented policy measures are:

- credit environmental return flows for downstream environmental use (a policy measure which aims to protect environmental water from re-regulation and extraction)
- allow the call of held environmental water from storage during unregulated flow events (a policy measure to allow the ability to build on flows and allow flows throughout the river).

These policy measures are included amongst other constraints measures. Their implementation will improve the capacity of environmental water to achieve maximum environmental benefits.

The overarching principles of the Strategy state that 'in pursuing environmental outcomes through the relaxation or removal of constraints, solutions will **not** create any new risks on the reliability of entitlements'. Basin governments are responsible for water entitlement rules and it is up to these governments to consider any possible options. An adaptive management approach will be undertaken through Phase 1 and 2 of the Strategy to assess if any changes may have impacts on reliability, which will include comprehensive modelling analyses.

In purchasing permanent entitlements in order to secure environmental water, governments have repeatedly stated that these entitlements will retain their characteristics; including security, reliability, allocation, charges and tradability. The changes that MDBA is suggesting are not to these fundamental characteristics of entitlements, but rather how that water is able to be delivered for use within the riverine and floodplain environment.

MDBA recognises the importance of working with interested stakeholders on the operational and management issues identified in the Strategy. As outlined in 'Adequacy and role of consultation' (*Section 1* of this document) we will commence consultation regarding the broad operational and management constraints identified in the Strategy in 2014 with Basin governments, interested industry groups and community members.

**Response in the Strategy:** Refinements have been made to Section 10: '*Operational and management constraints explained*' to clarify the operational and management constraints identified in the Strategy.

Revisions have been included to Section 5: '*Overarching principles*' to reinforce that solutions will not create any new risks on the reliability of entitlements.

Further detail has been provided in Section 7: '*A phased approach*' and Section 10: '*Operational and management constraints explained*' including more detail on the proposed work program and working with state agencies. A new sub-section on '*Key actions*' has been included in Section 10: '*Operational and management constraints explained*' of the Strategy. This outlines an approach to agree to future work with Basin governments to further progress the exploration of priority constraints in both the southern-connected system and northern Basin. This includes developing a program of engagement with community and industry stakeholder groups.

## **7. Specific feedback on the selection of key focus areas**

The Strategy identified seven key focus areas in the Basin where the relaxation of physical constraints needs further consideration. The areas were based on a Basin-wide assessment (developed in consultation with state water agencies) that identified areas in which addressing physical constraints would give the greatest benefit for the environment ([\*Preliminary Overview of Constraints to Environmental Water Delivery in the Murray-Darling Basin\*](#)).

### **Summary of issues**

MDBA asked for feedback on our selection of the key focus areas. Many respondents supported the selection of the seven key focus areas. There was some concern that only one area had been identified in the northern Basin. However, another response questioned the inclusion of the Gwydir as a key focus area; suggesting it did not contribute to the Basin-scale environmental outcomes. There was also the suggestion that the driver for higher flows throughout the Basin was to provide water to the Lower Lakes, Coorong and Murray Mouth.



Several people also recognised the interdependencies or connections between key focus areas and suggested that they should be addressed together, not in isolation of one another (e.g. Hume to Yarrawonga and Edward–Wakool). It was suggested that Edward–Wakool area should be extended to encompass Yarrawonga to Wakool Junction to explicitly recognise the interconnection between the two regions and the importance of considering urban as well as rural impacts. Other feedback highlighted the importance of consulting with communities downstream of the key focus areas, or in the interconnecting reaches, as they may be potentially affected by future higher river flows.

Many respondents commented that there are other issues limiting the effective and efficient delivery of environmental water across the Basin that have not been identified in the Strategy.

Additional areas were suggested to be considered as part of the Strategy from across the Basin; including the Campaspe River in Victoria, the Upper Murray between Khancoban to Hume Dam, various locations in the Queensland section of the Basin, release rates from Lake Victoria and the Barrages in South Australia. Some people suggested that the Strategy should clearly indicate why there is a focus on specific areas and to provide more information on the definition of constraints.

