

30 April 2018
Mr Phillip Glyde
Chief Executive Officer
Murray-Darling Basin Authority

Dear Mr Glyde,

**RE: INDEPENDENT REVIEW OF SOUTHERN BASIN COMMUNITY MODELLING
APPROACH - UPDATE ON PROGRESS TO DATE**

On behalf of my colleagues Drs Nam Hoang and Jim McFarlane and I, I write to advise of the progress of MDBA and KPMG in undertaking the economic modelling work for water recovery as part of the Basin Plan for the Southern Basin communities. We are grateful to the MDBA in choosing us to undertake this review of what will be another milestone in Australia's water reform and local rural community history following the modelling work undertaken for the Northern Basin.

Consistent with our previous review work, we found Dr Phil Townsend and his team at the MDBA along the KPMG team more than willing to consider our views on how to improve the modelling work. There have been regular meetings throughout the previous months of work, where I have been invited to view and observe, in person and through video link, telephone and email, the work of the MDBA and KPMG. I have asked many questions and provided many suggestions for improvement. These questions and suggestions for improvement have been met seriously and many times the MDBA and KPMG have considered and investigated suggestions to see if they improve the modelling (e.g. worker mobility implications for local community impacts). As a result of this genuinely iterative process, as deliberately led by Dr Townsend, I believe the MDBA have been very thorough and have shown due care and diligence in undertaking their modelling work which is thus far fit-for-purpose - rigorously attempting to capture local economic conditions and nuance in the face of and as a result of water recovery. I therefore have every reason to believe that this diligence and fitness-for-purpose will continue.

Indeed the modelling work and the important supporting information that has been prepared to date is much needed to help local communities manage, plan and prepare for changes in water supply and reliability along with the full range of changes before them.

Again, thank you for including us as reviewers of this milestone piece of work and we look forward to seeing the continuing modelling results progress along with the draft report of the MDBA.

Yours sincerely,



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