

## Annual Report of the Commonwealth Environmental Water Holder 2008–09

The *Water Act 2007* establishes the position of Commonwealth Environmental Water Holder (CEWH), to manage the Commonwealth's environmental water holdings, and to protect or restore environmental assets in the Murray-Darling Basin and in other areas where environmental water is held.

The Secretary of the Department of the Environment, Water, Heritage and the Arts has appointed Mr Ian Robinson as the CEWH. Mr Robinson also holds the position of First Assistant Secretary, Water Governance Division, in the department.

### Activities of the Commonwealth Environmental Water Holder in 2008–09

#### CEWH Business Plan 2008–09

During the year, a CEWH Business Plan was prepared and made available to stakeholders. The plan was prepared to guide the first year of environmental watering. It outlined the nature of the function, arrangements during establishment and the proposed approach to prioritising and using water during the year.

#### First environmental water allocations

The amount of water available for use in any one year will depend on: the entitlement volumes in the holdings; the seasonal water allocations against those entitlements; and any carry over of allocations from the previous year. Entitlements are being acquired through programs managed by the department. They become part of the holdings when registered on state water registers.

For most of the past year, there were 24 gigalitres of entitlements in the Commonwealth holdings, which, due to extreme drought conditions, yielded 2.3 gigalitres of seasonal allocations. This was the first allocation of water against the holdings, and therefore 2008–09 was the first operational year for Commonwealth environmental watering.

By 30 June 2009, the Commonwealth's environmental water holdings had increased to 63.6 gigalitres (see Table 1).

During the year, the Commonwealth provided financial support for New South Wales to purchase Toorale Station (near Bourke, New South Wales) in return for transfer of Toorale's water licences to the Commonwealth, when this becomes possible under New South Wales water management legislation. Water from rainfall in February and March 2009 in the north of the Murray-Darling Basin provided environmental flows in the Darling River from Toorale to Menindee Lakes. Relevant jurisdictions agreed that the CEWH would determine the use of this water for environmental purposes. On this basis, 8.7 gigalitres was made available for use at specific sites within the southern-connected Basin.

**Table 1. Commonwealth environmental water holdings (30 June 2009)**

<i>River System</i>	<i>Security</i>	<i>Registered Entitlements Gigalitres (GL)</i>
<i>NSW</i>		
Gwydir	General	11.66
Lachlan	High	0.30
	General	14.17
Macquarie / Cudgegong	General	1.97
Murray	General	8.62
Murrumbidgee	High	13.74
	Supplementary	1.13
Namoi (Upper)	General	0.10
Namoi (Lower)	General	3.73
<i>Victoria</i>		
Campaspe	High	0.64
Goulburn	High	0.65
	Low	0.37
Murray	High	5.30
	Low	0.35
Ovens	High	0.05
<i>South Australia</i>		
Murray	High	0.79
<i>Total</i>		<i>63.57</i>

## Science based approach

Ensuring the maximum environmental outcome from the use of the environmental water holdings requires that decisions are based on the best available information. To assist with this, the department has established an Environmental Water Scientific Advisory Committee (EWSAC). The committee comprises prominent scientists and experts in relevant fields. Its advice and input is proving to be very important in implementing the CEWH's role.

The committee is providing advice to the CEWH on a range of issues, including a framework for determining Commonwealth environmental watering actions in the future, and criteria for prioritising environmental water delivery. A discussion paper has been prepared with the assistance of EWSAC, for the purposes of developing and consulting on a longer term approach to prioritisation.

## Use of Commonwealth environmental water

Proposals for watering events during 2008–09 were received from the states and assessed against published criteria. The criteria included consideration of the ecological significance of the environmental assets; the expected ecological outcomes from the watering; and issues of risk and cost effectiveness. Consistent with the approach outlined in the business plan for extremely dry conditions, individual watering events were designed to avoid critical loss of threatened species and communities, maintain key refuges, and avoid irretrievable damage or catastrophic events.

The first use of Commonwealth environmental water occurred in March 2009, at Chowilla floodplain, South Australia. By 30 June 2009, 2.2 gigalitres of water allocated against the holdings had been used, in addition to the 8.7 gigalitres of water that had been sourced from the purchase of Toorale Station. In total, 10 sites across three jurisdictions received 10.9 gigalitres of water from Commonwealth programs (see Table 2). State government agencies and the Living Murray Initiative also provided a further 3.1 gigalitres for the watering actions that occurred at these sites.

