Proposal Summary

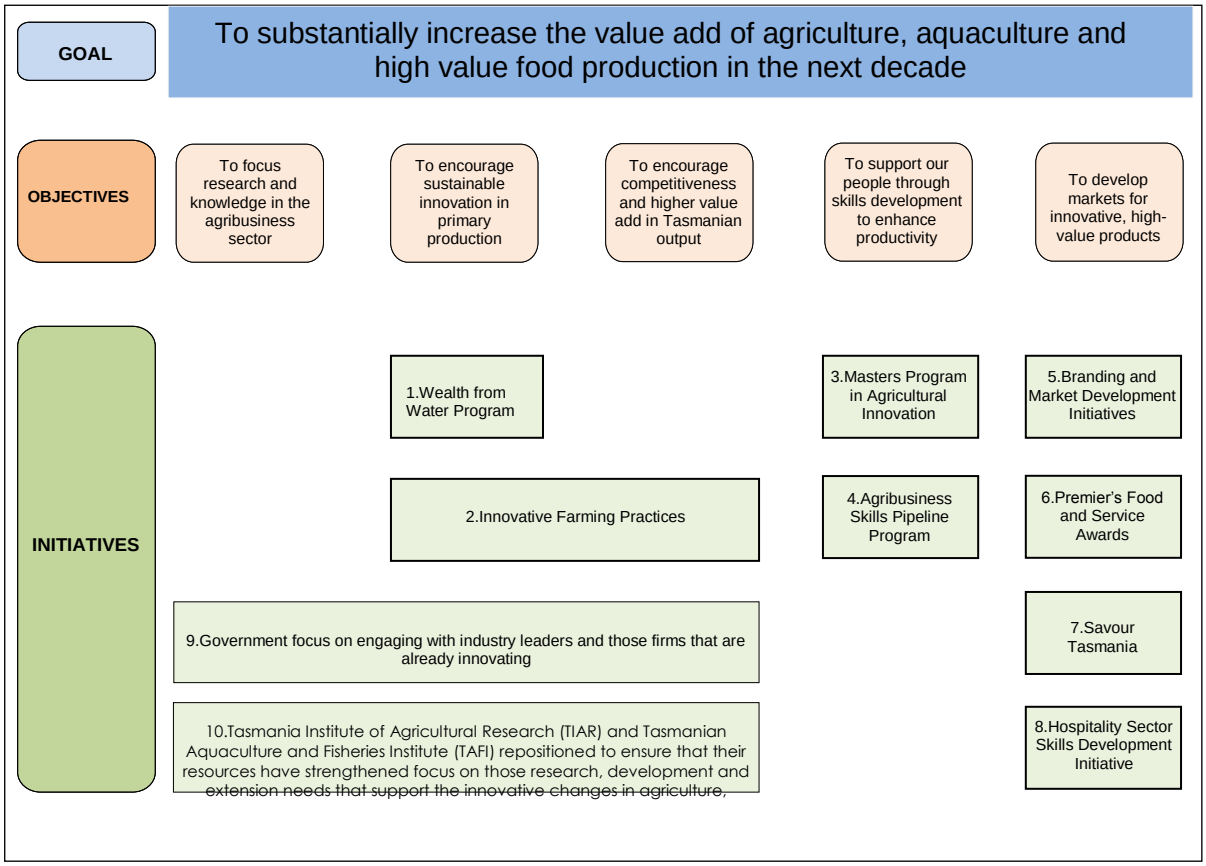
Initiative Name:	An Innovation Strategy for Tasmania: Focus on Food Bowl Concept – Rural Water Infrastructure
Location (State/Region(or City)/ Locality):	Tasmania - statewide
Name of Proponent Entity:	Tasmanian Government
Contact (Name, Position, phone/e-mail):	*John Whittington* *Deputy Secretary* *Department of Primary Industries, Parks, Water and Environment* *Phone: (03) 6233 3028* *E-mail: John.Whittington@dpipwe.tas.gov.au*
Description of Initiative:	

