To: Department of Climate Change, Energy, Environment & Water; Upper Murrumbidgee Team

Submission On: Upper Murrumbidgee Drought Operating Framework

The Upper Murrumbidgee Catchment Network (UMCN) welcomes the opportunity to provide our views on the draft drought framework.

The UMCN is a strong and diverse community-based network of individuals, community groups, businesses and organisations (government and non-government) committed to improving natural resource management (NRM) in the upper Murrumbidgee catchment. The UMCN (and its predecessor organisation) has been operating for three decades, in recognition that NRM issues do not stop at State or Council boundaries. The UMCN values knowledge sharing, networking, collaboration and inclusion, and is the regional leader in facilitating communication between the community, NGOs and government agencies.

General Support for the Framework

We would like to begin by acknowledging that this draft framework represents a significant and much-needed step toward improving drought resilience in the Upper Murrumbidgee River system, including the ACT. It is reassuring to see a commitment to a structured, transparent, and repeatable approach to water management during extreme conditions.

The development of this framework is a promising step for our region's long-term water security. We welcome the clear intent to secure critical human water needs.

1. Framework Principles

Whilst generally supportive of the proposed principles we do not support the inclusion of the principle that states:

"*Cost of implementation to SHL and government should be minimised*" (p5)

—particularly in the context of delivering water for **critical human needs**.

Minimising costs to Snowy Hydro Ltd (SHL) or government should not override the need to protect communities and river health during times of crisis. These events already place significant strain on local people, water users, and ecosystems, and public investment should reflect the urgency and importance of securing these values.

We propose the following revised principle:

"Water for critical human and environmental needs should be prioritised, especially during times of crisis."

This better reflects the intent and values of the framework and aligns with the expectations of affected communities.

2. Value of Specific Trigger Points

The identification of **trigger points** at key locations—**headwaters**, **Mittagang**, and **Lobbs Hole**—is a strong feature of the framework. These geographically specific thresholds acknowledge the complexity of the Upper Murrumbidgee system and support **critical human water needs** (CHWN). We consider this is important for managing drought risk effectively and equitably across the catchment.

In relation to accounting, it would be good to be as clear as possible about what the source of water is released under this framework at the release point (e.g. SMRIF, Riparian Releases, Required Annual Releases, Commonwealth Water), how it is protected through the system, and how it is accounted when it arrives at Burrinjuck Dam.

3. Contingency Triggers for Non-Flow Related Emergencies

While the framework rightly focuses on **low flow conditions** as the primary trigger for drought response, we recommend the inclusion of a **contingency clause** that allows for **emergency releases in response to non-flow-related events** that threaten ecological or water quality values.

Examples include:

- **Algal blooms**: These may occur even when water levels are above minimum thresholds but can pose significant health and ecological risks.
- **Post-fire ash wash events**: During the Black Summer fires, ash runoff in the Numeralla River caused fish kills even though the system wasn't in drought. Conversely, the Upper Murrumbidgee fared better largely because of timely flows.

While these events may not align with traditional "drought" definitions, they may jeopardise the very objectives the framework seeks to uphold. Including a provision for **"emergency ecological/event releases"** outside of standard drought triggers would provide necessary flexibility and responsiveness to scenarios not yet envisaged under this framework, but which managers may need to respond to.

4. Protection of Water Releases form Unauthorised Extraction

We acknowledge the proposed approach in the draft framework; however, we emphasise the importance of educating all landholders about the need to protect these flows, particularly given that the Upper Murrumbidgee region has not historically been subject to the same protection measures as the rest of the Basin. Any proposed measures must also align with new NSW Water Sharing Plan and be clearly communicated to landholders to ensure understanding and compliance.

5. Need for Adaptive Management and Acknowledging Knowledge Gaps

The importance of **adaptive management** cannot be overstated. This framework must remain a **living document**, informed by real-time monitoring and ongoing research. We urge that:

- **All assumptions, triggers, and rules** are subject to **regular review**, particularly as research fills existing knowledge gaps (e.g., current bathymetry studies that will better define pool depths and water levels).
- The framework explicitly acknowledges areas of **uncertainty**, and that decision-makers are empowered to adjust responses as new data and insights emerge, particularly in the face of **climate change**.
- Community expectations in relation to low flows may change. The flow rates in this framework, while essential for critical human needs, are very low and likely reflect a river which ecologically will be on life support. Minimum flow to avoid no loss of species or environmental processes from the area may become a focus for higher minimum flow thresholds.

6. Compensation for Snowy Hydro Ltd – Need for Re-evaluation

The issue of compensation to Snowy Hydro Ltd (SHL) for foregone electricity generation raises important questions of **equity, community wellbeing**, and **public benefit**.

While we understand the legal, including commercial, and operational constraints, we strongly recommend a **review of the assumption that compensation is always necessary**. We draw to your attention the following key points to consider:

- The Commonwealth is the sole shareholder of SHL, raising questions about whether public funds (e.g., via the drought reserve) should be used to compensate a government-owned corporation during times of **community and environmental crisis**.
- SHL operations significantly affect river health, and **Snowy 2.0 poses additional risks** (e.g., introduction of redfin) for which local communities already bear a cost.
- The drought framework applies during **extreme events**, times when community and ecosystems are already under stress. It is therefore inappropriate for compensation principles to override the **public good**.

