

Department of Planning and Environment

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# NSW Statement of Reasons: Modernisation of the TARC Syphon Feasibility Project

Off-farm Efficiency Program

October 2022



# Acknowledgement of Country

The Department of Planning and Environment acknowledges that it stands on Aboriginal land. We acknowledge the Traditional Custodians of the land and we show our respect for Elders past, present and emerging through thoughtful and collaborative approaches to our work, seeking to demonstrate our ongoing commitment to providing places in which Aboriginal people are included socially, culturally and economically.

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# 1 Project details

<b>Name</b>	Modernisation of the TNIS TARC Syphon Feasibility Project
<b>Location</b>	Ralbi Road and Foremans Lane, Gin Gin
<b>Proponent</b>	Trangie Nevertire Co-operative Limited
<b>Australian Government funding sought</b>	\$132,000 (feasibility – this application)
<b>Water recovery for the environment</b>	Nil – feasibility application

## 2 Project summary

This project will investigate the feasibility of upgrading the TARC syphon, a key component of the Trangie Nevertire Irrigation Scheme (TNIS). The TARC syphon was installed in 1968 and transfers irrigation water under the Two Mile Cowal. This aging infrastructure requires an upgrade to reduce water losses through leakage and potential failure.

The project will benefit the communities of Trangie and Nevertire, particularly those community members reliant on the water delivered through the TARC syphon.

## 3 NSW Government decision

The NSW Government has determined this project meets the feasibility criteria and the intended full project is expected to deliver water for the environment to the Australian Government through efficiency gains from eligible activities.

The NSW Off-Farm Water Efficiency Expert Panel reviewed the project against the case for change and deliverability criteria and determined the project meets the criteria.

## 4 Summary of key steps

Between July and September 2022, the NSW Government worked with the Trangie Nevertire Co-operative Ltd to develop a project proposal for the feasibility project.

At a meeting held on 27 September 2022 the Off-Farm Water Efficiency Program Expert Panel reviewed the project proposal. The panel includes water experts from the Department of Planning and Environment, experts in socio-economic analysis from within the NSW Government and an independent advisor, as well as an independent probity advisor. The panel considered the information prepared by the Trangie Nevertire Co-operative Ltd (TNCL) and the NSW Government when making its recommendation.

The panel endorsed this Statement of Reasons on 28 September 2022, and the NSW Off-farm Efficiency Program Steering Committee approved the project to proceed to the Australian Government for endorsement on 5 October 2022.

## 5 Reasons for the decision

This feasibility proposal will enable the proponent to identify options for upgrading the TARC syphon and verify water losses, savings and returns to inform a full project application.

TNCL has already invested \$70,000 into preliminary investigations into the modernisation of the syphon. These investigations have informed the TNCL focus for further feasibility studies to two options: lining of existing pipes and replacement of all pipes.

The activities detailed in the feasibility proposal are eligible activities and will inform a full project proposal. An indicative budget and water savings for a full project proposal has been provided and will be revised once the feasibility studies have been completed. The feasibility project is expected to take three months to complete.

The full project is expected to take approximately six months to complete and will:

- Deliver water savings back to the environment,
- Contribute to the long-term water security for regional communities by upgrading infrastructure with long term viability,
- Minimise the risk (both to community and those reliant on water delivered via the infrastructure) of failure of the infrastructure,
- Improve network water use efficiencies for TNCL users, and lead to productivity gains, and
- Contribute to the local economy throughout the planning and construction phases of the project.

The TARC syphon was installed in 1968 and is a critical component within the modernised irrigation scheme. Failure of the syphon could have a significant impact on system delivery. Upgrading this asset will ensure the continued efficiency and effectiveness of TNIS operations.

Continued benefits of the modernised scheme include:

- Improved delivery of stock and domestic water by approximately 230km of underground pipeline to 102 properties within the Scheme area, regardless of seasonal conditions and water allocations,

- Benefits to individual farm operators, who have been able to carry on their irrigated enterprises in a low allocation year,
- Flow on benefits to the Trangie-Nevertire community who have benefited from supplying those operators that would have ordinarily not been irrigating during lower allocation periods. The TNCL ensured environmental considerations were included in the design of the modernised TNIS. The upgrade of the TARC syphon will support the continuation of environmental benefits by addressing water losses caused by the existing leaking infrastructure and return water to the environment.

Delivered in full this project would support the regional economy in the district through purchasing and hire of local plant equipment and professional services to perform feasibility studies and deliver full-project activities. TNCL recognises and values the ongoing benefits of local investment, where the direct procurement of goods and services leads to ongoing benefits within the community and local businesses.

Where possible, TNCL will procure products and services in line with the Indigenous Procurement Policy which aims to stimulate Indigenous entrepreneurship, business and economic development and providing Indigenous Australians with more opportunities to participate in the economy.

The proposed feasibility and full project timeframes suggest that a full project can be delivered, and water entitlements returned prior to 30 June 2024.

Based on the current estimated project value and water savings, the full project is likely to:

- represent a good value for money investment for the Australian Government
- ensure the proponent and its members receive a fair value for their water entitlements
- create a viable and sustainable irrigation system for the long term.

Water Infrastructure NSW, on behalf of the NSW Government, will validate the socio-economic impacts of the full-project proposal once feasibility activities are completed, and this analysis will inform a full project application.

## 6 Further information

For further information regarding the Off-farm Efficiency Program visit [dpie.nsw.gov.au/off-farm-efficiency-program](https://dpie.nsw.gov.au/off-farm-efficiency-program) or contact Water Infrastructure NSW by:

- emailing [winsw.programs@dpie.nsw.gov.au](mailto:winsw.programs@dpie.nsw.gov.au)
- calling 1300 081 047.