- Tasmania is a significant food producer, having a substantially disproportionate Australian share of several key food categories, including aquaculture, fruit and vegetable processing, dairy farming, fishing, dairy product manufacturing, bakery products, horticulture and fruit growing. In a climate constrained world, Tasmania and the nation can benefit from an increased emphasis on Tasmania's food and agricultural sector.
- Tasmania's Innovation Strategy provides a compelling vision to substantially increase the value of Tasmania's agriculture, aquaculture and high value food production. Realisation of the strategy requires targeted investments in infrastructure, knowledge and skills.
- The Strategy recognises water availability, coupled with rural water reform, is a significant key to unlocking Tasmania's food-production potential. Climate and water yield modelling demonstrates that relatively abundant water is available in Tasmania however only a small portion is currently utilised for agriculture. Furthermore, the same modelling indicates that through the development of infrastructure, Tasmania would be able to harness highly reliable irrigation water supplies, both now and into the future under a changing climate.
- In order to realise this potential, and consistent with Tasmania's Infrastructure Strategy, the State government is progressing up to 13 irrigation projects under the first tranche of the program at a capital cost of approximately $400 million. This infrastructure investment is facilitating the acceleration of rural water reform, consistent with the National Water Initiative.
- The Tasmanian Government has established the State owned company, the Tasmanian Irrigation Development Board to plan, design and construct these schemes, and significant progress has been made. The capital cost of the schemes is shared between the Government and the private sector. $140million is provided under the Australian Government's Water for the Future Program, $80 million from Tasmania's Water Infrastructure Fund with private capital contributions totalling approximately $180 million being made through the purchase of tradeable water entitlements in each scheme [for details see: http://www.tidb.com.au/userfiles/documents/outline%20of%20TIDB%20Scheme%20Cost%20Structure.pdf].
- The available funds are broadly sufficient to cover the immediate program of irrigation infrastructure planning and development. However, it is clear that once the current $400 million portfolio of projects are scoped and approved there will remain significant opportunities to further develop Tasmania's water resources. Planning has commenced to identify and prove these further opportunities.
- The Tasmanian Government wishes to foreshadow continued discussion with Infrastructure Australia on water infrastructure with the expectation that the second tranche of investment proposals will be developed by Tasmania for IA's consideration in late 2011.

Theme alignment	Theme 7: Adaptable and Secure Water Supplies
• This program is enabling Tasmania to substantially increase the value of agriculture and high value food production through the development of adaptable and secure rural water supplies that account for climate change. • The program significantly advances water reform in Tasmania. Specifically, in relation to IA's adaptable and secure water supplies, the program encourages and involves the private sector in timely and efficient capital investment in water supply and distribution through a public private partnership model. The program requires full implementation of the National Water Initiative water reforms including appropriate planning and fully tradeable and secure water allocations. The program's delivery model ensures that operational expenditure for schemes constructed under this program will be fully financed through user charges. There will be no public subsidy for operation or refurbishment. • The program is supported by complimentary investment in digital infrastructure (eg. GNSS CORS network), skills and knowledge.	
Pipeline category nominated by proponent (please indicate one category only):	Real Potential
Capital Cost of Initiative by Proponent ($M, nominal, undiscounted):	Capital cost of the initial tranche of the water infrastructure program $400M. Capital costs for the program's second tranche will be available in late 2011 following analysis of private sector demand.
Commonwealth contribution sought by Proponent, and cash flow in financial years – including any requests for project development funding ($M, nominal, undiscounted):	Nil at this time
Other funding (source/amount/cash flow) ($M, nominal, undiscounted):	Initial planning costs for the second tranche of the program are being met from the first tranche.
BCR by Proponent excluding Wider Economic Benefits	To be developed