### **MDBA response**

The purpose of the Strategy is to identify the priority constraints to environmental water delivery across the Basin and options to overcome these constraints to improve environmental outcomes from all environmental water. The MDBA recognises that there are other regions in the Basin with flow delivery constraints beyond the seven key focus areas identified. The Strategy proposes to address those most likely to result in greatest environmental benefit first. Once first order constraints are addressed, there may be the potential to address second order constraints elsewhere in the Basin.

The aim of the Strategy is to improve the outcomes from all environmental water. The Strategy is not just about the Southern Connected System; it is also about achieving regional and in-stream environmental outcomes that will contribute to the environmental health of the Basin. Consistent with the Basin-wide approach, the Gwydir system has been identified as a key focus area for further consideration because of the presence of first order constraints, or those that represent a primary impediment to environmental flow delivery. In the Gwydir these first order constraints consist mainly of potential third-party inundation impacts in the lower reaches of the river system. These were identified as part of a Basin-wide assessment of known physical constraints to the delivery of environmental water completed in July 2013 ([Preliminary Overview of Constraints to Environmental Water Delivery in the Murray–Darling Basin](#)). The Gwydir Wetlands are also recognised by MDBA as presenting a significant environmental asset of the Basin; which is integral to Basin Plan development and implementation. For these reasons the Gwydir is the only key focus area identified in the northern Basin and will remain as one of the key focus areas for the pre-feasibility assessments, any decisions on which areas progress to Phase 2 will be made by Basin governments.



Interconnections between key focus areas will be further explored as part of the Basin-scale analysis that MDBA will complete in 2014. To recognise interconnections, the Edward–Wakool has also been expanded to become the Yarrawonga to Wakool Junction key focus area. The connected nature of the system mean discussions will be required in areas downstream of the key focus areas in 2014. This is because communities downstream of the key focus areas, or in the interconnecting reaches, may be potentially affected by future higher river flows if constraints are relaxed.

The MDBA also recognises that there are a diversity of management issues associated with effective management and delivery of environmental flows. The Strategy does not exclude consideration of other issues relevant to the effective management and delivery of environmental water. The MDBA encourages communities and state governments to pursue affiliated projects, where possible.

**Response in the Strategy:** Further detail has been added in the Strategy at Section 3: *‘Development of the Constraints Management Strategy’* to explain the selection process and logic in defining the key focus areas.

The Edward–Wakool key focus area has been extended to cover the area below Yarrawonga to the Wakool Junction throughout the Strategy.

New text has been added to provide a clearer explanation of why particular constraints have been included in the Strategy in the *‘Executive summary’*, Section 1: *‘Introduction’*, Section 2: *‘Understanding constraints to environmental water delivery across the Basin’* and the box titled *‘Why do we need to look at constraints?’*. New content titled *‘The Barmah Choke’* has been added to Section 9: *‘Key focus areas: pre-feasibility findings to date and priority actions for 2014’* to provide an answer about why the Barmah Choke is not considered a constraint.

## 8. Effects of making changes

The draft Strategy outlined the key steps for pre-feasibility, Phase 1: 2013–2014 and identifies that it is important to assess the project costs and the benefits of addressing constraints to inform investment decisions. The objective of the pre-feasibility work is to undertake detailed assessment of the effects of making any changes, including: local scale effects, benefits, mitigation options and costs. Assessing the effects of making changes and options for mitigation will be the major focus of work on the Strategy over the next few years.

### Summary of issues

Feedback generally supported the need to explore options to enable better use of environmental water. Some respondents indicated concern about the types of flows that will be enabled by addressing constraints, stressing that MDBA should not be proposing to flood communities. Much of the feedback received suggested that MDBA should simplify the language used to describe the proposed flows, impacts and benefits that may occur from addressing constraints.

There was strong support for maximising environmental outcomes whilst balancing social and economic considerations with the environmental outcome being sought. The need to understand the impacts and the benefits of any proposed changes was a consistent theme across the feedback. In addition, specific feedback indicated that the Strategy should identify the process for assessing impacts on cultural heritage, cultural land use and ensure compliance with relevant legislation.

