

Padthaway WAP Stakeholder Advisory Group Minutes

Meeting No. 8, Thursday 6 August 2020, 2:00 – 4:00 pm
Treasury Wines Meeting Room, 6558 Riddoch Highway, Padthaway

Objectives

- Unbundling discussion continued.
- Risk assessment introduction.

Attendees:

Group Attendees – Kerry DeGaris (Group Chair, Limestone Coast Landscape Board), Tim Hoare, Carolyn Brown, John Summers, Scott Longbottom, Phil Brown.

Staff Attendees – Sue Botting (Team Leader, Water Policy and Planning, LCLB), Ryan Judd (Senior Project Officer, Water Policy and Planning, LCLB).

Apologies –Krysteen McElroy.

Welcome and agenda

The Chair welcomed everyone, advised on COVIDSafe requirements and discussed the proposed agenda. Thanked advisory group members and staff for their attendance.

KDG Noted that LCL Board member, Penny Schulz, will take over the chairing role in the long term. KDG will continue to chair the next few meetings to assist in the transition.

Minutes

Previous minutes from meeting 7 confirmed as true and correct.

Action outcomes to note

- Action 2.6 – On-going.
- Action 3.6 – On-going
Suggested wordings noted in Action Table
- Action 3.7 – On-going.
- Action 4.4 – On-going.
- Action 4.5 – On-going.
- Action 5.6 – On-going.
- Action 6.3 – On-going. KDG to assist as login to site needed.
- Action 7.1 – Completed.
- Action 7.2 – Completed.
- Action 7.3 – Completed.
- Action 7.4 – Completed.

Unbundling

Ryan Judd revisited last meeting's presentation on unbundling, the new regulations allowing for partial unbundling and consumptive pools, for group discussion.

Key Points:

- *Landscape South Australia Act 2019* separates licencing instruments into:
 - Water Access Entitlement (a share of the water resource)
 - Water Allocation (the volume of water the share equates to that may be taken)
 - Water Resource Works Approval (the location from which the water may be taken)
 - Site Use Approval (the site at which the water may be used)
- New regulations introduced on 1 July 2020 allow for partial unbundling. Separate Water Resource Works Approvals and Site Use Approvals are not required. Information on location of take and site to be used at would be listed on the Entitlement or Allocation. This helps to address a number of issues that would have arisen from full unbundling (e.g. need to link volume of water extracted to a location to enable management of 'hotspots').
- Entitlements in a Prescribed Wells Area will relate to a 'Consumptive Pool', not a 'Management Area'. A PWA may have one or more geographically defined consumptive pools.
- Padthaway proposal, provisionally supported at last meeting, is to have two consumptive pools defined by the same boundary as the current management areas. The Plan can specify that there is no transfer between consumptive pools, consistent with the current plan.
- Another proposal for the consumptive pools, is to have four consumptive pools and have them defined by the same boundary as the current management areas. This would result in having a tradeable consumptive pool in the 'flats' and the 'ranges' and a DS and SPR consumptive pool in the 'flats' and the 'ranges'. This would result in any DS and SPR forfeited through trade not impacting on the tradeable consumptive pools and may assist with management.
- Current licenced allocation translates directly to number of shares when establishing consumptive pools (fully allocated system).
- Example for two consumptive pools:
 - Padthaway Flats
 - Consumptive pool = 51,689,548 shares (28,402,080 tradeable + 23,287,468 DS/DPR.
 - Padthaway Ranges
 - Consumptive pool = 1,707,203 shares (1,311,153 tradeable + 406,050 DS/DPR.
- Two options for managing DS and SPR in consumptive pools:
 - Option 1: Each consumptive pool (Ranges and Flats) is divided into three classes – tradeable, DS and SPR. If DS is surrendered the DS portion of the consumptive pool reduces as does the overall consumptive pool.
 - Option 2: The Ranges and Flats each have three consumptive pools – one each for tradeable, DS and SPR. If DS is surrendered only the DS consumptive pool is reduced.

Discussion:

- The Group discussed whether an Entitlement is 'bankable' and that, in practice, a bank would not consider the asset to have maintained 100% of its value if adaptive management

restrictions had been enacted. It was noted that if a system is in decline then the value of the share will likely decrease, however if the system recovers the value of the share (Entitlement) should be maintained.

