SMART Farming Water Development Initiative

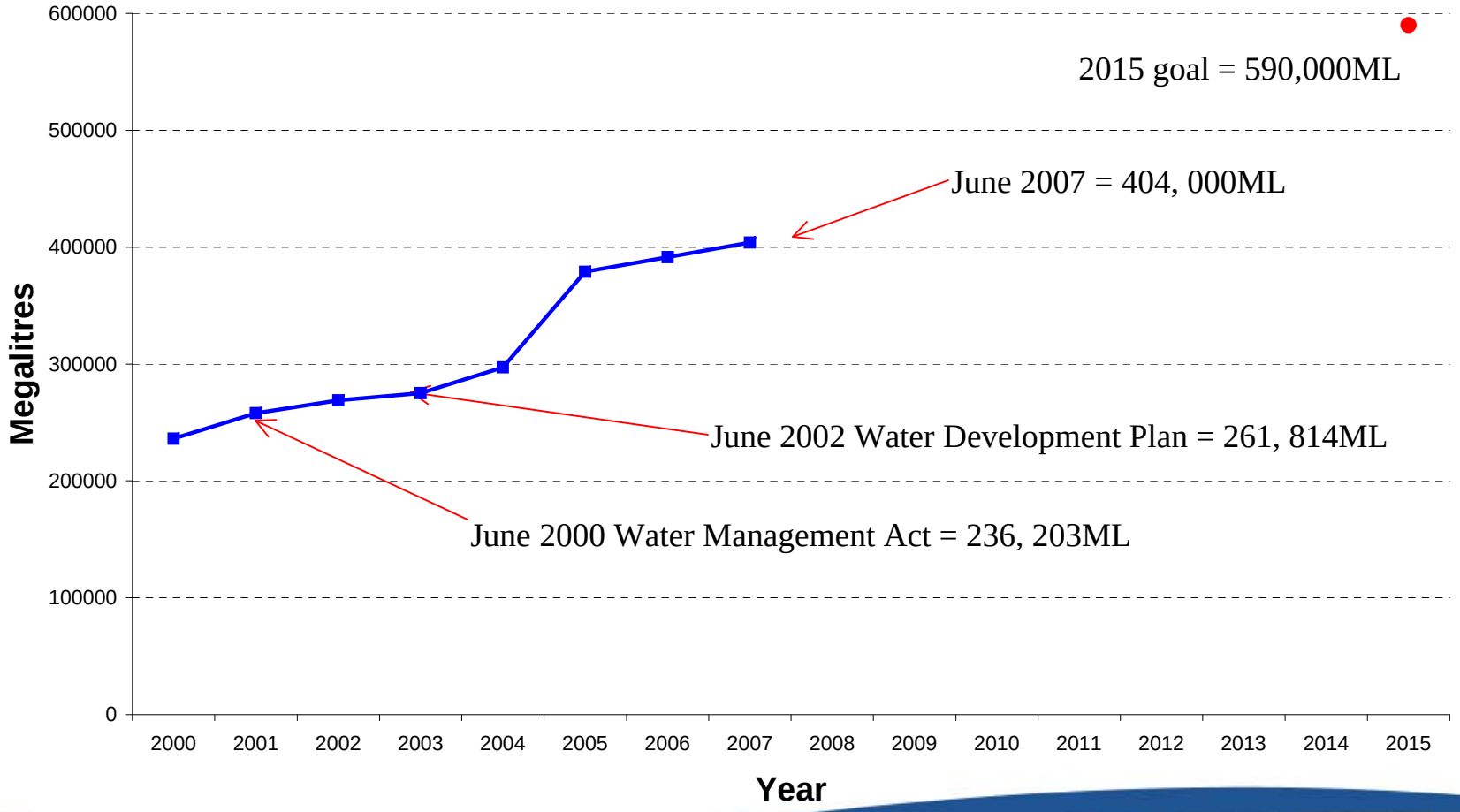
Department of
Primary Industries and Water

Tasmania
Explore the possibilities

SMART Farming Water Development Rationale

- 2005 analysis indicated that by 2015, an additional 150-200,000 megalitres per annum of irrigation water is required to underpin the projected growth in irrigated agriculture - a 40-50% increase on existing irrigation supplies

Licensed volume of water available for irrigation



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SMART Farming Water Development Rationale

- The 2005 data can be considered very conservative as a result of:
  - drought and climate change in Tasmania that suggest a greater quantity of irrigation water will be required and
  - drought and climate change on the mainland that suggest greater growth opportunities for Tasmanian agriculture.

