



## **National Water Traders** – Submission: Relevant to Upper Namoi and Lower Namoi Regulated water sharing plan.

**On behalf of:**

**Upper Namoi Regulated River Water Users Group**

**ProTen Tamworth Pty Ltd**

**Baiada Pty Ltd**

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### Submission To NSW Natural Resource Commission

National Water Traders have been approached by the above-mentioned groups and companies to put in a submission to the National Resource Commission about the upcoming review of the Upper and Lower Namoi Regulated River water sharing plan. They have expressed an interest in securing the Upper Namoi Regulated River water source for the water users during dry times because of the 2019 drought.

## 1. Outline of each entity involved in this submission

### Upper Namoi Regulated River Water Users Group

The Upper Namoi Regulated River Water Users Group are the combination of all the farmers that use the Upper Namoi water for their farming enterprises. These enterprises range from the cultivation of lucerne, corn, oats, kikuyu grass, dairy, etc. These farms are extremely valuable to the local community and area of Manilla and Barraba. They provide feed for cattle in the region, and employment to the local communities that surround them. They are very responsible water users and think of the best for the local community the environment. They rely heavily on the water that is released from Split Rock Dam and intend to keep that water available to the users in the Upper Namoi.

### Proten Pty Ltd

Proten Pty Ltd are one of the largest poultry growers in the Tamworth region that have a farm on Rushes creek road that directly links on to the Upper Namoi Regulated River Water Source. It is an extremely important water source for the Proten Pty Ltd that plan to increase the capacity of the development on Rushes Creek. They are large holder of water allocation in the river and want to make sure that the water source is well managed. They are an important company to the region as they employ 30 Full time employees that would be from Regional manager to farm hands. As well as:

- Wash crews 6 staff

- Litter removal staff – 6 staff
- Bedding supply – 4 staff
- Multiple truck driver from feed deliveries, Gas deliveries
- Maintenance staff – 10 staff

The Proten farms place 3050000-day old chicks every 8 weeks Tharii in Manilla place 1500000 with very similar service providers. Each bird will consume around 11.5 l over the 8 week period, this figure also allows for cooling of the birds in Hot weather. Meaning it is crucial that the supply of water down the river is kept in the pristine condition that it is in. They are a major contributor the Tamworth region and economy.

## Baiada

### Importance of water to Baiada's operations in Tamworth

Water supply and the security of this supply is fundamentally important to poultry production. Water underpins the entire supply chain of producing chicken meat, from raising birds on farms through to its use in the processing of chicken meat. It would not be possible to operate a poultry production business without a secure supply of water.

### Commitment to Tamworth

Baiada is committed to undertaking and generating significant investments in the Tamworth region. These investments include:

Project	Value
Baiada's new Oakburn Poultry Processing Plant, a state-of-the-art poultry processing plant, which is currently under construction in Tamworth	\$530 million
Development of a new feed mill by Baiada at Tangaratta, to service the New England poultry cluster	\$85 million
Expansion of Baiada's hatchery to increase supply of poultry in the region to farms	\$60 million
Development by Baiada of new, sustainable farms at Manilla and Silverweir that will lead in animal welfare	\$100 million
Development over the next 5 years by third parties of new farms in the Tamworth region to service the increased demand from Baiada's new Oakburn Poultry Processing Plant	\$450 million

### Benefits to the Tamworth region

These investments will deliver substantial benefits, including:

- **Employment:** The processing plant, scheduled to complete in 2026, will create 920 full-time jobs when fully operational and 2,046 indirect jobs, along with 4,000 construction jobs. The other projects are expected to create 350 new jobs.
- **Investment:** total investment value of \$1.225 billion, demonstrating the importance of poultry production to the Tamworth region.

## 2. Changes and Outcomes for the new Water Sharing Plan

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### 1: To what extent do you think the plan has contributed to environmental outcomes?