**Table 2. Commonwealth environmental water actions (2008–09)<sup>1</sup>**

<i>Site</i>	<i>Commonwealth Allocated Water (GL)</i>
Chowilla Floodplains (SA) (Near Renmark, SA)	1.78
Carpark Lagoons, Katarapko (SA) (Near Berri, SA)	0.20
Paiwalla Wetland (SA) (Between Mannum and Murray Bridge, SA)	0.60
Rocky Gully (SA) (Near Murray Bridge, SA)	0.08
Markaranka Wetland Complex (SA) (Near Waikerie, SA)	2.23
Overland Corner Floodplain (SA) (Near Kingston-on-Murray, SA)	0.50
Murbpook Lagoon (SA) (Near Blanchetown, SA)	1.40
Lindsay Island (VIC) (On VIC/SA Border)	1.00
Hattah Lakes (VIC) (North-Western Victoria near Robinvale)	2.12
Backwater Lagoon (NSW) (In Wangumma State Forest, west of Wentworth, NSW)	1.00
	<b>10.91</b>

<sup>1</sup> A volume of 0.1 gigalitres from the holdings was carried over for use in 2009–10

The watering that was undertaken was generally aimed at protecting mature River Red Gum communities, pockets of healthy ecosystems in drought affected floodplains and wetlands, and refuges for threatened species. For example, the Ramsar listed Hattah Lakes and Lindsay Island in Victoria were chosen because these sites, in addition to having extensive River Red Gum areas, provide habitat for threatened species such as the Southern Bell Frog and the Regent Parrot. These are also target sites under the Living Murray Initiative and watering was implemented so as to complement the Living Murray Watering actions being managed by the Murray-Darling Basin Authority.

Delivery through state agencies has been conducted smoothly and with excellent cooperation. These agencies will be monitoring the effects of the watering actions and will provide results to the Commonwealth. As all watering occurred in the Autumn of 2009, it is too early at this stage to provide detailed reports. However, as an example, the early indications at the Hattah Lakes site were that almost 50 000 waterbirds were present after the watering, with green shoots reported on River Red Gums fringing the lakes.

## Murray-Darling Basin environmental watering plan

The Murray-Darling Basin Authority (MDBA) was established during 2008–09. One of its new functions is the preparation of an environmental watering plan, as part of a broader Basin Plan. The activities of the CEWH will be conducted in accordance with this plan when it is put in place (expected to be 2011). Close consultation with the MDBA is occurring in the interim to ensure there is consistency of approach with the long term arrangements.

## Environmental Water Holdings Special Account

The Environmental Water Holdings Special Account is established under section 111 of the *Water Act 2007* to facilitate the payment of costs, expenses and other obligations incurred in managing the environmental water holdings.

At the start of the 2008–09 financial year the special account balance was \$2.02 million. Funding of \$1.9 million was credited to the account during the financial year, and payments of \$0.13 million for water delivery costs and charges were expended. As at 30 June 2009, the special account balance was \$3.8 million. Further information on the special account is included in the department's 2008–09 financial statements.

## Directions given to the Commonwealth Environmental Water Holder

There were no directions given to the CEWH by either the Secretary or the minister during 2008–09.

## Future Outlook

Over the next year, the volume of water entitlements in the Commonwealth holdings is expected to grow significantly. As at 30 June 2009, in addition to the 63.6 gigalitres in the holdings, the department had exchanged contracts for a further 382.5 gigalitres approximately. The contracts will be settled and registered, and the allocations against these entitlements will become available for use in 2009–10 and beyond. It is also likely that some of the water entitlements purchased in 2009–10 will become available for use during the year. The first use of Commonwealth water in the northern Basin is also anticipated to occur in the next year.

