



**Southern
Rural Water**

A vision for the Macalister Fresh area's thriving future

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Introducing Macalister Fresh

The Macalister Fresh project is a plan through to 2050, that will create economic, cultural, and environmental opportunities from already completed irrigation modernisation, potential new projects and the re-allocation of the “3/4 Bench” water from the Latrobe Bulk Entitlement. The project area includes the Macalister Irrigation area (MIA), Latrobe River and Avon River. The concept is to create a new irrigated food and fibre powerhouse under a common brand.

The Macalister Irrigation District (MID) is the largest irrigation district in southern Victoria and supports a strong dairy and livestock sector with developing vegetable and cropping industries that are part of Gippsland's \$7 billion agricultural sector.

Modernisation of the MID began in 2003 with the Nuntin Pipeline followed by channel measurement projects that created water savings through reduced outfalls. The MID 2030 Strategy was produced in 2007 and proposed a program of works to reduce system leaks and improve water efficiency in the district from less than 60 percent in 2004, to up to 90 percent on completion in 2024.

The MID 2030 modernisation project has been delivered in three phases (1A, 1B and 2), with Phase 2 scheduled to finish in 2024. In total, the project will deliver around 30 gigalitres of water savings.

We have a chance to reflect on how to use these savings. We also have an opportunity to finish modernising the Macalister Irrigation Area system, how to get more out of it and what else we want to achieve to help secure a thriving region long into the future.

Identifying more water savings, delivering best practice irrigation, and finding innovative solutions to our future challenges will be key priorities. And we need to ask customers, stakeholders and the communities we serve what the future looks like, and how we realise opportunities that deliver economic, environmental and cultural benefits for the region. Macalister Fresh will provide a pathway for how we get there.

The Southern Victorian Irrigation Development project short listed irrigation development opportunities along the Latrobe and Avon Rivers.

- A feasibility study was completed for the Avon River which proposes entitlement from the Thomson Macalister system could supply a modern piped irrigation system east of the Avon River,
- The proposed re-allocation of entitlement from the “3/4 Bench” entitlement held in Blue Rock for future brown coal mining has provided an opportunity to develop irrigation along the Latrobe River.

These projects will be considered within the Macalister Fresh project.

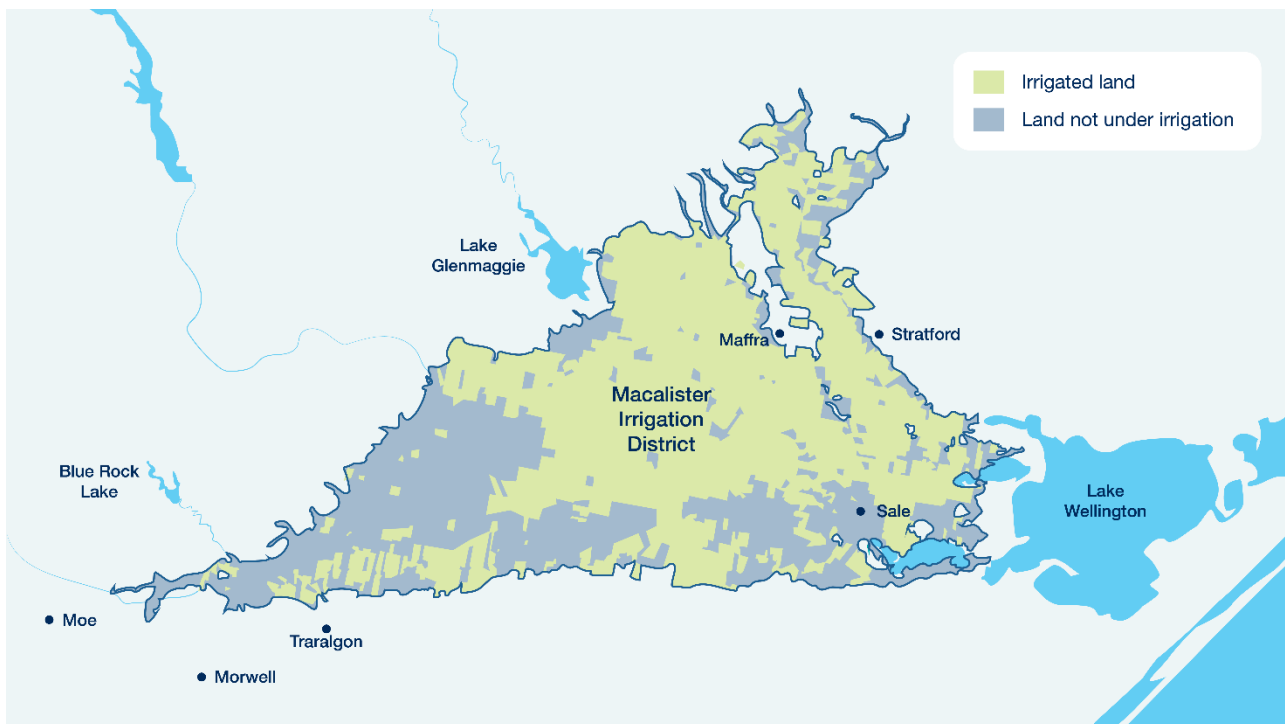
The Macalister Fresh project will be delivered over 18 months in four phases. Phase one involves developing a vision for the region, which we will discuss in more detail soon. Phases two and three will involve working with stakeholders to develop principles and frameworks to guide water sharing and investment decisions, and developing project opportunities that align with the Macalister Fresh Vision, our business plan and regional strategic priorities.