The Upper and Lower Namoi Regulated River Water Sharing Plan (WSP) has been a success in the environmental outcomes that were planned. The planned environmental water rules that were specified in the WSP have been a massive success. They have kept the water continuously flowing and the health of the river has been excellent. Even during the worst of the drought water remained in the dams and the rivers until almost the end of the drought. The planned environmental water and the recent purchase of 9.1 GL of water by DCCEEW will ensure the environment is sufficiently looked after.

### 3: To what extent do you think the plan has contributed to economic outcomes?

There are two major poultry (chicken meat) production centres reliant on the Upper Namoi regulated river water source. These have both been outlined in section 1 of this document. As can be clearly seen the water sharing plan has provided the Tamworth region with grand economic outcomes. It has brought more population, more employment, and local government rates. This will continue to grow if the Upper Namoi water source is kept in good condition for the Upper Namoi Regulated River water source users. The Upper Namoi water source is one of the most reliable water sources in the New England area. With around 95% reliability. The combination between the locality of the water source to Tamworth and the reliability of the water source means that there will continue to be investment along the Manilla and Namoi rivers. As Baiada begins to increase the size of their processing plant there will be greater investment in the region meaning more jobs, and more money will be spent in the area.

### 6: What changes do you think are needed to the water sharing plan to improve outcomes?

1. *Clause 25 (1): There shall be no supplementary water access licences authorised to extract water from the Upper Namoi Regulated River Water Source.*

We believe that the use of supplementary water in the Upper Namoi Regulated River below Manilla Railway Bridge gauge has beneficial impacts to the storage of water as well as environmental impacts for the town of manilla and the river generally upstream.

- i. The creation of supplementary water for the Upper Namoi River below Manilla Railway bridge gauge will allow for the taking of water from the water source above a certain flows at Nth Cuerindi, Manilla River at Brabri, and Manilla Railway bridge gauge. The flows would need to be discussed but allowing the Upper Namoi users below manilla bridge access this water under a different water licence will keep water in Split Rock Dam for the other water users. This will create a licence that is more affordable for the users on the Upper Namoi such as Proten Pty Ltd who intend to build an off-creek storage to hold water.
- ii. An amendment should be made to allow transfer of Upper Namoi unregulated river water from the Mcdonald and Upper Namoi River management zone to the supplementary water in the Upper Namoi downstream. This will have massive benefits for both the river and the township of manilla. This will allow water to continue flowing downstream past the Manilla township and be used further downstream. It will also allow for economic benefits to the people up stream of Manilla with there water becoming more valuable.

#### **Clause 42 Volume taken under access licences**

*(1) The water allocation taken under access licences in the Upper Namoi Regulated River Water Source shall be assessed as:*

*(a) the volume of water taken by the approved water supply works nominated by the access licence, or (b) the greater of:*

*(i) the volume of water extracted by the approved water supply works nominated by the access licence, or*

*(ii) the volume of water ordered for extraction*

The clause above has had detrimental impact on the economic value of the Upper Namoi Regulated River Water. It is the only water source that when permanent water is transferred via a 71Q application the seller of the water has their account water deducted from their water allocation account. The water is also not transferred from one water allocation account to another. Recently, an Upper Namoi Water user had this exact process happen to them and they lost 50 ML of water allocation. As the temporary transfer market stands at \$300/ML this accounted for a \$15,000.00 loss in income.

#### **Clause 62 Bulk Water Transfers**

A suggested change to this clause is to put a limit to the bulk transfers based upon the level of Split Rock and Keepit Dam. The limit we are recommending is that when Split Rock Dam gets down to 10% of it's capacity there is a stop in Bulk Water Transfers down to Keepit Dam. This will provide further security for the Upper Namoi Water Users as well as the township of Manilla. In the middle of the drought a new local utility license was created for Manilla as they began to run out of water. During the drought the Split Rock Dam went for 13% to 3% in a month and a half. This took away 2 years of water for the Upper Namoi water users. Bulk water transfers can also affect the integrity of the riverbanks which contain the pump sites for the Upper Namoi Users.