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# Compliance with water management principles – Amending the Water Sharing Plan for the Barwon–Darling Unregulated River Water Source 2012

The NSW Government has amended the *Water Sharing Plan for the Barwon–Darling Unregulated River Water Source 2012.* This document explains how the changes comply with the water management principles of the *Water Management Act 2000.* 

# Requirements for amending a water sharing plan

Amending a water sharing plan requires the approval of the NSW Minister for Lands and Water and the agreement of the NSW Minister for Environment and Heritage. When amending a plan, Section 9 of the *Water Management Act 2000* (the WM Act) requires the ministers to:

- take all reasonable steps to promote the water management principles and
- give priority to the water management principles relating to water sharing in the order they are set out under s5(3) of the WM Act.

The water sharing management principles under s5(3) of the WM Act are (in their order of priority):

- 1. Sharing water from a water source must protect the water source and its dependent ecosystems.
- 2. Sharing water from a water source must protect basic landholder rights.
- 3. Sharing or extraction of water under any other right must not prejudice the principles set out in points 1 and 2.

The Minister for Lands and Water gained the agreement of the Minister for Environment and Heritage to amend the *Water Sharing Plan for the Barwon–Darling Unregulated River Water Source 2012.* In changing the plan, the ministers ensured that they promote the water management principles of the WM Act and prioritise its water sharing principles appropriately.

# How water sharing in the plan protects water sources and dependent ecosystems

In the plan for the Barwon–Darling Unregulated River Water Source, there are 2 key mechanisms for protecting the water source and dependent ecosystems:

Long-term average annual limits on water take, which include the

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- NSW long-term average annual extraction limit for the water source
- sustainable diversion limit for the related water resource plan area, established under the Murray–Darling Basin Plan 2012 through extensive, peer-reviewed scientific analysis.

We have included both limits in the water sharing plan, which also contain provisions (legal conditions) to assess and ensure water users comply with these limits. On a long-term average annual basis, all water above these limits is protected for environmental benefit.

• Specific, operational plan rules that aim to protect explicit ecosystem functions and/or environmental assets in the water source. The tables below give details of the rules for the Barwon–Darling unregulated water sharing plan.

# How water sharing in the plan protects basic landholder rights

The plan also protects basic landholder rights, allowing landholders to exercise these under part 1 of Chapter 3 of the WM Act. The plan gives priority to current and future basic landholder rights by ensuring any compliance actions for extraction and diversion limits does not apply to these rights.

### How we have promoted water management principles

The NSW Government has changed the plan to give specific licences a temporary exemption from the annual take limit in clause 42(3) of the WM Act and to correct 4 discrete errors.

Additionally, to manage floodplain harvesting and comply with the water management principles under the WM Act, the government must issue access licences for floodplain harvesting.

The NSW Government has, accordingly, changed the water sharing plan to:

- include provisions for managing floodplain harvesting
- allow temporary dealings (trade) of individual daily extraction components
- allow for changes to access announcements
- allow WaterNSW to make flow-class announcements based on data from either one of 2 reference gauges when one of them is not working
- explain how the cumulative flow trigger at Bourke works and how it affects the resumption of flows rule.

Refer to the <u>summary of changes fact sheet for more details</u>.

In developing these rules, the NSW Government has taken all reasonable steps to promote the water management principles set out in the WM Act and to make the water sharing plan reflect these principles. Refer to the tables below for details. Principles that are not affected by this amendment are not included below.

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Table 1. How the plan amendments promote the water management principle of section 5(3) (a) – Sharing of water from a water source must protect the water source and its dependent ecosystems

How we have promoted the principle in Section 5(3)(a)	Relevant plan provisions (legal conditions)
The amendment:	Part 6, Division 1A
<ul> <li>ensures access licences for floodplain harvesting in unregulated rivers are included as part of any actions required to comply with the long-term average annual extraction limit</li> </ul>	
<ul> <li>protects water within the water source above that limit for environmental purposes.</li> </ul>	
The resumption of flows rule protects critical first flow of water from extraction after an extended low-flow or dry period. The revised wording makes it clear:	Clause 50
<ul> <li>that the trigger for relaxing the resumption of flows rule at Bourke is a cumulative total flow</li> </ul>	
when flows start contributing to the target.	
This ensures the rule operates as it was intended. The previous wording had not explained the trigger clearly.	