A number of respondents expressed concerns about the level of MDBA understanding regarding localised impacts that may occur from increasing maximum regulated flow heights or changes to duration, timing or frequency of higher flow events. This messaging was strongly linked to concern for flooding of private land and damage to infrastructure; and was often discussed in the context of the capacity to mitigate these impacts. Some respondents made it clear that deliberate flooding of private land would have unacceptable impacts that could not be mitigated.

Specific information about local benefits, impacts, the need for caution, possible mitigation options and links to broader natural management issues were also provided.

The range of suggestions, local information and comments from people has been summarised into benefits, impacts, the need for caution, mitigation options and broader natural resource management issues.

### **Benefits**

Many respondents felt that the benefits of addressing constraints could be more strongly expressed in the draft Strategy:

- some people recognised that environmental flows will add to the biodiversity and value of the natural environment with potential positive cultural, social and economic outcomes; as well as positive links to the amenity and quality of life for indigenous communities, residents and visitors
- some respondents highlighted that while environmental outcomes are the main benefit, there would also be enhanced outcomes for productive use of floodplains
- others highlighted the need to reinforce that the Strategy is about taking a 'Win-Win' approach for both productive users and the environment, particularly recognising that benefits of providing mitigation for impacts of higher managed flows would also enhance protection for communities from other high flow or unregulated events.

### **Impacts**

A large number of people raised issues and concerns about potential impacts arising from higher river flows. Some people described river heights at which impacts start to occur in their region and provided local information on how water moves through the area. A wide range of potential impacts were identified, including:

- restricted access (public road and bridge closures, as well as farm impacts with regard to stock movements and access to tanks/troughs and river flats)
- damage to agricultural land, sheds, stockyards, fences, etc.
- pasture damage (in some cases crops)

- damage or impacts on cultural assets (e.g. assets connected to Aboriginal values, such as scarred trees, fish traps and places identified by community as well as other heritage listed sites)
- spread of weed species
- bank erosion
- time and costs to clean up after higher river flows, including maintenance and repairs to access tracks, causeways and other river crossings
- irrigation pump damage or interruption to pumping at critical times
- potential for backing-up effects and increased load on stormwater and sewage drainage systems
- questions around who owns levee banks and who is responsible for their maintenance and repair
- interruption to tourism businesses and recreational activities.

### **The need for caution**

Many respondents identified the need for caution on a range of issues associated with delivering higher flows, including:

- the need to improve understanding about when and how water moves through river systems
- noting that preceding conditions will impact how water moves through rivers systems
- expressing concern about some of the higher flow levels mentioned in some of the key focus areas (e.g. 40,000ML/day at McCoys Bridge, Goulburn River and 80,000ML/day at Tocumwal, which are above minor flood level)
- ensuring that flows proposed will be monitored in order to deliver targeted environmental outcomes and achieve the benefits intended
- identifying how water managers would balance the risk and provide protection from unanticipated local rain events or tributary inflows which could extend or increase the impact associated with a managed environmental flow and whether a buffer is needed for these purposes
- recognising that uncertainty of environmental flow timing and annual planning could interfere with overall planning of farm enterprises and cautioning that sufficient warning is required to be able to prepare for higher flows
- identifying the need to assess the adequacy of rainfall and river height gauging networks for providing early warning and accurate flow predictions
- developing advanced warning systems; that recognise indigenous cultural protocols (e.g. ceremonies) and provide capacity for landholders and farm managers to respond as needed
- recognising that as well as impacts to main-stem landholders there may be back-up effects of higher flows on tributaries which will affect land-holders near confluences, including the potential for new 'breakaways' to form if tributaries cannot freely drain

- recognising that prolonged uncertainty about addressing constraints may affect property values and water markets.

### **Mitigation options**

Some respondents identified a range of possible mitigation options, and emphasised that they should be enduring solutions to provide certainty for all parties, including:

- upgrading and constructing infrastructure (e.g. building bridges, upgrading and constructing levee banks,)
- flood mitigation and floodplain management works
- erosion control works (river bank stabilisation)
- negotiation of easements or other arrangements (e.g. advanced warning).

