Central Downs Irrigators Limited

22nd June 2011

Attn: Committee Secretary
Senate Standing Committee on Rural Affairs and Transport
Department of the Senate
PO Box 6100
Parliament House
CANBERRA ACT 2600

RE: INQUIRY INTO MANAGEMENT OF THE MURRAY DARLING BASIN – IMPACT OF MINING COAL SEAM GAS

We wish to lodge the included submission on the Murray Darling Basin Plan Inquiry for the committees' attention.

Yours Sincerely,

Graham Clapham
Chairman

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For some time now Central Downs Irrigators Limited has been raising concerns regarding the CSG industries potential impact on the Condamine Alluvial Aquifer. The Condamine alluvial aquifer is the largest allocated groundwater aquifer in Queensland providing potable supplies to thousands of domestic users, urban town water to several towns and a large agricultural irrigation industry. It also lies within the Murray Darling Basin and will have a Sustainable Diversion Limit set by the MDBA water plan.
During the development of the aquifer in the 1960's it was seriously over allocated , since the early 1970's no new entitlements have been granted in the managed area however some new usage has been allowed outside of that area but still within the alluvium. The managed area has recently been expanded to cover all of the alluvium and management measures to reduce use have been implemented. Irrigators have been cooperative with State agency DERM in these measures in an endeavour to make usage sustainable. This drive to sustainable use has seen uncompensated reductions to irrigator's entitlements of up to 50% and irrigator funding for the upgrading and fitting of meters to all irrigation bores in the alluvium. The upcoming MDBA water plan will likely contain further reductions to groundwater entitlements as we are restricted to a Sustainable Diversion Limit set by the MDBA. This reduction may be subject to compensation but no certainty applies at this stage

During 2010 CDIL engaged consulting hydro geologist John Hillier to report on the groundwater connections between the Walloon Coal Measures which will be dewatered for CSG mining ,and the Condamine Alluvium. Some of the conclusions of this report have justified the concerns of CDIL about the likely negative effects of CSG mining on the Groundwater resource of the alluvium and recommends a number of measures that would provide a greater understanding of the likely impacts. The report is attached for your information.

Most of the area of the Condamine alluvium has either Petroleum Lease or Authority To Prospect mining tenure over it and recently the State Government agency DERM has granted Arrow Energy an Environmental Authority to conduct CSG activities in these tenures. These EA's contain no conditions which would prevent petroleum activities from causing harm to the alluvial water. This is because section 185 of the Petroleum and Gas act 2004 gives tenure holders unlimited rights to "take" or "interfere with "underground water. DERM further states that existing groundwater users are protected by "make good" legislation. Given the impossibility to make good forever the damage which the CSG industry could cause to this aquifer and the importance of the potable water resource it provides, preventing this industry from causing damaging to it seems a sensible precaution.

The groundwater Irrigators in this region of the MDB have long understood the need for sustainability and have demonstrated a serious commitment to it by agreeing to the voluntary reductions of their entitlements. Surely this inquiry would be concerned about the CSG industries unlimited and unlicensed new use of groundwater in the MDB while existing licenced users are paying a high price to reduce use.

CDIL would welcome the opportunity to discuss in more detail the issues briefly covered in this submission when your committee visits this region.

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