High level development and implementation program

- Considerable progress has been made since the release of Professor Jonathan West's *Innovation Concept Paper* and the Tasmanian Government's consequent submission *An Innovation Strategy for Tasmania: Focus on Food Bowl Concept*.
- In 2008, the Tasmanian Government set a new economic direction for Tasmania. Since then the Innovation, Skills and Infrastructure Strategies have been launched and are now being implemented to position Tasmania for the future. The *Infrastructure Strategy* and *Innovation Strategy* have a complementary focus on development of rural water infrastructure and rural water reform. The government is building on and integrating these three strategies to move Tasmania into an even stronger economic position with the preparation of an overarching Economic Development Plan. A key component of this will be the Government's *Food and Agriculture Strategy*.
- Food, agriculture and aquaculture industry input into the plan began in mid 2010 with the collation of current information on industry sectors and each sectors anticipated future direction or growth strategies. This was conducted by the Department of Economic Development, Tourism and the Arts (DEDTA) with input from the Department of Primary Industries, Parks, Water and Environment (DPIPWE) and the Tasmanian Institute of Agricultural Research (TIAR) and through various mechanisms including desk top research and direct industry contact via meetings and forums.
- Ten initiatives were identified as a starting point for pushing innovation in the food, agriculture and aquaculture area. Two of these initiatives pertain to the way in which government will better interact with industry and research organisations to drive innovation in the coming decade. The further eight initiatives relate to projects and programs to be implemented. All ten initiatives will form the basis of initiative projects that will report through an overarching Food and Agriculture Initiative Framework Project to the Food and Agriculture Strategy Steering Committee (FASSC). Initiatives are outlined in the table below.



- In particular this strategy will include the following knowledge and capacity building initiatives that have commenced:
    - the Innovative Farming Practices Initiative (IFPI), a $2 million project under Tasmania's Innovation Strategy, which will see the roll out of a state-wide network of Global Navigation Satellite Systems (GNSS) continuously operating reference stations (CORS) to facilitate adoption of innovation and precision farming practices has commenced. Industry consultation, network design and technical specification and procurement will occur in 2010-11, with construction in 2012 with full network operation in 2013. [see: http://www.farmpoint.tas.gov.au/farmpoint.nsf/CropsPastures/2E78F671EC07B4FECA2577D5007B255A]
    - the Wealth from Water Program, a project to classify land according to its suitability for various agricultural enterprises to provide landowners and potential investors with comprehensive soil, microclimate, crop and enterprise information, has commenced. The three year initiative will initially focus on the Meander Valley Irrigation Area and then roll out over 300,000ha of agricultural land across the intensively farmed parts of Tasmania. [see: http://www.farmpoint.tas.gov.au/farmpoint.nsf/hotLinks/21286D935AD364A2CA2577E300119CED]
- Tasmania is a signatory to the *National Partnership on Water for the Future* and has agreed to an *Implementation Plan for Supporting More Efficient Irrigation in Tasmania* with the Australian Government which outlines the rural water reform commitments and their timelines for implementation associated with this program.
- The Tasmanian *Sustainable Yields Project*, undertaken in partnership with the Australian Government and CSIRO, has modelled current and future water yields across Tasmanian agricultural catchments having regard to climate change, the development of irrigation under the Tasmanian Government's irrigation development plans, and other water interception activities such as forestry and changes in groundwater. This Project has provided the critical water yield data upon which to plan future water resource development which accounts for modelled future climates. [see: http://www.csiro.au/partnerships/TasSY.html]
- Consistent with the Innovation and Infrastructure Strategies, the first tranche of irrigation development projects is currently underway. An update on progress for each project is provided below [see also http://www.tidb.com.au/Projects].
- Planning for the second tranche of projects will commence during 2011 for consideration by Infrastructure Australia by late 2011.

Project Name: **Whitemore Irrigation Scheme**

Project Description: A 5,500 ML scheme, drawing water from the Poatina power station tailrace to service an irrigable area of approximately 12,000ha, stretching from the foot of the Western tiers to just north of Carrick. It is based on 40km of pipeline and incorporates a small 94 ML off-river storage dam.

Project Status:

Status	Status achieved ✓ ×	Notes
Pre-feasibility	✓	Farmers approached TIDB in July 2008 with their concept to bring water which had passed through Poatina north to their district. The scheme is expected to go from concept to reality in 2.5 years.
Preferred Option	✓	Endorsed by State Government.
Feasibility and Approval	✓	All necessary conditions and approvals have been met and granted (including a detailed Business Case). Assessed under EPBC Act as not a controlled action.
Pre-construction and Tendering	✓	Local contractor Zest Pty Ltd awarded $3.1m contract for pipe supply. Local contractor Trenching Systems Australia awarded $4.4m contract for installation. Local contractor Lloyds North Water awarded $1.5m contract for pump stations. Local contractor P. M. and M. J. Pearn awarded $0.4m contract for dam construction.
Project Funding Secured	✓	The Commonwealth and State Governments have approved funding contributing approximately $5.04 million to the scheme.
Contractual Close	✓	3,850 ML of water entitlements sold, achieving the 70% threshold required for contractual close. Remaining 30% of water entitlements will be offered after commissioning.
Construction Commenced	✓	Under construction, within budget, on schedule, commissioning due January 2011.