### **Broader natural resource management issues**

How environmental water is used, how the rivers are operated and how the Basin's landscapes are managed, all contribute to ecosystem health. The Strategy recognises water dependent ecosystems are also influenced by other natural resource management actions. Land managers will also have impacts on the extent to which flows can achieve maximum benefits. Feedback identified links to a range of broader natural management issues, including:

- erosion and bank slumping
- salinity and water tables
- thermal pollution (cold water releases from large dams)
- other water quality issues such as 'black water'
- river corridor revegetation
- control of pest plants and animals
- bushfire risk management, and
- forestry operations.

### **MDBA response**

Under the process allowed for in the Strategy the benefits and impacts from managed environmental watering actions will be identified, including those of cultural heritage and land use. Implementation of the Strategy will involve looking at areas where a higher managed flow may need to be delivered to improve environmental outcomes, and see what impacts there would be and if these can be avoided or appropriately mitigated. This includes consideration of frequency, timing and duration of proposed flow rates and how changes to these will influence impacts and benefits. For example, where higher flows result in flooding of creek crossings and causeways, these impacts could be mitigated by providing alternative access routes, building bridges or upgrading causeways.

Alternatively, setting up advanced warning systems will allow Traditional Owners, local communities, and land managers to prepare and respond to higher flows appropriately that avoids negative impacts.

MDBA will provide advice about benefits, impacts and costs for a range of higher managed flows to Basin governments for decision on whether constraint mitigation measures should proceed to detailed proposal development (phase 2: feasibility) in key focus areas. The Basin-scale analysis in 2014 will present recommendations that maximise Basin environmental outcomes whilst balancing social and economic considerations.

Importantly, the Basin Plan has been set on the basis that any changes cannot affect reliability of entitlements or cause third party impacts that cannot be mitigated appropriately. This is reinforced in the overarching principles of the Strategy that solutions will be worked through in a fair and transparent/equitable way.

Operating agencies are cautious when delivering water to minimise third party impacts. Operators are required to deliver water to their customers within established river management practice. The Strategy is about investigating how water can be delivered more flexibly in ways that can avoid or appropriately mitigate third party impacts.

It is also important to note that the higher environmental flows that are being explored under the Strategy are modest in scale, not the major flood flow levels people may think of — they are managed events, generally up to minor flood levels (with the exception of the Goulburn and Tocumwal where the upper flow targets are between minor and moderate flood levels). These flows are about getting water to low-lying floodplain forests and wetlands that are already flood-prone. These are typically modest increases which would put water into some of the natural flood-runners which braid in and out of the river channel.

Based on Bureau of Meteorology (BoM) definitions minor flooding is recognised as:

*“Causes inconvenience. Low-lying areas next to watercourses are inundated which may require the removal of stock and equipment. Minor roads may be closed and low-level bridges submerged”.*

[Victorian Flood Class Levels North of Divide](http://www.bom.gov.au/vic/flood/floodclass_north.shtml)

[\(\[http://www.bom.gov.au/vic/flood/floodclass\\\_north.shtml\]\(http://www.bom.gov.au/vic/flood/floodclass\_north.shtml\)\)](http://www.bom.gov.au/vic/flood/floodclass_north.shtml)

However, although MDBA is using the ‘minor’ flood level category as per the BoM definition, any impacts caused to third parties are not necessarily minor to the individual landholder. MDBA emphasises that delivery of higher flows would only occur where impacts can be avoided or appropriately mitigated. Mitigation measures will be looked at in partnership with the community.

In some parts of the Basin it might be desirable to purchase easements or covenants on land from landholders, in recognition of any decreased use of low-lying land. Work in 2014 will include consideration of associated natural resource management issues, for example potential bank erosion and water quality impacts. It will also be important to improve advance planning and warning about higher river flows in many areas of the Basin. Basin governments will look to obtain enduring solutions to enable effective and efficient delivery of environmental water. Compensation of third parties on an event-by-event basis is not

desirable as it would not provide certainty for either landholders or environmental water holders.

MDBA greatly values local information and feedback provided and this information will be particularly relevant for progressing the 2014 action plans for each of the key focus areas. MDBA project officers in each of the key focus areas will contact people who provided local feedback to further discuss issues raised and to make sure that they are appropriately captured and considered in MDBA's work plan for 2014.