- In future, consideration should also be given to the fact that water may have already been used for electricity generation (as part of Snowy 2.0), in which case the cost of 'foregone generation' is arguably less clear-cut.

We suggest:

- **Re-evaluating the compensation mechanism** so that it incorporates **community and environmental costs** of not releasing water;
- Considering **discounted or no compensation** during extreme events;
- Ensuring transparency around how compensation is calculated including independent evaluation;
- Releasing the **Tantangara Transfer Deed** to the public if it is to be relied upon as a method.

    ◊ The Tantangara Transfer Deed, which is referenced as a mechanism for facilitating water releases or transfers, is not currently available to the public which clearly makes this not an option to be pursued.

    ◊ If the Deed is to be used to inform, enable, or constrain drought response decisions, particularly those involving compensation to Snowy Hydro Ltd or water movement between storages, then it is essential that:

        - The Deed be made publicly available in full;
        - Its operational clauses, limitations, and potential implications for flow protection and water availability be clearly explained;
        - Stakeholders are given the opportunity to **review and comment on its** use in the context of drought planning.

    ◊ Without this transparency, the community and other water users cannot properly understand:

        - Whether the releases under this framework are actually enforceable;
        - How flow protection will be handled once water is transferred;
        - Whether priorities outlined in the drought framework align or conflict with provisions in the Deed.

    ◊ Moreover, referencing the Tantangara Transfer Deed as a backup or enabling mechanism, without explaining its contents or status, weakens the accountability and repeatability of the framework.

    ◊ Therefore, we strongly recommend that:

        - The **Tantangara Transfer Deed be made public**;
        - Its **relationship to the drought framework be clearly articulated**;
        - Any reliance on it as a tool for flow delivery or compensation be **contingent on its full public disclosure and scrutiny**.

7. Long-Term Financial Security – Trust Fund Model

Recognising that the provision of water during droughts comes at a cost, and that climate projections suggest increased frequency of extreme events, we propose the establishment of a **Drought Reserve Trust Fund**.

Such a fund could:

- Invest a portion or all the allocated $10 million in a way that allows capital to grow until needed;
- Ensure long-term financial resilience;
- Reduce pressure on emergency budgets in times of crisis.

While this suggestion comes with recognition of our limited economic expertise, we believe it warrants exploration as a proactive climate adaptation measure. The $10m annual contingency should remain in place until alternate drought arrangements are made or become superseded by the SWIOID review.

8. Integration with SWIOID and Future Planning

This framework should be:

- **Maintained (including contingency funding)** beyond the initial three-year period envisaged until it is superseded by a future version of the **Snowy Water Inquiry Outcomes Implementation Deed** (SWIOID);
- Where appropriate, be used as a foundation for building broader, climate-resilient management of environmental and human water needs across the Upper Murrumbidgee system.

9. Community Engagement and Transparency

This document includes elements which are quite technical and well beyond the understanding of many stakeholders of the region. It is important that the community is able to revisit elements of this framework in an adaptive management approach, as new information comes to hand and as communities learn more about the application of southern Murray Darling Basin accounting approaches to environmental water in the context of Snowy Hydro operations.

We stress the strong need for:

- **Clear communication** with communities around when and how decisions are made;
- **Mechanisms for community input**, especially to bring local values and knowledge into planning;

- **Transparency** around implementation, reporting, and review processes.

This will build **trust**, enhance **social license**, and improve outcomes.

10. Other Document Comments

- **Clarify technical terms**: Many stakeholders will be unfamiliar with terms like **PEW** (Planned Environmental Water), **RAR** (Required Annual Release), **RR** (Riparian Releases). A glossary or explanatory notes would improve accessibility.
- **CHWN**: Needs clear definition within the context of the Upper Murrumbidgee. For example, what does the term mean to someone at Tharwa, Cooma or to Icon Water? A lot of people are using the term but may have different definitions of CHWN.
- **Transparency in flow sufficiency**: From an ICON Water perspective, further clarity is needed about whether proposed flow volumes are sufficient.
- **Timeframe for implementation**: Ideally, this Framework should be in place before the upcoming summer in 2025.
- **Decision making**: any work to better communicate the decision-making process would be greatly welcome, particularly given the complex management arrangements in this space.

11. Recognition of Recent Events

It is important to flag that drought conditions nearly occurred in January 2025, and the document should reflect how close we came to activating emergency responses. This underscores the volatility of climate conditions and the importance of year-round preparedness.

12. Conclusion

In conclusion, this framework is an important and positive step forward. We strongly support its intent and implementation and urge that it:

- Remains flexible and adaptive as it is applied, while also having clear, rules-based triggers for flows, accounting and decision making;
- Includes contingency mechanisms for broader environmental risks;
- Addresses knowledge gaps transparently;
- Reconsiders the compensation model as a priority over CHWN;
- Embeds a commitment to incorporate community values and local knowledge as the framework is applied, by communicating with stakeholders;
- Is maintained (along with the $10m annual contingency funding) until superseded by a reviewed SWIOID.

We thank you again for the opportunity to comment and look forward to seeing the framework evolve with community, scientific, and operational input.

Andy Lowes

Chair, for and on behalf of the UMCN Executive Committee

11/09/2025