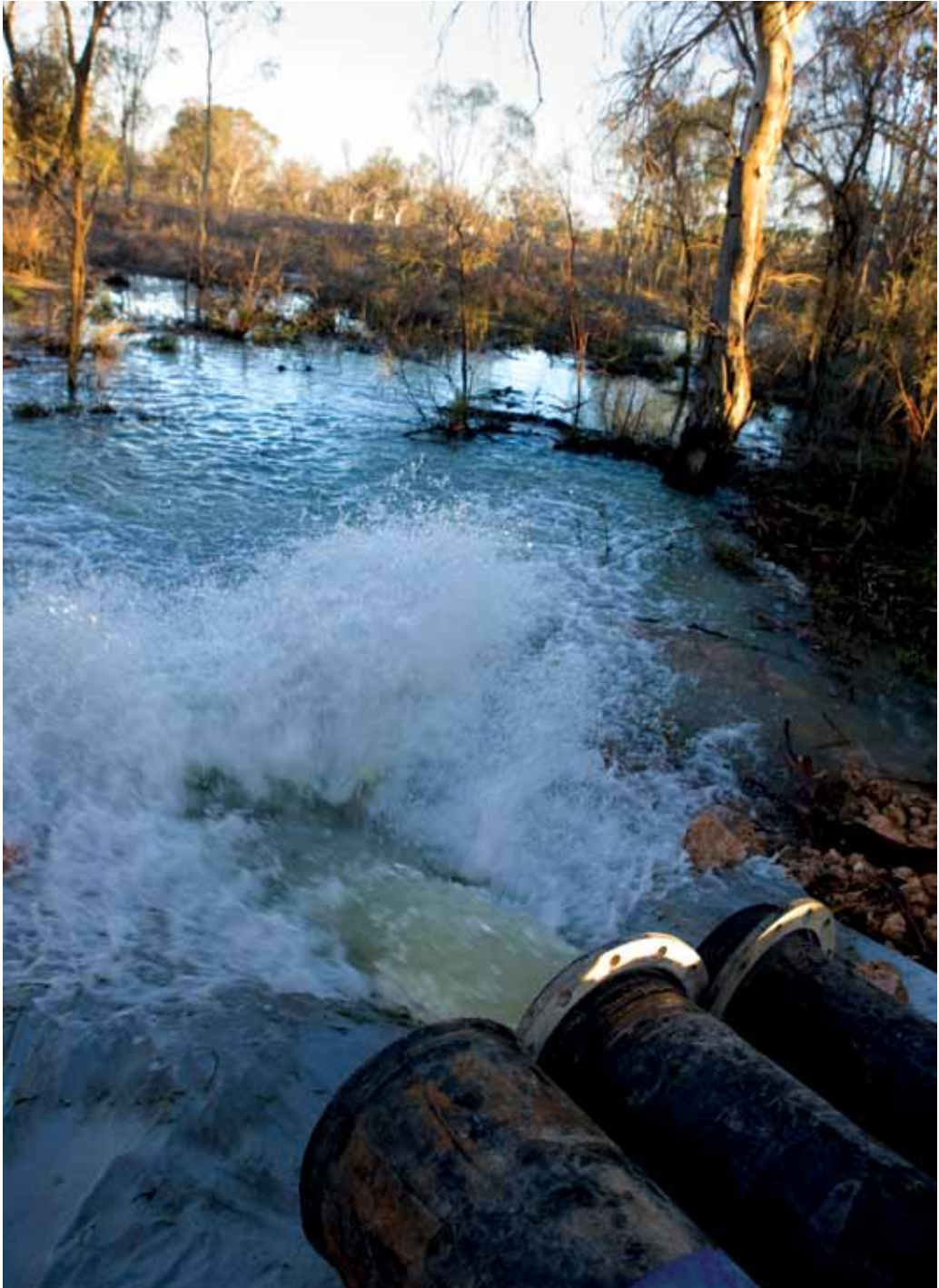
Storage levels in the Murray-Darling Basin are at very low levels, following unprecedented drought conditions. This will continue to affect water allocations into 2009–10, even if seasonal conditions are more normal across the Winter-Spring period. In this context, watering options in Spring 2009 are expected to be limited. However, significantly greater volumes should be available in the Autumn of 2010.



Carpark Lagoons Katarapko Floodplain, South Australia–Pre-watering. Photo: Mark Mohell



Carpark Lagoons Katarapko Floodplain, South Australia–Post-watering. Photo: Mark Mohell



Markaranka Wetland Complex, South Australia—Watering. Photo: Mark Mohell