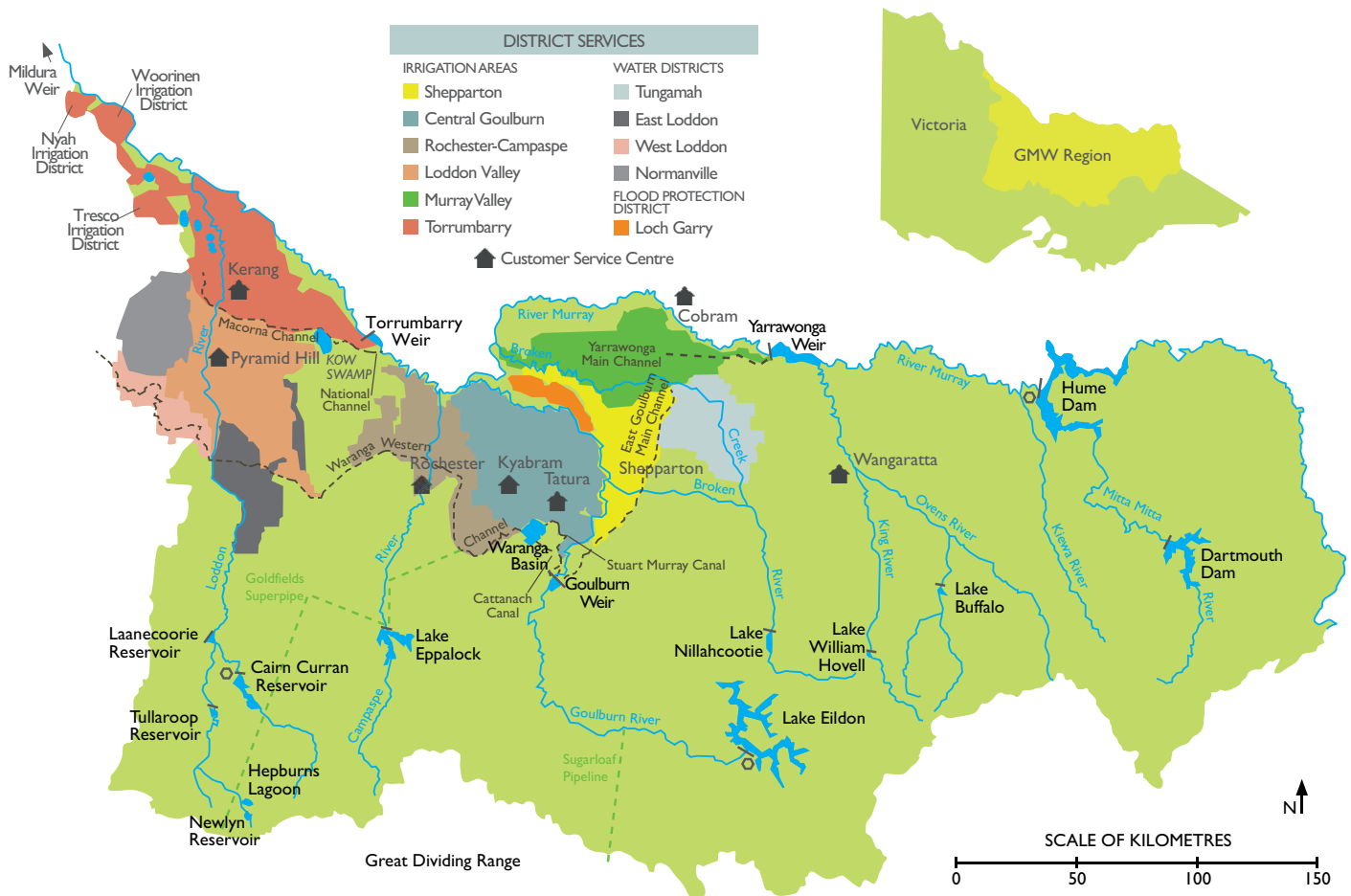


# Irrigation modernisation in the Goulburn Murray Irrigation District



The Goulburn Murray Irrigation District (GMID) is one of the oldest and largest irrigation districts in Victoria. With 6300 kilometres of channels it services about 19,270 customers, most of whom are relatively small water users, not using the water for commercial agriculture.