- The interpretation of the legislation in relation to the need to unbundle was discussed. The legislation does not state specifically that an Allocation is needed, however an Entitlement only gives the licensee a share of the resource - it is an Allocation that enables the taking of a volume of water from the consumptive pool. It is possible to own an Entitlement without an Allocation but the licensee may not take any water from the consumptive pool.
- CB: Maintain the current plan only making changes as required by the legislation.
- The ability for licensees who straddle the flats and ranges to use water in either location on their property can be maintained.
- The Group noted the need for clarity around the boundary of the consumptive pools – the highway is indicative of where the boundary lies but not accurate. An accurate map of the management area boundaries would be useful for Group discussion and community consultation.
- Group questions re SPR and DS:
 - Are SPR and DS tradeable?
RJ: SPR and DS are not tradeable on their own – they can only be traded with a tradeable portion in a 'like for like' use and ratio. Where flood tradable is converted to spray the DS is permanently surrendered to the Crown.
 - Confirm if DS + SPR are accounted for within the total allocation volume?
RJ: Yes. SPR and DS are included within the total allocation volume.
 - Is there a proportional relationship between tradeable and SPR and DS?
DW: No. SPR and DS were determined for each licensee based on area of land during volumetric conversion.
 - How is the consumptive pool affected if DS is surrendered?
RJ: The relative consumptive pool will be reduced by a volume equivalent to that of the surrendered DS.
 - Can SPR be removed and transferred to tradable?
RJ: Further information can be provided for group discussion.
Comments: Need to consider the equitability of any transfers. Transferring SPR to tradeable could result in substantial financial gain – unfair to other licensees.
 - How is carry-over dealt with?
RJ: Carry-over is not included in the consumptive pool.
DW: Carry-over will be specified each year on the allocation.

ACTION: Prepare an accurate map of the Padthaway Prescribed Wells Area and current management areas for the Group.

ACTION: Data on SPR allocations and use to be prepared and presented at the next meeting for Group discussion.

Risk Assessment

Ryan Judd presented further on the risk assessment process.

Key Points:

- A risk assessment process provides a means of checking that any significant issues with a plan have been identified.

- A risk assessment: identifies risks, assesses the potential consequence of each risk and the likelihood of it occurring, and makes treatment recommendations.
- The DEW framework specifies three areas of risk to consider: the risk to the resource, the risk to community values and the risk to the operation of the plan.
- Summary of methodology:
 - Group agrees to consequence criteria to ensure consistency in interpretation (ie under what conditions is something considered to be 'catastrophic' or 'insignificant').
 - Group agrees to risk statements to be evaluated. Relevant data and technical expertise is available to assist.
 - For each risk statement each individual scores the likelihood of the event occurring within the life of the plan as a percentage for each consequence category. Relevant data and technical expertise will be available to assist. Likelihood categories are classified according to probability (eg very unlikely = 0-5% probability).
 - Individual likelihood scores are collated and averages for each of the consequence criteria determined. These are translated into risk levels of low, medium or high using a risk matrix. The highest risk level recorded is the resultant risk for that risk statement.

Discussion:

- JS: Are risks to the users considered?
SB: Risks to users should be picked up in community values, if not additional risk statements can be included.
- General support from the Group to undertake the risk assessment. The Group noted that as representatives of the community they should take full part in process.
- Workshop could be run over two sessions with the first session focussing on simpler risk statements allowing the Group to get familiar with the process and have the opportunity to add / amend risk statements for second workshop.

ACTION: Check that risk statements include risks to users.

ACTION: Group to review consequence criteria and risk statements and provide feedback and / or additional risks for consideration.

Other business

- JS questioned if Lake Cockatoo will be considered in the Plan as community members had noted its importance for amenity and recreational purposes.

RJ: Lake Cockatoo is a high value groundwater dependent ecosystem (GDE) and so is required to be considered in the Plan. Discussions with the South East Aboriginal Focus Group identified Lake Cockatoo as also having important cultural values that will need to be considered in the Plan.

Next steps

- Review of SPR.
- Risk assessment – session one.

Next meeting date

- Next meeting date: Thursday 17 September 2020 1:00 pm – 4:15 pm.

Close of meeting

Meeting closed at 3:42 pm.

The Chair thanked the stakeholders and staff for attending.

**Padthaway WAP Stakeholder Advisory Group
Action Table**

Action	Padthaway WAP Stakeholder Advisory Group Actions	Status	Meeting 8 Update
2.6	Prepare and distribute to the Group an explanation / example of the application of the three year rolling average SPR carry-over.	On-going	Held open
3.6	Consider alternative wording to "Resource Condition Triggers". Suggested wordings: "Warnings" and "Actions" "Resource condition indicators"	On-going	Held open
3.7	Consult with DEW re feasibility of providing more tailored water quality and level data and trends directly to licensees.	On-going	Held open
4.4	Investigate suggested alternatives for groundwater level resource condition triggers and limits.	On-going	Held open
4.5	Consult with relevant DEW teams to review annual reporting to better inform licensees of Padthaway salinity and groundwater levels and trends.	On-going	Held open As per Action 3.7
5.6	Further investigate options for managing commercial-in-confidence data.	On-going	Held open
6.3	Investigate possible changes to vineyard extent in the Padthaway since 2009.	On-going	Held open
8.1	Prepare an accurate map of the Padthaway Prescribed Wells Area and current management areas for the Group.		
8.2	Data on SPR licences and use to be prepared and presented at the next meeting for Group discussion.		
8.3	Check that risk statements include risks to users.		
8.4	Group to review consequence criteria and risk statements and provide feedback and / or additional risks for consideration.		

