

CABINET - SUBJECTS FOR CONSIDERATION, 31 JULY 2008 9:00 AM

1 New Initiatives/Policy Matters

101 MRMCS08/067 Minister for Water Security's Item (Karlene Maywald)
APPROVED

Not relevant



4. RECOMMENDATIONS

It is recommended that Cabinet:

- 4.1. Notes that water for South Australia’s critical human needs during the 2008/09 water year has been secured by accumulating 201 GL in Murray-Darling storages and obtaining a guaranteed 696 GL of dilution flow to transport that water to South Australia;
- 4.2. Notes that continuing record low inflows to the Murray-Darling system mean that South Australia is facing challenges with respect to both the available quantity of water for future years and in maintaining the quality of water for human consumption, in particular:
 - 4.2.1. That continuing record low inflows to the Murray-Darling system has resulted in a risk to the State’s capacity to accumulate water reserves during the 2008/09 water year for 2009/10 and future years;
 - 4.2.2. The most pressing concern is that continuing low flows have serious implications for water quality due to the potential for acidification of the Lower Lakes, unless measures are taken to address the low inflow levels;
- 4.3. Approves acceleration of the Adelaide desalination plant by 12 months to achieve first water by December 2010, noting that changes to project arrangements will be reviewed by the Adelaide Desalination Project Steering Committee;
- 4.4. Approves that acceleration of the Adelaide desalination project be achieved by accelerating the current competitive DBOM process being used for the delivery of the project;
- 4.5. Approves funding of \$5 million by SA Water to establish and operate a pilot scheme to test the feasibility of injecting groundwater from the T1 and T2 aquifers into the mains distribution system to confirm pumping rates, groundwater quality and test the water quality treatment processes;
- 4.6. Note that a further submission will be made for the construction of bores and other works to extract up to 6 GL/annum of groundwater from the T1 and T2 aquifers to supplement Adelaide’s potable water supplies;
- 4.7. Approves SA Water pumping its licenced allocation of River Murray water into reservoirs at the maximum rate practicable, noting that there is an unavoidable increase in the risk of spill from the reservoirs in the event of good rains in the Mount Lofty Ranges;
- 4.8. Approves SA Water immediately entering the market to acquire up to 30 gigalitres of water to supplement water reserves for 2009/10 (and/or out years) at an estimated cost of up to \$45 million, noting that the need for and feasibility of additional water purchases will be considered as a matter of urgency and a further submission made to Cabinet if necessary;

- 4.9. Approves SA Water entering into negotiations with Snowy Hydro Ltd to establish the availability, terms and conditions and likely price for securing access to any water available for release from SHL storages, as part of the 30GL, with any final agreement subject to further approval by Cabinet;
- 4.10. Approves accelerating pre-construction works for a temporary weir near Wellington at an estimated cost of \$34.3 million, including finalising landowner negotiations, ordering sheet piling and constructing the access roads and causeway, noting that a recommendation on whether to proceed with full construction of the weir will be made in September 2008;
- 4.11. Approves expenditure of \$25 million by SA Water to pre-purchase pipes and undertake project development for the pipeline network around the Lower Lakes (as set out in the *Murray Futures* program), noting that a further submission will be made regarding the acceleration of the pipeline project;
- 4.12. 10 Legal professional privilege
- 4.13. Notes that a further submission(s) will be made regarding measures to address the potential acidification of the Lower Lakes and, in particular, any gap between closure of a temporary weir (if its full construction is needed) and the point at which water quality at the SA Water pumping stations is seriously compromised.



Karlene Maywald
MINISTER FOR WATER SECURITY

21 July 2008

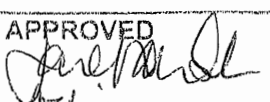
Deba for discussion with
 Kate + Ken + [unclear]
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~~Deba till May~~

30 July 2008

In Cabinet

31 JUL 2008

APPROVED

 PREMIER