

Colbinabbin Park,
Colbinabbin 3559
17/6/09

Department of Environment, Water
Heritage and the Arts,
Attention Hon Peter Garrett.
Fax 02 6273 6101

Dear Sir,

I am forwarding to you copy of a report I have sent to Hon Tim Holding, Minister for Water on 16/6/09.


This report shows that the Victorian Government has fabricated the figures to achieve the results they required to make the FMP proposal acceptable.

This report follows on from the report I sent to you 9/1/09 and further reports on 23/4/09. Mr David Calvert said in answer to my letters that the issues I have raised have been noted and will be considered as part of the rigorous due diligence assesment. This report confirms my original reports that the volume of water as proposed by the Victorian Government is not available.

It is inconceivable that the present Brumby Labor Government has set out to deliberately 'mislead all Victorian's as well as the Federal Government and then attempt to hide their actions with spin and lies.

It is essential that any detailed business case on the \$1 billion Stage 2 project is based on correct volume of savings. These savings should be checked by the MDBA on the figures used in the 2006 Cap Model report and not rely on the fabricated figures as proposed by the Victorian Government.

Yours faithfully,


Bruce M Bassed PH 04 3956848

Colbinabbin Park,
Colbinabbin...3559
16/6/09

Hon. Tim Holding MP
Fax 8684 8014

Dear Mr Holding,

In checking the savings available in the GMID for distribution as proposed by the Government under the FMP, I find a very large discrepancy between the results of the computer runs of the Goulburn Simulation Model used for the MDB Cap Model, 2006 and the FMP Proposal.

The attached report shows the correct figure of 105 GL in the GMID for 2008-2028 which is a great variance from the Government's claim of 475 GL (includes 69 GL from Shepp. district and CG 1-4).

Could you advise me how the DS&E arrived at the very high total for the FMP as compared to the MDB Cap Model. Both these runs were made using the same computer model over the same years, 1891 to 2004.

Yours faithfully,



Bruce M Basset
PH 04 39564838

c.c Mr Campbell Fitzpatrick DS&E ✓

BRUMBY LABOR GOVERNMENT WILL STEAL WATER - BRUCE BASSED

The Hon John Brumby has stated his intention of transferring water from the GMID to Melbourne and the environment. This will be achieved from upgrades to channel infrastructure which will reduce losses in the system. The theory put up by the DS&E is that of the 900 GL total loss shown from their computer programme, half can be saved which will increase the efficiency to 85%.

The DS&E state that the program has been audited by the Murray Darling Basin Commission (MDBC) but this run was not submitted to the MDBC as part of the Cap model so it has not been audited.

The MDBC independent audit of the Cap Model, Dec.2006 included information up to the end of 2003/04 and the details shown in this model run do not match the details in the FMP Proposal which would have been run at about the same time. Both these models have a simulation period from 1891 to the present and show the average annual figures for the simulation period.

TABLE 1. Savings Achieved to bring GMID Efficiency to 85%.

	FMP Proposal (GL)	2006 Cap Model (GL)
Goulburn Component		
Delivery	1305	1135
Diversion	1780	1467
Loss	475	332
15% Loss (85% eff.)	267	230
Savings	208	102
FMP Upgrades (80% CG, Rochester & Pyramid/Boort)		
Stage 1	104	26
Stage 2	104	26
Water for Rivers (Shepp.& 20% CG.)	69	50
Murray component	198	56
Total Savings	475	158
Distribution of Savings		
Melb. Water	75	18
Environment	235	95
Irrigators	165	45
GMID Total Savings	475	158

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Table 1 shows a very large difference in the results from the two models run by the DS&E. The 2006 Cap model is based on results from the Goulburn Simulation Model which is controlled by the DS&E and as the results from this run have been accepted by the MDBC and the details published they can be used with confidence in calculating savings in the Goulburn component.

The results obtained in running the Goulburn Simulation Model for the FMP Proposal are so far in excess of the results from the 2006 Cap Model that the inputs would have been fabricated to ensure that the results matched the losses required to make the FMP Proposal acceptable.

