

4 August 2023

The Officer in Charge,  
Water Policy and Planning Branch – Draft Bill submissions  
Department of Natural Resources and Environment  
Tasmania  
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Dear Sir or Madam,

**RE: Draft Water Miscellaneous Amendments (Delegation and Industrial Water Supply) Bill 2023**

The Tasmanian Minerals, Manufacturing and Energy Council (TMEC) welcomes the opportunity afforded it to provide comment on the Draft Water Miscellaneous Amendments (Delegation and Industrial Water Supply) Bill 2023 as exhibited on the Department's website.

TMEC commends the intent as described in the draft Water Miscellaneous Amendments (Delegation and Industrial Water Supply) Bill 2023 and proposed changes to Tasmania's Irrigation Company Act 2011, Irrigation Clauses Act 1973 and Water Management Act 1999. Ensuring the state has all the enablers in place to attract private investment to build the assets and processes needed by society has lagged the aspirational statements to become 200 percent renewable. This legislation seeks to provide certainty, but this submission proposes changes which potentially makes this amendment less restrictive than it currently is.

TMEC supports the inclusion of industrial scale water use beyond rural uses. TMEC would recommend the specific reference to hydrogen production limits the amendment to a technological moment in time which remains speculative. TMEC would suggest defining the use for "industrial purposes" provides a less restrictive control and therefore serves to illustrate to all new potential industrial users a clause exists for an application to be considered. Industrial scale water supplies for data centers and other mineral processing facilities are two examples of current technology which would require access to water and are not hydrogen industry related. TMEC notes the amendment as currently drafted has the provision for an alternate industrial use to be subjected to the disallowance process which effectively permits this but does subject an enterprise decision to the political operatives on the day. TMEC believes this adds further weight to the already difficult environment to do business in Tasmania.

The definition of "industrial use" needs to ensure the water is available for use within a process as well as serves the purpose to support ancillary processes, such as cooling, dilution, cleaning and so forth.

TMEC acknowledges an industrial user potentially shares the financial burden of the asset, which is distributing the water, which effectively underwrites some of the capital costs and therefore aids in the economics of the irrigation project. Industry and agriculture sectors would equally benefit; hence it is important fixed cost charges are reflective of the volumes of water used or distance of pipelines and not a perception of capacity to pay.

Once water supply is secured for an industrial process, the reliability of supply is directly linked to production of product, which in turn drives financial liability. What protections are in place in the event the supply of water is

disrupted – be it a weather event or an asset related failure. Does the legislation need to make a provision or does that reside in the regulations or individual contracts.

Water is a valuable commodity. Should the legislation encourage recycling and reuse or downstream further use or is that best left in the details away from legislation?

TMEC acknowledges the intent of restricting the water being used for hydro-electricity generation and use of water by a regulated entity. While it is TMEC's interpretation this is to prevent water being entirely used for in direct competition of existing state-owned entities (Hydro Tasmania, Tas Irrigation). The legislation should not restrict efficient use of water which may see mini turbines used on the incoming water supply main or wastewater exiting the process being used for irrigation. There should be some ability for a proponent to not be penalised in being energy and resource efficient.

Thank you for the opportunity to provide comment on the Draft Water Miscellaneous Amendments (Delegation and Industrial Water Supply) Bill 2023. Please don't hesitate to contact us if you require further information.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Ray Mostogl', written in a cursive style.

**Ray Mostogl**  
**Chief Executive Officer**