Tasmania's Water Advantage

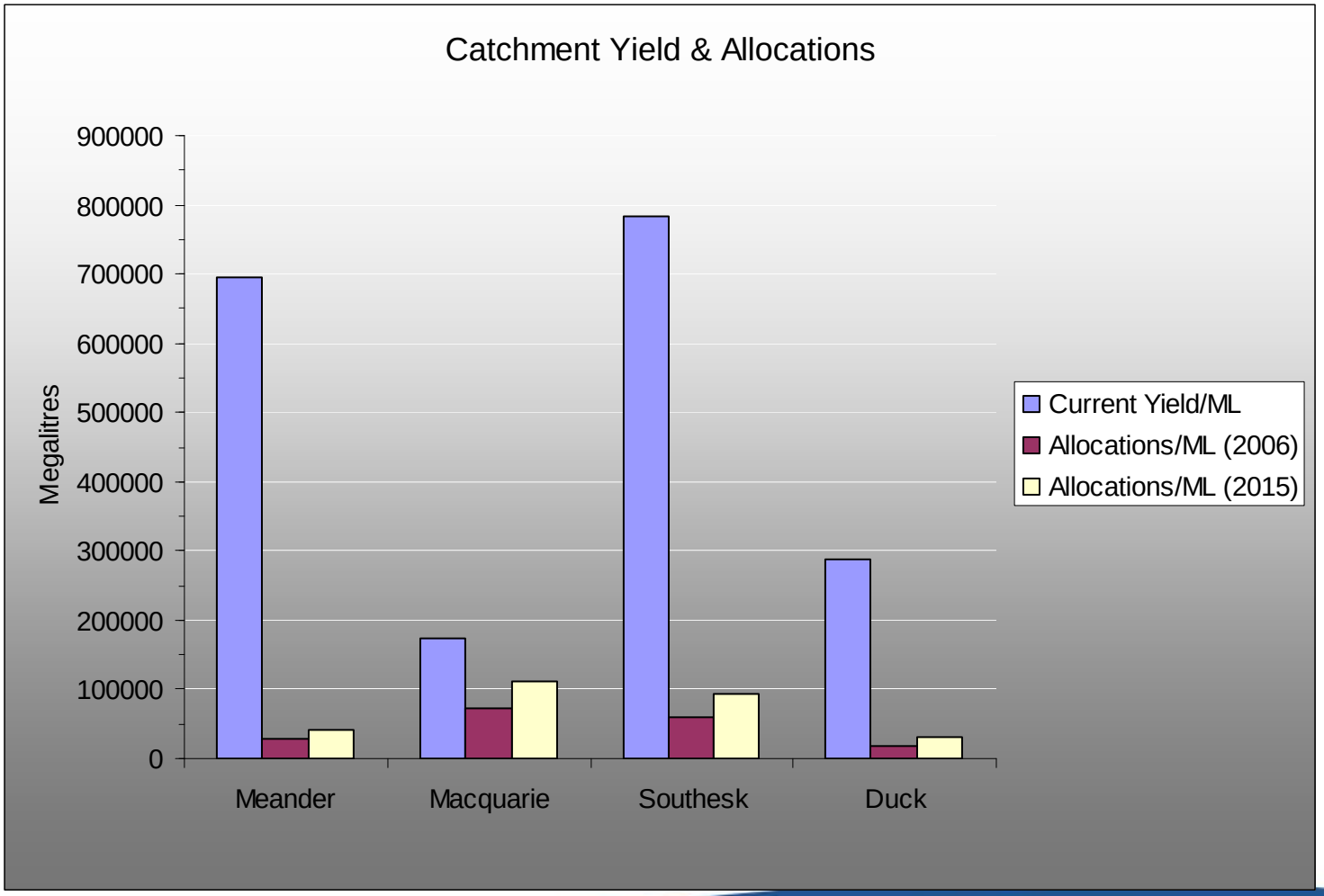
11.8% of the total annual run-off for Australia from <1% of the total land area