This work will culminate in the development of an investment proposal that will articulate the value of rural water management and reliability in the region and will include a range of investment opportunities to help drive public and private investment in the region.

Project area and potential

Macalister Fresh gives us an incredible opportunity to dream big about the region's future and deliver a plan to unlock more regional economic, cultural, and environmental benefits.

The Macalister Fresh lens will focus on the Macalister Irrigation Area (MIA), Latrobe River and Avon River areas. These areas in Gippsland produce much of Australia's premium food and fibre and we manage the water that powers this agricultural activity.



Over the past 20 years we have invested tens of millions of dollars modernising water delivery infrastructure in the Macalister Irrigation District. This has delivered significant water savings.

We now have an opportunity to think about how we maximise the benefits of this once-in-a-generation investment. To do this, we need to develop a vision for Macalister Fresh.

Developing the Macalister Fresh vision together

We included stakeholders early in the project to help get buy-in from the get-go and secure better project outcomes. We began talking with our customers, businesses, government agencies and the community when the Macalister Fresh project started in November 2023.

Visioning workshop

We kicked off our consultation by hosting a visioning workshop at the Maffra Lawn Tennis Club on Thursday, 30 November 2023.

The session was facilitated by a specialist consultant and attended by 20 customer and stakeholder representatives. The workshop asked participants to provide feedback on four main questions:

- What they want the Macalister Irrigation Area and surrounds look like in 2050?
- What challenges we could face?
- What opportunities we could leverage?
- What things need to happen to get there?

Participants provided feedback on the challenges and priorities in the region, and their aspirations for opportunities around more water, best practice and innovation, great partnerships and realising the value of the region as a place of prosperity. By the end of the workshop participants had agreed on four elements for a Macalister Fresh vision.

Customer and stakeholder survey

We developed a survey to collect wider feedback and refine the vision elements and key directions that workshop participants had identified.

The survey was sent to around 700 Southern Rural Water customers and stakeholders in the Macalister Fresh Area. We promoted the survey widely and received a seven percent response rate.

Organisations that responded to the survey include West Gippsland CMA, Agriculture Victoria, Upper Avon Landcare, Latrobe Valley Authority and Wellington Shire Council.

Survey respondents were asked to rate each vision element and provide feedback on the key directions for each element. There was general support for the four vision elements, although some were more strongly supported than others. Below is a summary of the results and feedback for each element.