Project Name: **Sassafras Wesley Vale Irrigation Scheme**

Project Description: A pipeline scheme comprising 75km of distribution pipes based around the trunk main which formerly supplied the TasPaper mill at Wesley Vale. It will deliver about 5,460 ML of water to an irrigable area of 10,650 ha of outstanding soils in the Sassafras, Wesley Vale and Moriarty regions.

Project Status:

Status	Status achieved ✓ ×	Notes
Pre-feasibility	✓	Farmers in the region had long desired a scheme based on bringing in Mersey River water. The region is partially irrigated with virtually no opportunity to extract additional water from within the catchment.
Preferred Option	✓	The scheme was originally intended to utilise the spare capacity of the trunk main which brings Mersey River water originating in Hydro Tasmania storages to the Wesley Vale mill site. Given the closure of that mill, the trunk main now will be purchased by the TIDB as an integral part of the scheme. Endorsed by State Government.
Feasibility and Approval	✓	All Commonwealth and State Government conditions and approvals have been met (including a detailed Business Case). Formal approval from the Australian Government has been received. The scheme has been assessed under the EPBC Act and approved with conditions relating to threatened species including the green and golden bell frog, the central north burrowing crayfish and the Tasmanian devil.
Pre-construction and Tendering	✓	Local contractor VEC Civil Engineering Pty Ltd formed a consortium with Leed Engineering and Construction Ltd. The VEC/Leed joint venture was awarded a $5.6m contract for design and construction of the scheme. The contract for pipeline supply for this scheme was awarded to Vinidex Pty Ltd which was 10% cheaper than its nearest-priced competitor.
Project Funding Secured	×	Project funding is considered to be secured once all necessary conditions and approvals have been met.
Contractual Close	×	The scheme is fully subscribed. More than 99% of entitlements have been taken up. No further sales are intended.
Construction Commenced	×	Construction start is imminent and commissioning is expected in May 2011. The project budget has increased by $660k from that stated in the approved business case. The increase is a result of escalations in the cost of supply of HDPE pipe and the purchase price of the Wesley Vale trunk line.

Project Name: **Headquarters Road Dam**

Project Description: The scheme is based on a dam in the headwaters of the Great Forester River to deliver 1,980 ML of water annually to an irrigable area of approximately 1,800 ha stretching from South Springfield (near Scottsdale) to coastal land behind Bridport.

Project Status:

Status	Status achieved ✓ ×	Notes
Pre-feasibility	✓	The project was first developed by a consortium of local farmers who passed the concept to the TIDB for development.
Preferred Option	✓	Endorsed by State Government.
Feasibility and Approval	✓	All necessary conditions and approvals have been met and granted (including a detailed Business Case).
Pre-construction and Tendering	✓	Local contractor Hall Earthmoving was awarded a $3m contract for dam construction.
Project Funding Secured	✓	The Commonwealth and State Governments have approved contributing approximately $2.124 million to the scheme.
Contractual Close	✓	The project passed the 70% take-up of water entitlements necessary for contractual close. The remaining water entitlements of approximately 25% of capacity will be offered after scheme commissioning at a date to be determined.
Construction Commenced	✓	Construction underway. Construction of the earthen dam wall will resume shortly after down-time over the wet winter although work continued during winter on the concrete spillway which is all but complete. The dam will be complete in March/April 2011 enabling the dam to fill in time for next year's irrigation season.

Project Name: **Winnaleah Irrigation Scheme Augmentation**

Project Description: This project will double the capacity of the existing Winnaleah Irrigation Scheme by supplying an additional 3,700 ML annually. The former Frome Dam will be rehabilitated and connected to the existing distribution network, which also will be moderately extended.

