

## QUESTION ON NOTICE

No. 2206

asked on Tuesday, 29 November 2016

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**MR KATTER** ASKED THE MINISTER FOR STATE DEVELOPMENT AND MINISTER FOR NATURAL RESOURCES AND MINES (HON DR A LYNHAM)—

QUESTION:

Will the Minister provide the details of the allocations made from the Flinders River including the (a) amount of water allocated for each stretch of the river, (b) the criteria used to select the successful tenderers, (c) the identity of the successful tenderers and (d) the price paid for the water?

ANSWER:

The Gulf unallocated water process made 239,650 megalitres of water available to tenderers in the Flinders River catchment and the allocation is underway.

Reaching this point was the culmination of extensive hydrological and ecological assessment. This was necessary to safeguard the security of existing water entitlements, to maintain environmental flow objectives, and to ensure that the water commodity is well understood by potential investors.

- (a) The amount of water allocated for each stretch of the river will be known at the completion of the process, which is expected in February 2017. Where a tenderer has chosen not to accept an offer, a subsequent offer is being made to the next-in-line eligible tenderer. Any water not allocated during this release process will remain in the general reserve for future release, providing another opportunity for proponents.
- (b) The criteria used to select the successful tenderers are contained in the widely publicised and publically available terms of sale. This evaluation criterion includes what the water is required for, the availability of an alternative water supply, the impacts of instream structures, the intention to use the water, the effects on Indigenous cultural heritage, that vegetation can be cleared and that the land is suitable for irrigation.

The terms of sale also include comprehensive and helpful information on the volumes of water available by river reach, access conditions, annual reliability and the reserve price.

(c) and (d)

The identity of the successful tenderers and the price paid for the water by tenderers receive a high level of confidentiality. This is because the terms of sale is a contract which affords tenderers anonymity and, in accordance with the wishes of tenderers, it is not appropriate to discuss the details of any tenders. The Department of Natural Resources and Mines has contacted all tenderers and provided feedback to those who were unsuccessful. In addition, a tender assessment report will be publically available in February 2017, and will outline the assessment of tenders and include the total bid volumes and price ranges.

At the completion of this process, there will be a total of around 240,000 megalitres of surface water entitlements in the Flinders River catchment alone. This has the potential to provide a huge boost to economic development for Gulf communities.