Vision elements:

Element	Rating	Feedback
More water	4.2/5	This element scored highest. Increasing water security and water storage were identified as the most important future directions. Some responders supported expanding irrigation and making environmental improvements, others want Southern Rural Water to focus on providing affordable and reliable water.
Great partnerships	4/5	Creating an industry reference group that brought customers, industry, government and the community together received the most support. Responders strongly supported partnerships that were transparent, authentic, accessible, and minimised bureaucracy.
Best practice	3.8/5	Finishing the Macalister Irrigation District modernisation and educating farmers about improving on farm water practices were directions that got the most support. Prioritising environmental sustainability and ongoing communication with farmers were also identified as being important.
Telling the Macalister Fresh story	3.5/5	This element rated lowest. However, including the reliability and security of water into the future as part of the Macalister Fresh story got the strongest support, with over 40 percent rating it as critically important. Less support was given to developing a marketing and branding strategy related to sustainable water use.

Southern Rural Water leadership team Macalister Fresh vision workshop

On Wednesday, 28 February 2024 we hosted a workshop attended by 22 senior leaders at Southern Rural Water. Facilitated by our specialist consultant, we reviewed, investigated, and discussed the feedback and insights we received from consultation with our customers, businesses, government agencies and the community.

The main aim of the workshop was to consider the implications of the draft vision elements and key directions feedback for Southern Rural Water, the steps required to bring the vision to life, areas of the vision that needed to be refined and alignment to government policy and our strategic plans.

By the end of the workshop, participants named a range of actions Southern Rural Water is undertaking now, and in the future, that complement or fulfil the vision elements identified and supported by customers and stakeholders during consultation.

Southern Rural Waters current and future actions were also assessed against the Central and Gippsland Region Sustainable Water Strategy and our strategic priorities and were found to broadly align.

Appointing a Macalister Fresh Customer Reference Group

In March 2024 we appointed a Macalister Fresh Customer and Stakeholder Reference Group through an expression of interest process aimed at recruiting a diverse range of skills, expertise and lived experience.

Customers from Macalister, Avon and Latrobe areas, Traditional Owners, government agencies, industry bodies, catchment management and local government are represented in the stakeholder reference group. This group will help us understand the needs and expectations of our customers, partners and wider community, and support us in delivering the Macalister Fresh project.

We held our first stakeholder reference group meeting in May 2024 to discuss the findings of our consultation and assist with the developing a final vision statement and vision elements.

We will continue to host regular stakeholder reference group meetings this year and in 2025, and appreciate the time, feedback and passion they are giving to this region-building project.

Macalister Fresh Vision

Over the past six months we have worked closely with our customers, stakeholders and the community to understand and incorporate their expertise and aspirations.

We have distilled this feedback into a high-level vision that aligns with business and government regional strategies that set the policy direction for securing long-term water supplies.

We believe Macalister Fresh Vision will lay the foundations for this region-building project that will inform new projects and drive future investment in the region.

Macalister Fresh Vision Statement

The Macalister Fresh irrigation area develops into a climate resilient Gippsland province with a shared ambition of innovation and partnerships that enable our community, region and environment to flourish.

The region will achieve this vision through:

More water

Maximising water security and managing water efficiently to enable a productive irrigation region.

Great partnerships

Nurturing strong partnerships with government, industry, community and Traditional Owners to create opportunities to flourish for all who live and work here.

Best practice and innovation

Valuing innovation and applying best practice water management to deliver social, environmentally and economically sustainable outcomes with acceptable risk.

Telling the region's story

Recognising what is special about the region and embracing opportunities to share its story as a place of prosperity to attract new investment for long-term growth.

Next steps

Now we have a vision, we have started phase two of the Macalister Fresh project that involves developing an investment decision-making framework and water savings distribution principles.

This work is vital to ensuring that consistent, robust, fair and best practice systems can be used to support investments and water savings that are responsible, environmentally sustainable, economically viable, and promote access to reliable water that delivers benefits to regional communities.

We are working with a specialist consultant and our stakeholder reference group to deliver this phase of the project.