Project Status:

Status	Status achieved ✓ ×	Notes
Pre-feasibility	✓	Farmers in the district have expressed strong demand for the augmentation.
Preferred Option	✓	Endorsed by State Government
Feasibility and Approval	X	The project has been referred to the Commonwealth for assessment under the EPBC Act.
Pre-construction and Tendering	X	The project is in the Pre-construction and Tendering Stage. An Initial Class offer for water sales is currently underway (as a 2 stage process) by way of direct sale at $1,170 per ML. The first stage was capped at 1,480ML and has been offered to those farmers who provided an initial investment in the Moorina hydro assets, limited to 2ML for every $1,000 invested in Moorina. Stage 2 is currently underway where the remainder of the water (a minimum of 2,220 ML) is on offer to all farmers in the district, including those who participated in Stage 1. Stage 2 closes on 15 December.
Project Funding Secured	X	Project funding is considered to be secured once all necessary conditions and approvals have been met.
Contractual Close	X	The schedule is for contractual close to be achieved by February 2011.
Construction Commenced	X	The TIDB intends to be ready for construction to commence in March 2011 which would enable commissioning to commence in November next year.

Project Name: **Lower South Esk Irrigation Scheme**

Project Description: This scheme is based on a dam at the Milford property, near Conara. The dam will deliver 5,200 ML of water to an irrigable area of 9,000ha stretching from Conara to Perth and Longford. Also under consideration is a proposed Stage 2, consisting of an 8km pipeline to the existing Winton dam to supply up to 2,500 ML of winter water.

Project Status:

Status	Status achieved ✓ ×	Notes
Pre-feasibility	✓	This project evolved from an earlier concept to harvest winter water from the Sou Esk and store it off-river at the Milford dam site to enable it to be piped sou during the growing season. Under the current proposal, the water will be take north for use by downstream irrigators.
Preferred Option	✓	The State Government has provided in-principle support for the Preferred Optio subject to the development of a more detailed Business Case which demonstrat that the scheme is socially, environmentally, and economically sustainable. The preferred option has been well received by irrigators who have expresse strong demand for it.
Feasibility and Approval	X	The project is in the Feasibility and Approvals stage. The Business Case for the Lower South Esk scheme is currently under developme and is expected to be completed in December 2010.
Pre-construction and Tendering	X	Water entitlements will be offered early in 2011.
Project Funding Secured	X	Project funding is considered to be secured once all necessary conditions ar approvals have been met.
Contractual Close	X	Yet to be commenced.
Construction Commenced	X	The timeframe is for the project to be ready for construction in April next year on the midlands Strategic Assessment is complete,

Project Name: **Shannon Clyde Irrigation Scheme**

Project Description: The project will deliver 8,700 ML of water annually to an irrigable area of 8,000ha. It is based on a dam at Bark Hut Creek which will primarily store water transferred from the Shannon River or pumped from the Clyde River. Great Lake is available as a supplementary supply.

Project Status:

Status	Status achieved ✓ ×	Notes
Pre-feasibility	✓	The project is designed to provide a secure long-term solution to agricultural water supply in the Bothwell region with benefits also for the town's water supply.
Preferred Option	✓	Farmers expressed significant demand for the project. Endorsed by State Government.
Feasibility and Approval	x	Referral for assessment under the EPBC Act is imminent.
Pre-construction and Tendering	x	The project is in the Pre-construction and Tendering stages. Water entitlement sales are imminent.
Project Funding Secured	x	Project funding is considered to be secured once all necessary conditions and approvals have been met.
Contractual Close	x	Timeframe is for construction to commence in March 2011 with commissioning scheduled for March 2012

Project Name: **Kindred North Motton Irrigation Scheme**

Project Description: The project will deliver a minimum of about 2,000 ML of water sourced from the Forth River (below Paloona dam) to farming communities between Kindred and Abbotsham and in the North Motton region. The irrigable area totals 8,500ha.