MDBA agrees that work on key focus areas will need to closely link with work on operational and management constraints. Physical and operational and management constraints will not be progressed in isolation of one another.

The MDBA also recognises that there are a diversity of management issues associated with effective management and delivery of environmental flows. The Strategy does not exclude consideration of other issues relevant to the effective management and delivery of environmental water. The MDBA encourages communities and state governments to pursue affiliated projects, where possible.

**Response in the Strategy:** Revisions have been made to better explain why MDBA is looking at constraints and the scale of higher flows being proposed in "*Why do we need to look at constraints*" and throughout Section 1.

Building knowledge and understanding the impacts and benefits both to the environment and local communities is an important part of the Strategy. This has been recognised as a commitment to ongoing community consultation in the overarching principles in Section 5: '*Overarching principles*', throughout the various phases of Strategy development in Section 7: '*A phased approach to addressing constraints*' and in the priority actions for 2014 in Section 9: '*Key focus areas: prefeasibility findings to date and priority actions for 2014*'.

## **9. Relationship to the Sustainable Diversion Limit (SDL)**

The sustainable diversion limit (SDL) is the maximum amount of water that can be taken, on average, for consumptive use and was determined by the MDBA in developing the Basin Plan. It takes effect in 2019. Current total consumptive use is above this level and water recovery for the environment is necessary to achieve the balance of environmental, social and environmental outcomes underpinning the SDL determined by MDBA. The environmental water will be used to improve and maintain the health of rivers, lakes, major wetlands and floodplains within the Basin as well as important habitats for animals and plants that rely on the Basin's rivers.

On 21 November 2012, the Parliament agreed to legislation to amend the *Water Act 2007* to provide a transparent and efficient mechanism to allow the Minister, on the advice of MDBA, to adjust the SDL within defined limits to achieve enhanced environmental and socioeconomic outcomes.



The SDL adjustment provisions provide the capacity to:

- increase the volume of water available for the environment (by 450GL) provided that social and economic outcomes are maintained or improved (by a maximum of 5%)
- reduce the volume to be recovered for the environment (by up to 650 GL) provided that equivalent environmental outcomes can be maintained (by a maximum of 5%)

### Summary of issues

There were a number of questions about how the SDL and the SDL adjustment mechanism relate to the Strategy. A number of people asked if the 2,750 GL of water to be recovered is deliverable under the current constraints. People questioned if addressing constraints is only for the recovery of the additional 450 GL of environmental water proposed under the SDL adjustment mechanism.

A number of people asked that the link between the Strategy and the SDL adjustment mechanism be made clearer. Some people also argued that constraint measures should only be considered after the SDL adjustment mechanism has been completed. Others suggested that if constraints measures provide water savings they should reduce the volume of water required to be recovered for the environment as outlined in the SDL adjustment mechanism.

### MDBA response

The provisions for adjusting the SDL are found in Chapter 7 of the Basin Plan. The requirements for the Constraints Management Strategy are captured in section 7.08 of the Basin Plan. Basin governments have agreed on a process to progress SDL adjustment and constraint projects in the *Intergovernmental Agreement on Implementing Water Reform in the Murray Darling Basin (2013)*.

The Constraints Management Strategy sits within this adjustment mechanism. Addressing constraints will contribute to getting better environmental outcomes possible within the SDLs set by the Basin Plan, and any subsequent changes to SDLs resulting from adjustment measures.

While the 2,750 GL of environmental water can be delivered within the current physical constraints, relaxing or removing key constraints would allow for more flexibility in water delivery, which means we can achieve even more with the water available. The Constraints Management Strategy is about investigating how we can do that in ways that avoid or address impacts on third parties, and therefore optimises environmental, social and economic benefits. Water recovered for the environment is not 'new' water. It is essentially a change in customer (the environment) whose needs are for different timing and volumes of water delivery than consumptive users. There is actually a longer period of time for this same water to be delivered for the environment, delivering it over a period when it would naturally have occurred without river regulation. This is primarily winter and spring during the natural peak flow season. It is also worth noting that the 2750 GL is sourced from across the Basin, not held in just one or two dams or river systems.