In the FMP Proposal the average diversion of 1780 GL has only been exceeded five times in the last twenty five years, all with efficiencies of 78 to 81 percent and allocations of 160 to 200 percent, so it would seem unlikely that this high average diversion could have been maintained with the average efficiency in the low 70's.

The results from the FMP proposal model run were so optimistic that the DS&E management, the Minister for Water and the Premier would have known the model was a complete farce and in no way could be representative of the behaviour of the GMID irrigation system. In spite of this knowledge of a fabricated model, the Premier and the Minister for Water are still saying at every opportunity "Stage 1 will recover 225 GL of savings for distribution". The only conclusions that can be drawn from this is that the Labor Government will use the DS&E to muddy the waters to such an extent that the farmers will never realise that of the 475 GL total proposed by the Government as savings, 345 GL will be stolen off irrigator allocations.

G-M Water have reduced the efficiency of the system from 80 percent to the low 70's in the Goulburn component and high 60's in the Murray component. The losses up to 80 percent efficiency can be overcome with a targeted annual maintenance program and

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these losses would stay in the system as the irrigation district would now be run in the same competent manner as had been the case prior to G-M Water's management. With this in place any savings above 80 percent can be distributed in accordance with the Governments directive.

TABLE 2 Savings Achieved to lift GMID Efficiency from 80 to 85 %

	2006 Cap Model (GL)	Annual Reports 1985-2007 (GL)
Goulburn Component		
Delivery	1135	1099
Diversion	1467	1459
20% Loss (80% eff.)	293	292
15% Loss (85% eff.)	220	219
Savings	73	73
FMP Upgrades (80% CG, Rochester & Pyramid/Boort)		
Stage 1	29	27
Stage 2	28	26
Water for Rivers	16	20
Murray Component	56	57
Total Savings	129	130
Distribution of Savings		
Melb. Water	19	18
Environment	63	66
Irrigators	47	46
GMID Total Savings	129	130

Table 2 shows the savings for the GMID calculated from the information in the 2006 Cap Model and the Annual Reports from 1985 to 2007. Both these are based on savings up to 80 %

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efficiency staying in the system. Savings above this limit are transferred to distribution. The savings shown in the Annual Reports 1985-2007 of 130 GL are very similar to the result of the 2006 Cap model (129 GL) which proves the FMP Proposal showing 475 GL savings in the GMID is nonsense.

The results shown to date are based on historical information, but irrigators need information for the next 20 years on which to base decisions. The average savings achieved for distribution for the period 2008-28 can be calculated by starting with Graph 4 with medium climate change and Table 2 in the report Losing the Foodbowl 1992 - 2007. The forecast average diversion for 2008/28 is 1175 GL. As before the savings up to 80 percent efficiency will stay in the system and savings recovered from 80 to 85 percent are available for distribution.

Table 3

Savings Achieved to bring GMID Efficiency to 85% - 2008/28

Goulburn Component (GL)	
Average Diversion	1175
Loss at 80% effic.	235
Loss at 85% effic.	176
Savings for distribution	59
FMP upgrades	
Stage 1	12
Stage 2	13
Water for Rivers	34
Murray component	46
Total GMID savings	105
Distribution of savings	
Melb. Water	12
Environment	64
Irrigators	29
GMID total savings	105

In Table 3 the total savings based on the totals for the Goulburn and Murray components gives a similar result to that shown in Summary No 2 - GMID Savings (103 GL). If the 2006 Cap

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model was run up to 2028 with average diversion of 1175 for 2008-2028 it will show similar savings to those in the calculations in Table 3.

With Stage 1 achieving 69 GL of savings at a cost of \$1 billion the unit cost is \$14,500 per ml.

Melbourne Water ratepayers obtaining only 12 GL of water at a cost of \$1.1 billion (FMP upgrades, N/S pipeline and treatment plant), the unit cost is \$91,700 per ml.

Stage 2 is to be funded by the Commonwealth Government at a cost of \$1 billion to transfer 36 GL to the environment at a cost of \$27,800 per ml. Stage 2 may never go ahead.



Bruce M Bassed

9 June 2009