Murray Darling Basin has 6.2% of average run-off for 14% of land area

Tasmania's Water Advantage

The required increase of 200,000 megalitres per annum is only 2% of the currently unharvested winter flows from Tasmanian catchments in agricultural regions

Tasmania's Water Advantage



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Tasmania's Water Advantage

Half of all Tasmania's agricultural production comes from 4% of agricultural land (the irrigated area)

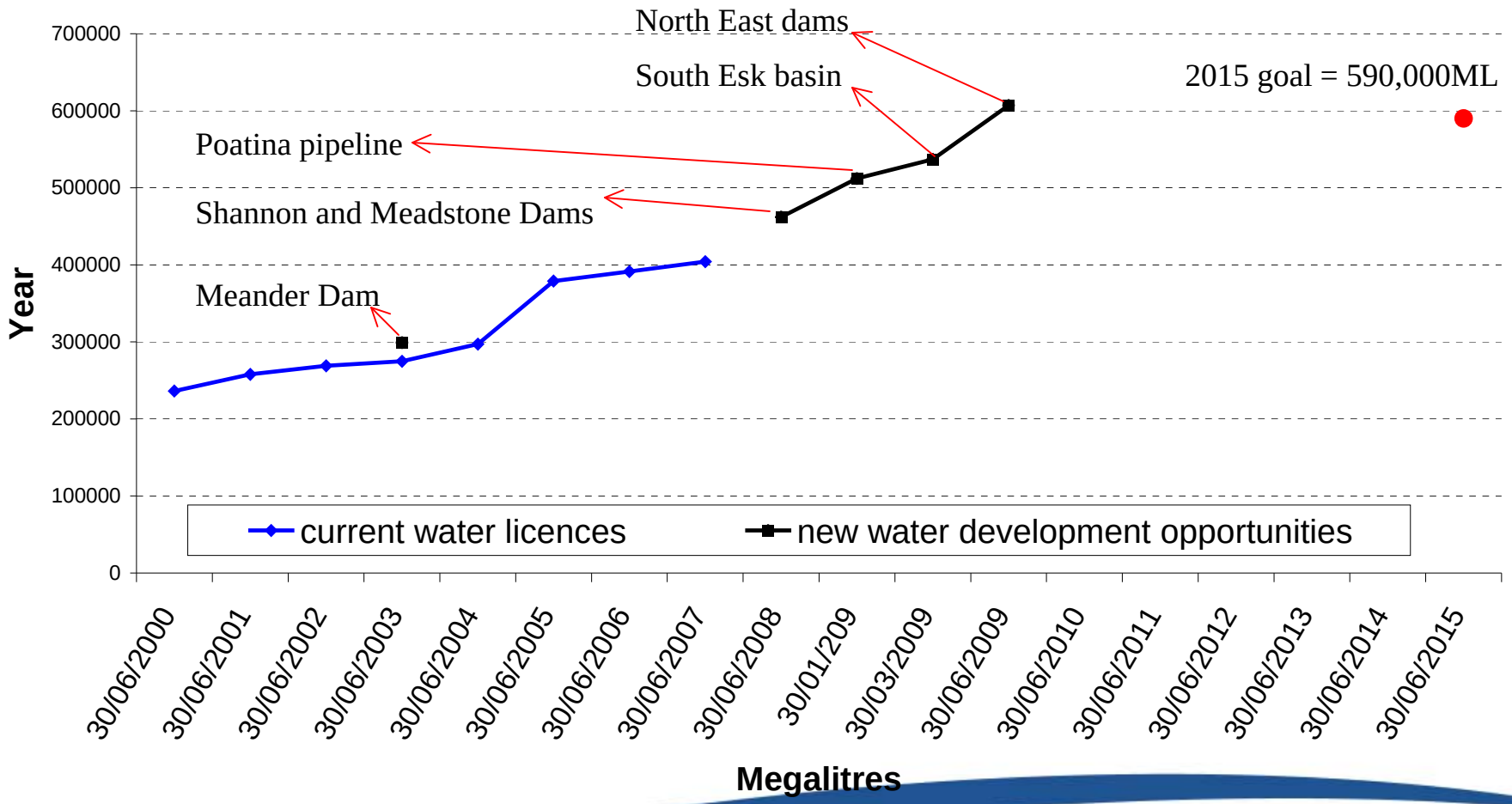
Availability of water is the single biggest factor affecting agricultural production but Tasmania is unique in southern Australia in having a potential solution