The SDL adjustment mechanism provides for water savings through ‘supply measures’ where equivalent environmental outcomes can be achieved using less water. It is possible that constraints measures may be proposed as supply measures. However, this is unlikely in practical terms for many constraints because the purpose of a supply measure is to allow environmental outcomes to be achieved with less water, whereas the purpose of a constraints measure is to enable the best use of the available environmental water. However, it is also possible that a project that removes a constraint could be proposed by a state as part of an offset project — if the project allows less water to achieve a Basin Plan outcome. A constraints measure may also help to improve the outcomes of other supply measures.

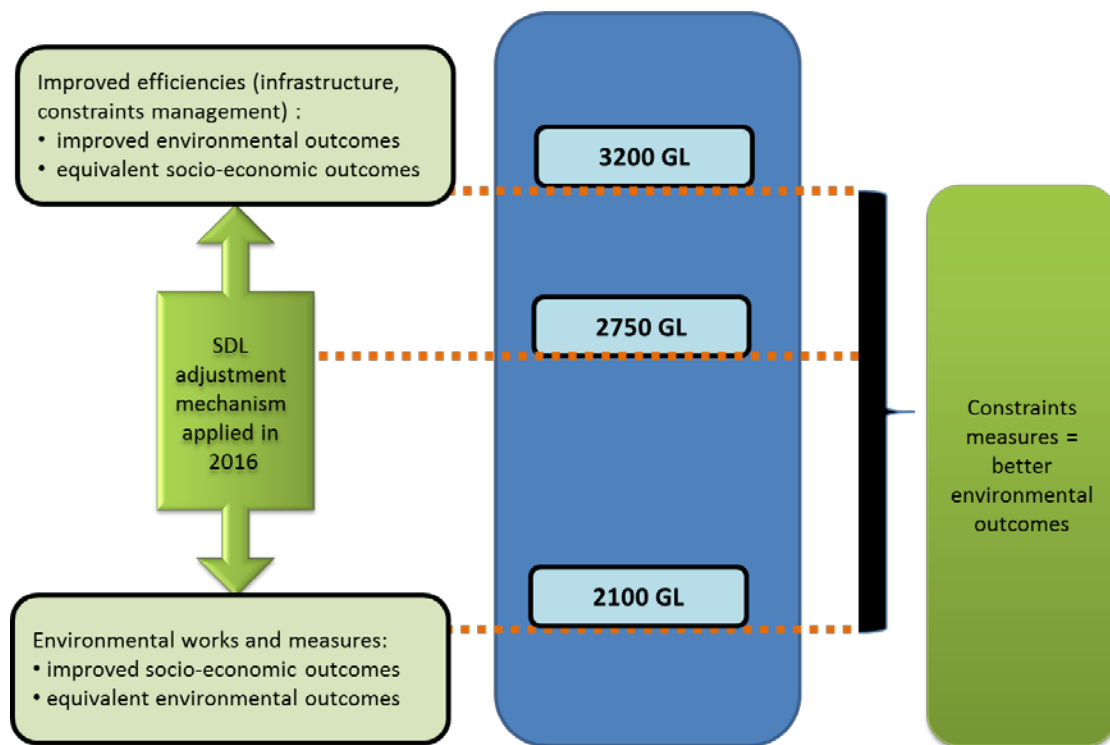
A significant amount of work has been started by Basin governments to identify projects that would enable the equivalent environmental outcomes to be achieved with less water. These projects are being pursued in a separate stream of work under the SDL adjustment mechanism and are not covered by the Strategy.

The process to progress SDL adjustment and constraint projects is in the *Intergovernmental Agreement on Implementing Water Reform in the Murray– Darling Basin* (2013). The key date that links the SDL adjustment process to consideration of constraints occurs in 2016 and is reflected in the Strategy phasing diagram and timeline.

**Response in the Strategy:** Additional text has been added to ‘Section 1: *Introduction to the Constraints Management Strategy*’ to provide more explanation of the relationship between the Strategy and the SDL adjustment mechanism.