Project Status:

Status	Status achieved ✓ ×	Notes
Pre-feasibility	X	The project is in the Pre-feasibility stage. The Kindred North Motton scheme was one of several concepts for irrigation utilising Forth River water floated by the consultants Davey and Maynard in conjunction with Cradle Mountain water in 2007.
Preferred Option	×	The preferred option is due for consideration by the Board (of the TIDB) in December 2010. The region's potential far exceeds the expressions of interest received from the district's farmers. One aspect to be considered as the scheme progresses is the potential incorporation of excess capacity into the design to answer long-term growth in demand for water. The timeframe is for the Business Case to be developed by May/June.
Feasibility and Approval	×	N/A
Pre-construction and Tendering	×	N/A
Project Funding Secured	×	N/A
Contractual Close	×	The TIDB aims to have the project ready for construction towards the end of 2011.

roject Name: **<u>Forth Scheme</u> (excluding Kindred North Motton)**

Project Description: There are two other concepts for utilising Forth River water. These are a scheme for (a) the Sheffield-Barrington district and (b) for the Forthside-Don district. These are at the earliest stages and detailed separate estimates are not available for yield, demand or cost.

Project Status:

Status	Status achieved ✓ ×	Notes
Pre-feasibility	X	Forthside-Don is in early pre-feasibility stage. Sheffield-Barrington is in early pre-feasibility stage.
Preferred Option	×	N/A
Feasibility and Approval	×	N/A
Pre-construction and Tendering	×	N/A
Project Funding Secured	×	N/A
Contractual Close	×	N/A
Construction Commenced	×	N/A

Project Name: **Upper Ringarooma**

Project Description: This scheme is based on a dam of up to 10,000 ML on Dunn's Creek to supply an irrigable area of 9,600 ha in the Ringarooma and Legerwood area through a network of about 38 km of distribution pipelines.

Project Status:

Status	Status achieved ✓ ×	Notes
Pre-feasibility	x	The project is in the Pre-feasibility stage.
Preferred Option	×	The preferred option being developed requires a dam on Dunn's Creek which is not a major waterway. Dunn's Creek is a tributary of the Maurice River which is a tributary of the Ringarooma River. The preferred option is scheduled for finalisation by the TIDB in February 2011. The schedule is for the Business Case to be presented to the Tasmanian Government for conditional approval mid-2011.
Feasibility and Approval	×	N/A
Pre-construction and Tendering	×	N/A
Project Funding Secured	×	N/A
Contractual Close	×	The timeframe is for construction of the Upper Ringarooma scheme to start in early 2012.
Construction Commenced	×	Construction will take approximately 12-months to complete.

Project Name: **North East (excluding Upper Ringarooma): comprises the Great Forester, Brid and Little Forester catchments**

Project Description: These three north eastern catchments are all under investigation by the TIDB for potential water developments.

Project Status:

Status	Status achieved ✓ ×	Notes
Pre-feasibility	x	All three catchments are in the pre-feasibility stage. With regard to the Great Forester and Brid catchments, it is likely that both catchments can be serviced by the one development. A Great Forester-Brid community representative group has been formed which has held its first meeting. Among other matters, it will survey land-owners on water demand. With regard to the Little Forester catchment, this is likely to have is own scheme.
Preferred Option	×	N/A
Feasibility and Approval	×	N/A
Pre-construction and Tendering	×	N/A
Project Funding Secured	×	N/A
Contractual Close	×	N/A
Construction Commenced	×	N/A

Project Name: **<u>Meadstone Dam</u> (St Pauls catchment)**

Project Description: The TIDB is investigating potential water development to supply irrigation water to agricultural areas of the St Pauls valley and South Esk catchment.

Project Status:

Status	Status achieved ✓ ×	Notes
Pre-feasibility	✓	The project came to the TIDB as a proposal for a large dam on the St Pauls river below Meadstone Falls. Hydrological modelling indicated that a large dam of up to 30,000ML would be required for a relatively moderate yield of 12,000 ML annually,
Preferred Option	×	The initial socio-economic modelling by the TIDB indicated that such a project may have marginal net Present Economic Value outcomes. The investigations in the St Pauls catchment are now proceeding along similar lines to the catchment-wide model adopted in the north east. This means that a comprehensive survey of potential storages, including those off-river, is underway, in conjunction with a range of other studies. It is intended that a preferred option for the wider St Pauls catchment will be developed in second quarter of the 2011 calendar year.
Feasibility and Approval	×	N/A
Project Funding Secured	×	N/A
Pre-construction and Tendering	×	N/A
Contractual Close	×	N/A

Project Name: **Midlands Water Scheme**

Project Description: Based on Hydro Tasmania water from Arthurs Lake, the Midlands Water Scheme involves 110km of pipeline (including several branch lines) to provide 38,500 ML of water annually to an irrigable area of 55,884 ha within an extended region stretching from Ross and Oatlands to as far south as Kempton.