Tasmania's Water Advantage

Over the last 5 years, "farm dams" have added over 60,000 megalitres of irrigation capacity.

However, achieving the rate of growth required to meet the 2015 target will also need several large scale water development projects - at least another 3-4 Meander dams.

Licensed volume of water available for irrigation



Meander Dam

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The Meander Dam Project

The Project:

- Commenced Nov 2001
- Completed Dec 2007
- *c*$35 million capital cost
- $7m State and $2.6m Federal capital
- c$3m in preconstruction and interest costs
- 45,000 ML capacity
- 24,000 ML per annum of irrigation water

The Lessons:

- Long time to get to construction line
- Private sector cannot afford to fund the lag period
- $1100/ML is reasonable price for water rights

SMART Farming Water Development Projects

Six Key Projects

- Midlands Water Scheme
- Shannon-Ouse-Clyde Project
- South Esk Basin (Upper Macquarie and Upper South Esk Dams)
- Forth River
- Meadstone Dam
- North East

SMART Farming Water Development Projects

Plus

- Meander Dam Pipelines
- Winnaleah Irrigation Scheme expansion
- South East Recycled Water Scheme
- Sassafras-Wesley Vale Irrigation Scheme
- Headquarters Road dam

Shannon-Ouse-Clyde Project

Scope: Proposed dams to store and release water into the Clyde and Ouse Catchments.

Volume: 21, 000 ML

Project Cost: $53 million

Irrigable area: 11, 000 hectares

Value of production: $15 million at farm gate

Midlands Water Scheme

Scope: Pipeline to deliver irrigation water from the Poatina Power Station Tailrace to suitable land as far south as Oatlands.

Volume: 50, 000 ML per annum

Project Cost: $86-96 million

Irrigable area: 28, 500 hectares

Value of production: $40 million at farm gate

Meadstone Dam

Scope: Proposed Dam on upper reaches of St Paul's River.

Volume: Up to 20, 000 ML

Project Cost: Approximately $8 million

Irrigable area: Approximately 8, 000 hectares

Value of production: $10 million at farm gate

South Esk Basin

Scope: Identify large-scale water storage opportunities in both the Upper Macquarie and Upper South Esk Catchments.

Volume: 30, 000 ML

Project Cost: Approximately $30 million

Irrigable area: Approximately 20, 000 hectares

Value of production: $28 million at farm gate

Mersey-Forth Water District

Scope: Pipelines and waterways from Hydro Tasmania lakes to suitable land.

Volume: 19, 000 ML

Project Cost: Approximately $32.4 million

Irrigable area: 12, 400 hectares

Value of production: $15 million at farm gate

North East

Scope: Approximately 7 potential water storage opportunities.