New text and figure titled ‘*A schematic representation of the components of the SDL adjustment mechanism, including the contribution of constraints to get better environmental outcomes*’ have also been added to Section 1: ‘*Introduction*’, to better describe the links between constraints measures and the SDL.

The new figure in the Strategy is included below for reference.



**Figure 2 schematic representation of the components of the SDL adjustment mechanism including the contribution of constraints to get better environmental outcomes**

Additional text has also been included in the detailed sub-sections on each of the phases in Section 7: '*A phased approach to addressing constraints*' to link key dates for other related activities, including the Sustainable Diversion Limit Adjustment Mechanism.

## 10. Prioritisation and investment

\$200 million has been made available by the Australian Government to address constraints. The draft Strategy described a prioritisation process (to be undertaken by MDBA), comparing the relative Basin-scale environmental outcomes and trade-offs (cost of mitigation measures) of progressing each key focus area. The first-pass prioritisation (Basin-scale analysis in 2014) will inform Basin government's decisions about which projects are further developed as business cases. The Strategy also proposes a second pass assessment (Basin-scale check in 2016) following the more detailed business case feasibility work being completed. The aim of these analyses is to ensure that the constraints are progressed in a strategic way to get the best outcomes for the Basin as a whole.

### Summary of issues

Feedback in relation to prioritising key focus areas generally centred on the need for MDBA to establish a transparent prioritisation process that would not inadvertently result in competition for funds. There was also recognition that many key focus areas are interconnected, and that they need to be considered together when making prioritisation and investment decisions. The need for long lasting solutions was emphasised in order to provide certainty to stakeholders.

There were also a number of queries about the \$200 million available to address key constraints. Many considered the amount to be inadequate for a single catchment, let alone the whole Basin, and queried whether additional funds would be sought. Others suggested that the project scope should reflect the need to make recommendations within the allocated funds. Questions were also raised about whether funds would be used to support community engagement throughout the process to allow individual landholders to maintain their involvement.

### **MDBA response**

The need for MDBA to prioritise Basin-wide environmental outcomes and lasting solutions is recognised in the overarching principles. The pre-feasibility Basin-scale analysis will include recognition of the interdependencies between key focus areas and will allow for transparency in recommendations to progress to feasibility and implementation.

The Australian Government has committed \$200 million to address key constraints in the Basin.

Basin governments will decide on which projects are recommended for investment by the Commonwealth. The Australian Government in turn will have to agree that these projects are a priority for investment. Basin governments will need to be supportive of projects which are being proposed in their jurisdiction; and collective governments will need to agree to the package of projects to recommend for Commonwealth investment<sup>2</sup>.

The Strategy proposes that priority should be given to those projects which deliver the best environmental outcomes Basin-wide, so long as they are cost effective and any impacts can be avoided or appropriately mitigated.

**Response in the Strategy:** A new sub-section entitled '*Funding available to address constraints*' has been added to Section 8: '*Key steps in phase 1*' to further clarify that the \$200m available for constraints is a decision by government. Additional information has been included to better describe how the costs will be considered.

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<sup>2</sup> this is done as part of the process to consider SDL Adjustments laid out in the *Intergovernmental Agreement on Implementing Water Reform in the Murray-Darling Basin* (2013)

### 3. Next steps

This report has outlined and summarised feedback received and identified where changes have been made to the Strategy to incorporate people's knowledge, ideas and views expressed during the public comment period.

In summary, three different actions have been taken in response to this feedback:

- some has resulted in direct changes to the contents of the Strategy, as outlined in this document
- some is specific to the future work within the key focus areas and will be considered in work undertaken by the project officers in 2014
- some is relevant to the broader work of the MDBA and has been referred to the relevant areas.

MDBA project officers will contact people who provided specific local feedback to further discuss issues raised and to make sure that they are appropriately considered in key focus area work plans.

Any interested people or groups can register their interest in being kept informed about future opportunities to participate in the constraints work by contacting MDBA (email [engagement@mdba.gov.au](mailto:engagement@mdba.gov.au) or phone 1800 230 067).

The MDBA would like to reiterate our thanks to those people who provided feedback and took the time to meet with us. We emphasise that this Strategy is just the start of a conversation and that we look forward to continuing work with communities and Basin governments.