Project Status:

Status	Status achieved ✓ ×	Notes
Pre-feasibility	✓	The project developed from an initial concept to irrigate the entire midlands with water sourced from the Poatina tailrace and piped south.
Preferred Option	✓	The preferred option will irrigate the central and southern midlands. It incorporates a holding dam at Floods Creek with an associated mini-hydroelectric power plant. Although predominantly a pipeline scheme, it will utilise sections of natural waterways for delivery in some areas. The project utilises water which otherwise would be used by Hydro Tasmania to generate power. There will be no additional drawdown on Arthurs Lake as a result of the operation of the Midlands Water Scheme
Feasibility and Approval	X	As with the Lower South Esk Irrigation Scheme which will service the northern midlands, this project is currently undergoing the Strategic Assessment under the EPBC Act into the program to irrigate the midlands. The outcome of the Strategic Assessment is expected in March/April 2011.
Pre-construction and Tendering	X	The project is in the Pre-construction and Tendering stages. Water entitlements to the Midlands Water Scheme will be offered early next year.
Project Funding Secured	X	Project funding is considered to be secured once all necessary conditions and approvals have been met.
Contractual Close	X	The schedule is for final design and approvals to be completed by mid-2011.
Construction Commenced	X	A commencement to construction in October 2011 will allow water to be delivered for the 2013-14 irrigation season.

Project Name: **South East Irrigation Scheme**

Project Description: This is a pipeline-based scheme based on existing storages to deliver up to 10,000 ML annually to an irrigable area of 25,000 ha stretching from the lower Jordan valley, through the Coal River valley to as far east as the Forcett region.

Status	Status achieved ✓ ×	Notes
Pre-feasibility	x	The project is in the Pre-feasibility stage. The Coal valley has become the centre of a significant horticultural region since the advent of the Craigbourne dam. However, lack of an adequate supply of secure irrigation water makes the high value enterprises in the region susceptible to drought and severely limits growth opportunity.
Preferred Option	×	The TIDB is in the late stages of developing a detailed preferred option to answer the irrigation needs of the entire region. A major contract has been awarded to Entura (formerly Hydro Consulting) which entails completion of the studies necessary to finalise the preferred option.
Feasibility and Approval	×	The TIDB's arrangements with Entura for the south east are such that, once the preferred option has been accepted, the work will roll seamlessly into the new activities required to complete the Feasibility and Approvals stage.
Pre-construction and Tendering	×	N/A
Project Funding Secured	×	N/A
Contractual Close	×	N/A
Construction Commenced	×	The TIDB is working to a construction start towards the end of 2011.

Project Name: **Meadowbank Pipeline Repair**

Project Description: This project will repair leaks in an existing scheme which delivers water from Lake Meadowbank to properties in the lower Clyde Valley. It involves replacing an existing pipeline with a polyethylene replacement and installing scour protection in a section of open channel.

Project Status:

Status	Status achieved ✓ ×	Notes
Repairs	✓	The contract has been let and the project is on schedule for completion before Christmas 2010. Local contractor Spectrum Pty Ltd was awarded the tender for installation.

Project Name: **Dial Blythe Irrigation Scheme; and,**

Swan Valley Irrigation Scheme.

Project Description: These two schemes are the most recent to be added to the TIDB portfolio.

Project Status:

Status	Status achieved ✓ ×	Notes
Pre-feasibility	x	Both these projects are in the Pre-feasibility stage. • The Dial Blythe irrigators have a well developed concept of a scheme to deliver 3,000ML of water to approximately 4,000 ha of very highly productive agricultural area in the hinterland between Heybridge and Penguin. • With regard to the Swan Valley, any abstraction of flows from the Swan River catchment will be subject to significant scrutiny for any impact on the downstream Ramsar site. Thus careful consideration is being given to the direction of this project.
Preferred Option	×	It is expected that both projects will have proceeded to the Preferred Option stage during the second quarter of the 2011 calendar year.
Feasibility and Approval	×	N/A
Pre-construction and Tendering	×	N/A
Project Funding Secured	×	N/A
Contractual Close	×	N/A
Construction Commenced	×	N/A

- No parts of this submission have been provided in confidence.