Volume: Potentially up to 70, 000 ML

Project Cost: Approximately $77 million

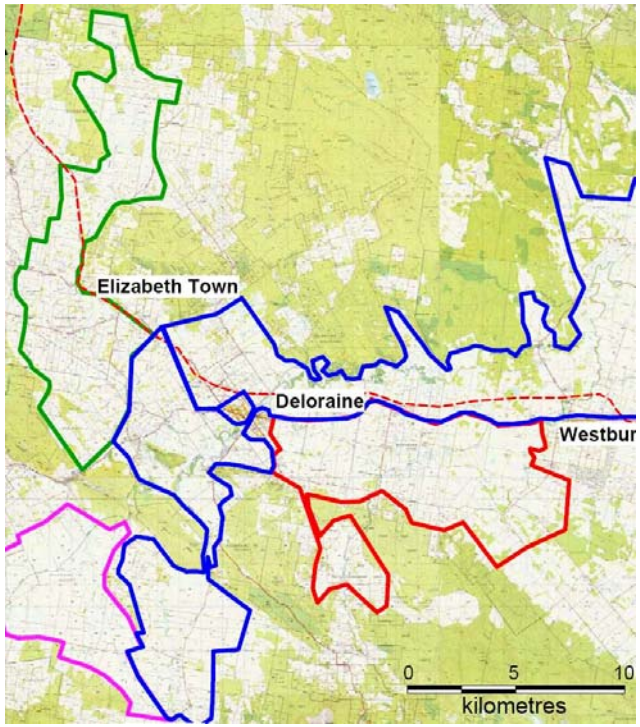
Irrigable area: 40, 000 - 45, 000 hectares

Value of production: $500 million at farm gate

Four Proposed Meander Dam Pipelines

- **Caveside - Dairy Plains (pink)**
- **Quamby - Osmaston (red)**
- **Rubicon - Sassafras (green)**
- **Hagley - Whitemore (unshown)**

Note: In principle declared Meander Valley Irrigation district (blue)



Winnaleah Irrigation Scheme

Scope: Extend current scheme

Volume: An additional 6,000 ML pa

Project Cost: Approximately $6 million

Irrigable area: Approximately 5,000 hectares

Value of production: $9 million at farm gate

Sassafras-Wesley Vale Irrigation Scheme

Scope: Delivery of water from Mersey River through the Australian Pulp and Paper pipeline to Wesley Vale and surrounding districts.

Volume: 5, 000 ML

Project Cost: $10 million

Irrigable area: 10, 000 hectares

Value of production: $10 million at farm gate

Headquarters Road dam

Scope: Construction of dam in Great Forester Catchment

Volume: 1, 900 ML

Project Cost: $4 million

Irrigable area: 1800 hectares

Value of production: $2 million

South East Tasmania Recycled Water Scheme

Scope: Reduce effluent discharge into the Derwent River and augment irrigation supplies.