Action Table – Closed Items

Action	Padthaway WAP Stakeholder Advisory Group Actions	Status
1.1	Amend Terms of Reference	Complete
1.2	Unbundling presentation for meeting 2	Complete
1.3	Forward both Daniela and Cameron's meeting 1 presentations to SAG members	Complete
2.1	Forward unbundling presentation to the Group	Complete
2.2	Confirm requested information regarding delivery supplements and the current sustainable limit and allocations	Complete
2.3	Available water extraction, rainfall and salinity data for the last ten years to be compiled and forwarded to the group	Complete
2.4	Forward presentation on the current Padthaway Water Allocation Plan to the Group.	Complete
2.5	Confirm requested information regarding transfers, carry-overs and divided allotments.	Complete
2.7	Terms of Reference to be amended, as discussed, and distributed to the Group.	Complete
3.1	Forward Groundwater Modelling and Resource Condition Limits (RCLs) presentation to the Group.	Complete
3.2	Further information on flow from the ranges to the flats to be provided.	Complete
3.3	Further information required on modelled salinity output confidence levels, with respect to landuse and spatial patterns, and potential areas to improve the model.	Complete
3.4	Contact PIRSA (Mel Fraser) to investigate current or potential soil salinity monitoring projects of relevance.	Complete
3.5	Scenarios to be run for average extraction, full allocation and reduced rainfall.	Complete
3.8	Confirm requested information for RCT and RCL discussion.	Complete
3.9	Ryan to present further information on the Citizen Science salinity monitoring project.	Complete
4.1	Forward updated salinity modelling and groundwater modelling scenarios presentation to the Group.	Complete
4.2	Forward heat mapping and other information to the Group.	Complete
4.3	Licensing to check that if DS has been returned that Total Allocation has also been reduced, and to confirm the current Total Allocation volume.	Complete
4.6	Forward salinity monitoring project presentation to the group.	Complete
5.1	Decision Register to be updated with reference to salinity modelling limitations as a key consideration in the decision to not have an RCT or RCL for salinity.	Complete
5.2	Examples of how unbundling applies to Padthaway licences to be prepared for the next meeting.	Complete
5.3	Request advice from Cameron Wood on the use of saturated thickness as an RCL measure and how it varies across the Padthaway area.	Complete

Action	Padthaway WAP Stakeholder Advisory Group Actions	Status
5.4	Forward presentation of RCL and RCT graphs to the Group amended with only winter observation wells' readings included.	Complete
5.5	Prepare examples of the application of the proposed RCL/RCTs to past data and future modelled scenarios, the percentage of well exceedances for each management area, and projections for the recovery of the resource.	Complete
6.1	Forward Simone's unbundling presentation to the Group.	Complete
6.2	Forward Action 5.3 response to the Group.	Complete
6.4	Forward RCL Scenarios presentation to the Group.	Complete
7.1	Forward Meeting 7 unbundling presentation to the Group.	Complete
7.2	Forward legislative references for bundling and unbundling to the Group.	Complete
7.3	Forward risk assessment presentation to the Group.	Complete
7.4	Prepare a list of risk statements for consideration by the Group.	Complete

Padthaway WAP Review 2019/20
Decision Register

Issue	Meeting	Decision
Terms of Reference	3	Group agreed to adopt the Terms of Reference
Guiding principles for WAP review		
Resource Condition Triggers and the concept of Resource Condition Limits	4	Group agreed to have no RCT or RCL for salinity
	4	Group agreed to having an RCL for maintaining throughflow of groundwater from the Ranges to the Flats
	4	Group agreed to having an RCT and an RCL for groundwater levels
Timeline for Resource Condition Triggers and Resource Condition Limits	5	Group agreed to the proposed timeline for responses to resource condition triggers and limits
Carry-over	6	Group <i>provisionally</i> agreed that carry-over should be suspended if RCT B is reached as an adaptive management step to prevent the RCL being reached.
Adaptive management	6	Group agreed that management responses activated through the triggering of RCTs and RCLs are to be applied to the entire Padthaway PWA.