

The Hon Chris Bowen MP
Minister for Climate Change and Energy
PO Box W210,
Fairfield West, NSW, 2165
chris.bowen.mp@aph.gov.au

Dear Minister Bowen,

Re: Snowy Hydro Limited Statement of Expectations from Shareholders

CC: The Hon Tanya Plibersek, Minister for the Environment and Water; Senator David Pocock; Mr Shane Rattenbury, ACT Member of the Legislative Assembly and Minister for Sustainability;

We are writing to you in your capacity as a shareholder in Snowy Hydro Limited, to seek improved consideration of environmental, cultural and social outcomes for the rivers that Snowy Hydro operations are negatively impacting upon. We are also seeking a commitment to a review of the out-of-date rules which govern Snowy Hydro's water use, so that they are in step with the rest of the Murray-Darling Basin.

Our primary concern is the 320km stretch of the Upper Murrumbidgee River, which flows past our Nation's Capital and provides drinking water to towns and communities. It is a river of high ecological, social and cultural value, but it is struggling. Over the past two decades, various agencies and bodies have documented the impacts of flow regulation on the health of the river. The recent drought from 2017-19 saw the river run dry at Tharwa, a small town just 30 km from Parliament House in the Australian Capital Territory. This event starkly showed how the ongoing lack of flows are impacting the long-term water security of the region, as well as the communities, both human and ecological, that depend upon the river to survive.

This is why we need your help. As the Federal Minister for Energy, you are one of only two Shareholders in Snowy Hydro Limited. The other Shareholder is the Federal Minister for Finance, Senator the Honourable Katy Gallagher, who we have also written to. As a Shareholder, you have the capacity to outline how Snowy Hydro operates via a Statement of Expectations.

In October 2021, the then Shareholders, the Honorable Simon Birmingham MP, Minister for Finance, and the Honorable Angus Taylor MP, Minister for Industry, Energy and Emissions Reduction, issued their 'Statement of Expectations' to the Snowy Hydro Board (Attachment A). This Statement of Expectations fails to mention any need to consider environmental values, downstream water users, or cultural and social values. Indeed, there are no expectations relating to anything other than energy production and distribution. This means that the Statement of Expectations is inconsistent with water reforms made across the rest of the Murray-Darling Basin, which aim to get a better balance across the quadruple bottom line.

As one of two Shareholders in Snowy Hydro, you have the capacity to help shape improved management and a better direction for the Upper Murrumbidgee, Snowy and the other rivers Snowy Hydro operations are impacting upon. This can be done by specifically requiring the consideration of environmental, cultural and social values in your expectations of how Snowy Hydro operates – just as public shareholders reasonably seek these outcomes from other companies. It is also timely for the wider community to better understand how the Statement of Expectations is drafted, by whom, and what process is undertaken to consider community expectations.

In addition, Snowy Hydro currently operates structures such as Tantangara Dam in the Upper Murrumbidgee River under its license with the NSW government. The rules governing operations are set out in the *Snowy Water Inquiry Outcomes Implementation Deed* (SWIOID), along with its Licence and the Statement of Expectations mentioned above. We request that you also undertake an urgent review of the SWIOID, a document that is out of date, since it was agreed to in 2002. It is noteworthy that the Commonwealth *Water Act (2007)*, the Snowy License, and the Murray-Darling Basin Plan all have statutory review periods of 5-10 years, yet the SWIOID, an intergovernmental agreement has, incredibly, no requirement to be reviewed or updated.

We are not the only ones suggesting the SWIOID needs to be reviewed. On 20 June 2022, answers to questions raised in the NSW Parliament about the status of the SWIOID noted that since 2002, the SWIOID has not been reviewed, with the answers provided by the Hon Ben Franklin MLC, indicating that there is no intent to do so.¹ In this instance, these questions were raised in relation to concerns about the lack of flows in the Snowy River, the same issues which affect the Upper Murrumbidgee River.

We believe it is essential that any review of the SWIOID is open, broad, transparent and accountable for improving the Upper Murrumbidgee River and the other rivers it applies to. It should be scoped in a collaborative way, including involvement of Australian Capital Territory stakeholders, and needs to be undertaken before the end of 2023 to inform the Water Act Review scheduled for 2024. There are provisions in the SWIOID to enable a review, we just need the direction to be set by you.

¹ 8866 - Lands and Water - SNOWY WATER INQUIRY OUTCOMES IMPLEMENTATION DEED (nsw.gov.au)

We invite you to view the webpage we have created – The Forgotten River (the forgottenriver.au) – to raise community awareness around these issues. We also refer you to our submission to the NSW Regional Water Strategy process (Attachment B), which requests the NSW government consider a review of the SWIOID as a critical step to improving water management in our region.

The Australian River Restoration Centre is passionate about protecting and restoring our waterways. We understand the importance of working together across agencies to find solutions to better manage water for multiple outcomes. We would like to meet with you to discuss these matters, particularly in relation to setting a new direction in the Statement of Expectations and a review of the SWIOID.

Please contact our Program Manager Andy Lowes at Andy.Lowes@arrc.com.au if you would like more information, and to arrange a time for us to meet.

Thank you for considering this matter.

Yours sincerely,

Awar Lovett.

Dr Siwan Lovett

Managing Director,
Australian River Restoration Centre.
22nd August 2022

The following Ministers were cc'd:

- The Hon Tanya Plibersek MP, Minister for the Environment and Water. CC'd in as these matters could relate to complex issues within the Murray Darling Basin.
- **Senator David Pocock.** CC'd in as these matters relate to the social, cultural and environmental values of the ACT and our regional water security.
- Mr Shane Rattenbury, ACT Member of the Legislative Assembly and Minister for Climate Change and Sustainability. CC'd in as these matters relate to the social, cultural and environmental values of the ACT and our regional water security. As one-of-two shareholders in Icon Water, this issue relates to Icon Water's capacity to access critical consumptive water in dry years.

Attachments:

A: Snowy Hydro Limited Statement of Expectations (October 2021), from the Honorable Simon Birmingham MP, Minister for Finance, and the Honorable Angus Taylor MP, Minister for Industry, Energy and Emissions Reduction

B: Submission to the NSW Regional Water Strategy process from the Australian River Restoration Centre (June 2022), seeking a review of the SWIOID as an option to be considered in this process.