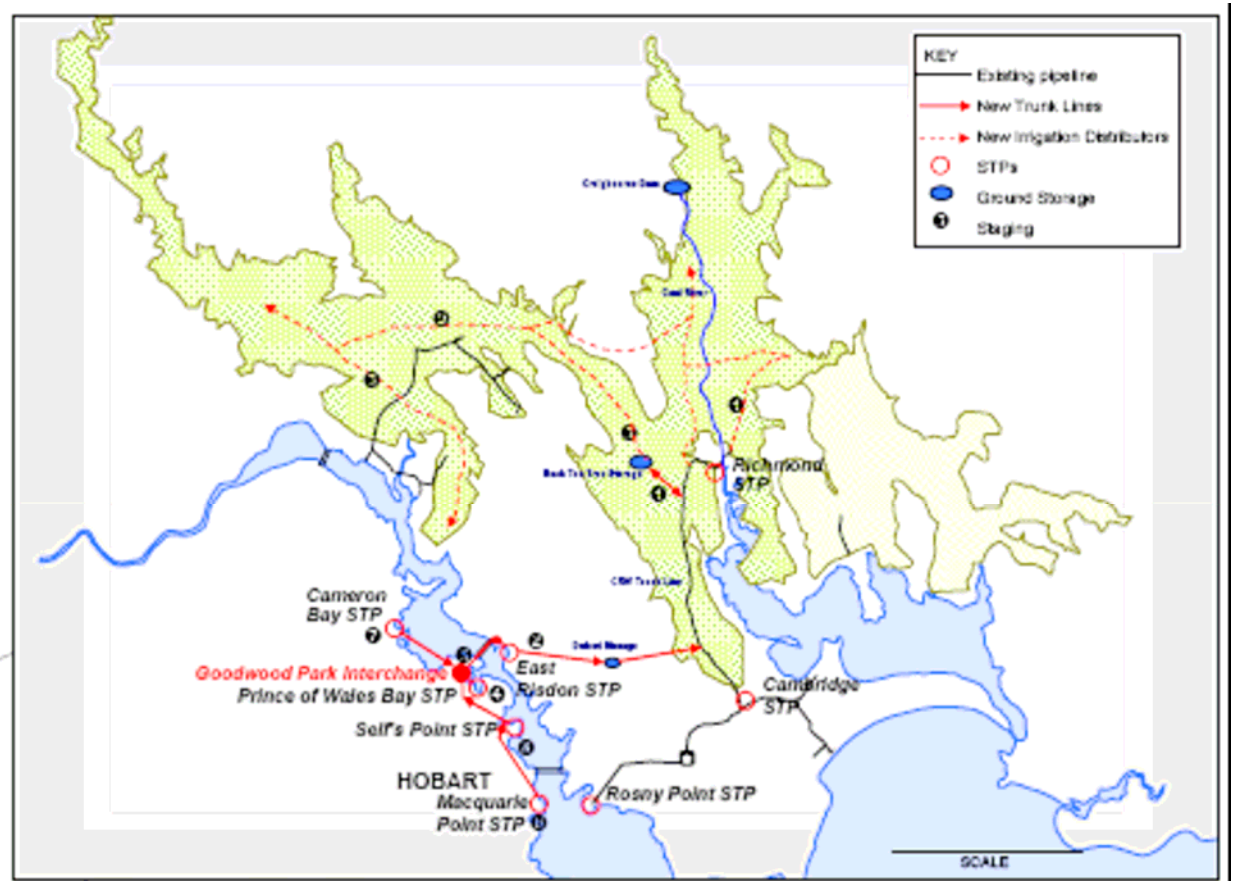
Volume: 18, 000 ML

Project Cost: $72.2 million

Irrigable area: 5,250 hectares

Alternative: Upgrade five Sewage Treatment Plants at a cost of $120 million

South East Water Scheme



Proposed Pipeline Routes and Delivery Systems

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SMART Farming Water Development Projects

- Combined project total over 300 GL of additional irrigation water per annum
- Potential to increase farm production by over $200 million per annum
- Provides an opportunity for greater security to primary production in Australia - the “Southern Foodbowl” concept.

SMART Farming Water Development Projects

- Submitted by Premier to Prime Minister for consideration under the $10 billion National Plan for Water Security
- Supported by TFGA and TAPG with formal approaches to Australian Government and Labor Opposition

SMART Farming Water Development Projects

Federal Labor Support for Tasmanian Water Projects - Media Statement - 20 November

To invest in the modernisation of irrigation in Tasmania, a Rudd Labor Government will invest up to $140 million from the $6 billion modernising irrigation component of the National Plan for Water Security.

SMART Farming Water Development Projects

Federal Labor Support for Tasmanian Water Projects - Media Statement - 20 November

These projects will complement the following projects that have been announced for support under Federal Labor's *National Water Security Plan for Towns and Cities*:

•$12 million for the Huon Valley water scheme in Tasmania;

• $10.5 million in South East Tasmania for development of an integrated recycling and irrigation system.

SMART Farming Water Development Projects

Tasmanian Government Media Statement - 21 November

“That’s $140 million on top of the State Government’s commitment to allocate part of the proceeds of the sale of the Hobart International Airport to this purpose.”