Stage 1: Goal Definition	
Goal Statements	Rural water delivered sustainably to its most productive use *(Tasmanian Infrastructure Strategy)*. To substantially increase the value of agriculture, aquaculture and high value food production in the next decade *(Tasmanian Innovation Strategy)*
Objective Statements	The first tranche of the Water Infrastructure program supports the following objectives: ***Tasmanian Infrastructure Strategy*** *[http://www.dier.tas.gov.au/infrastructure2/home]* • Rural Water Infrastructure optimised for sustainable delivery of water sustainability. • Water delivered to its most productive use. • Water management based on real time information. • Water delivered on a commercial basis. • Integration of urban and rural water systems, where appropriate ***Tasmanian Innovation Strategy*** *[http://www.development.tas.gov.au/__data/assets/pdf_file/0020/25715/Tasmanias_Innovation_Strategy_2010.pdf]* • Focus research and knowledge in the agribusiness sector • Encourage sustainable innovation in primary production • Encourage competitiveness and higher value add in Tasmanian output • Support people through skills development to enhance productivity • Develop markets for innovative, high value products. ***National Water initiative*** *[http://www.nwc.gov.au/www/html/672-objectives-key-elements.asp?intSiteID=1]* • clear and nationally-compatible characteristics for secure water access entitlements • transparent, statutory-based water planning • statutory provision for environmental and other public benefit outcomes, and improved environmental management practices • progressive removal of barriers to trade in water and meeting other requirements to facilitate the broadening and deepening of the water market, with an open trading market to be in place • clarity around the assignment of risk arising from future changes in the availability of water for the consumptive pool • water accounting which is able to meet the information needs of different water systems in respect to planning, monitoring, trading, environmental management and on-farm management • recognition of the connectivity between surface and groundwater resources

and connected systems managed as a single resource.

Implementation Plan for The National Water Initiative Tasmania

[http://www.nwc.gov.au/www/html/683-tasmania.asp?intSiteID=1]

- • Expanding water markets for greater permanent trade in water,
- • Promoting more flexible and profitable water use,
- • Increasing confidence for those investing in the water industry,
- • Improving water planning and accounting,
- • Improving the way water is allocated, used and managed for environmental outcomes,

National Partnership on Water for the Future

[http://www.federalfinancialrelations.gov.au/content/national_partnership_agreements/environment/water_for_the_future/Water_for_the_Future.pdf]

- Secure water supplies and to assist with climate change adaptation through:
  - Efficient water use and management of water resources
  - Secure water supplies for towns and cities and helping households and businesses use water more efficiently; and
  - Adaptation to climate change and an environment of changed water availability.

Implementation Plan for Supporting More Efficient Irrigation in Tasmania - National Partnership Agreement on Water for the Future

[http://www.federalfinancialrelations.gov.au/content/national_partnership_agreements/environment/water_for_the_future/Tas_IP_Water_for_the_Future.pdf]

- ... assist Tasmania to use its water resources within the State's irrigation sector in a sustainable and efficient manner and Water for the Future
- The Program may include one or more, but is not limited to, the following irrigation Projects:
  - a) Midlands Water Scheme;
  - b) Sassafras Wesley Vale Irrigation Scheme;
  - c) Whitemore Irrigation Scheme;
  - d) Forth River Irrigation Schemes;
  - e) Ouse / Shannon and Clyde River Projects;
  - f) North East Dams;
  - g) Winnaleah Irrigation Scheme;
  - h) Headquarters Road;
  - i) Meadstone Dam;
  - j) Upper Macquarie Dam;
  - k) Upper South Esk Dam.

Stage 1: Goal Definition	
Goal and Objective Alignment	The goals and objectives of this program implement relevant National water reform commitments from the Intergovernmental Agreement on a National Water Initiative and the National Partnership on Water for the Future. The goals and objectives are aligned with Tasmania's Infrastructure Strategy and Tasmanian's Innovation Strategy.