By 2007, the GMID’s infrastructure was run-down and outdated, and did not meet new water efficiency standards introduced under the 2004 National Water Initiative.



## Modernising the GMID

### Stage 1 – Northern Victorian Irrigation Renewal Project (NVIRP)

In 2007, the Victorian Government announced that \$1 billion would be invested in the first of a two-stage project to modernise and rationalise the GMID's infrastructure. Stage 1 would deliver 225 gigalitres (GL) in water savings, shared as follows:

- ▶ 75 GL for environment
- ▶ 75 GL for Melbourne Water customers
- ▶ 75 GL to be distributed among farmers on project completion.

Stage 1 primarily involved modernising the larger channels known as the 'backbone', and connecting 30% of non-backbone or 'spurs' customers primarily with pipes. This stage is almost complete.

### Stage 2: The Connections Project

In 2011, the Commonwealth Government agreed to invest in Stage 2, to complete the GMID modernisation in return for 204 GL in savings as part of Victoria's contribution to the environment under the Murray Darling Basin Plan.

Both Stage 1 and Stage 2 are due for completion by 30 June 2018.

## Project funding

- ▶ \$300 million from Melbourne Water, passed onto Melbourne households and industry through their bills.
- ▶ \$706m from the Victorian Government
- ▶ \$953m from the Commonwealth for Stage 2.
- ▶ \$219m from the Commonwealth to cover irrigators' contribution via GMW, in return for irrigators' 100 GL share of Stage 2's 204 GL savings.

## Modernisation objectives

Modernising all 6000km of the GMID's channels and spurs would make the project more expensive. It would also leave farmers with a large infrastructure network they cannot afford to maintain -- particularly when GMID water use has fallen from 2000 GL 15 years ago to 1450 GL in 2014-15.

The Connections project will reduce the infrastructure footprint while at the same connecting most Goulburn Murray Water (GMW) customers to the backbone.

Infrastructure upgrades are the best option to save water for the environment

Irrigation modernisation makes the system more efficient, and reduces losses incurred just to get water to the farmgate. Water set aside by GMW to cover these losses each year has never been available as part of farmers' allocation framework. Reducing the losses frees up water for the environment, without reducing the water in the allocation pool for farmers.

Existing meters did not meet new metering standards introduced under the 2004 National Water Initiative. Without the GMID modernisation projects, farmers themselves would have shouldered the costs of installing new, modern meters.

## What does irrigation modernisation mean on farm?

- ▶ Higher flows on farm;
- ▶ Water on demand;
- ▶ Internet control over water start and finish times; and
- ▶ An affordable irrigation delivery system.

## The Connections project reset

The Connections mid-term review in November 2015 found that the project needs to be substantially reset if it is to deliver the contracted water savings to the Commonwealth, and leave farmers with a system that supports increased agricultural production with an infrastructure footprint farmers can afford.

## Can we get the Connections Project back on track?

Yes! We must get this project back on track, we do not want to see the remaining \$800 million in Commonwealth funding withdrawn. Not only would farmers end up with a half-baked irrigation system, but local contractors and business would be put out of work.

If the project is not successfully reset, the contracted 204GL in water savings to meet Victoria's Murray Darling Basin Plan obligations will not be achieved. Any shortfall will be made up by reducing the pool of water available for irrigation, through buybacks or other measures.

## How are we going to get the project back on track?

- ▶ Cut the delays in delivering Connections deals with landholders.
- ▶ Ensure farms deal with one entity, not a confusion of players and are fully informed when it comes to connections agreements.
- ▶ Clearly define the criteria to select which Strategic Connections Projects will progress, and communicate that to the community.

## Should Melbourne give its 75 GL from Stage 1 to the Commonwealth Environmental Water Holder?

No, Melbourne Water has for several years put these water savings up for sale on the temporary water market. Giving 75GL to the environment would tighten the temporary water market further.

## Can the 75 GL owned by the Environment in Victoria be transferred to the Commonwealth to meet Basin Plan commitments?

No, this 75 GL is already accounted for in the Basin Plan's baseline. The Victorian Government in 2013 agreed that Victoria would contribute an additional 1075 GL to the environment as its share of the Basin Plan's 2750 GL target.

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