Table 2. How the plan amendments promote the water management principle of section 5(3) (b) – Sharing of water from a water source must protect basic landholder rights

How we have promoted the principle in Section 5(3)(b)	Relevant plan provisions
The plan includes provisions for maintaining compliance with the long-term average annual extraction limit and long-term sustainable diversion limit. These target unregulated river A-Class, B-Class and C-Class licences and access licences for floodplain harvesting in unregulated rivers.	Part 6 Division 1C
These provisions give priority to current and future basic landholder rights by allowing their extractions to increase at the expense of future access for unregulated river A-Class, B-Class and C-Class licences and access licences for floodplain harvesting in unregulated rivers.	

Table 3. How the plan amendments promote the water management principle of section 5(3) (c) – Sharing or extraction of water under any other right must not prejudice the principles set out in paragraphs (a) and (b).

How we have promoted the principle in Section 5(3)(c)	Relevant plan provisions
The rules discussed previously ensure that we uphold the principles for the protection of the water source and its dependent ecosystems and basic landholder rights.	All above

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Table 4. How the plan amendments promote the water management principle of section 5(2)(a) – Water sources, floodplains and dependent ecosystems (including groundwater and wetlands) should be protected and restored and, where possible, land should not be degraded

How we have promoted the principle in Section 5(2)(a)	Relevant plan provisions
The plan protects and restores floodplains by including provisions to manage access licences for floodplain harvesting and this form of take into the licensing and approval provisions of the WM Act. The rollout of floodplain harvesting access licences will make accounting against the long-term average annual extraction limit and long-term sustainable diversion limit more accurate.  The plan aims to protect and restore dependent ecosystems through water for the environment and contains provisions to:	See below
<ul> <li>establish both a long-term average annual extraction limit and a long-term average sustainable diversion limit, which create a long-term average annual commitment of water as planned environmental water</li> </ul>	Part 6
• include objectives, strategies and performance indicators that measure the effectiveness of plan rules	Part 2
<ul> <li>identify and prioritise flood-dependent ecological assets and values on the floodplain.</li> <li>We have used this information to inform the trade rules for floodplain harvesting access licences. It also informs managing the granting and amending of water supply work approvals nominated by a floodplain harvesting access licence.</li> </ul>	Part 7 Part 10
not allow floodplain harvesting when resumption of flow rules apply	Clause 52B
• not allow floodplain harvesting when Menindee Lakes is below 195 GL, except during periods when a flow of at least 7,900 ML/day occurs in the Darling River at the Wilcannia gauge.	Clause 52B
The plan includes rules to protect active environmental water from extraction by unregulated river A-Class, B-Class and C-Class licences. To do this, WaterNSW announces access daily.  The amendment allows WaterNSW to change an access announcement on the same day it is made if observed flows are different to forecast ones. It also allows WaterNSW to use either one of 2 gauges to set access flows if one of them is not working. These changes ensure WaterNSW uses the best available information to announce access.	Clause 49A
The amendment introduces temporary trade of individual daily extraction components (IDECs). It includes an access rule that means the buyer may only access water under the traded IDEC on days when WaterNSW has announced access for both licences involved in the dealing. This will ensure that environmental water is protected, and other users are not affected.	Clause 46(5)

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How we have promoted the principle in Section 5(2)(a)	Relevant plan provisions
Access licence dealing rules allow for a variety of dealings (trade) within specified environmental constraints.	Clause 67(1)
The amendment makes the water allocation assignment (trade) rules serve their original aim. It does this by banning the assignment of water allocations to a licence that would allow holders to take water when river flows are below the level we set when issuing an available water determination. That is, we will not allow trade from one licence to another that has lower cease-to-pump conditions.	

Table 5. How the plan amendments promote the water management principle of section 5(2)(b) – Habitats, animals and plants that benefit from water or are potentially affected by managed activities should be protected and (in the case of habitats) restored

How we have promoted the principle in Section 5(2)(b)	Relevant plan provisions
The plan protects and restores animals, and habitats through water for the environment and the same provisions set out in the above table in relation to section 5(2)(a)	See above

Table 6. How the plan amendments promote the water management principle of section 5(2)(c) – The water quality of all water sources should be protected and, wherever possible, enhanced

How we have promoted the principle in Section 5(2)(c)	Relevant plan provisions
The plan includes amendment provisions that allow us to introduce, modify or remove access rules for floodplain harvesting (unregulated river) access licences when appropriate information becomes available.	Clause 84

Table 7. How the plan amendments promote the water management principle of section 5(2)(d) – The cumulative impacts of water management licences and approvals and other activities on water sources and their dependent ecosystems, should be considered and minimised\*

How we have promoted the principle in Section 5(2)(d)	Relevant plan provisions
The plan manages cumulative impacts through:	See below
<ul> <li>rules limiting total extraction</li> <li>The plan establishes both a long-term average annual extraction limit and long-term sustainable diversion limit that protect water within the water source above those limits for environmental purposes.</li> </ul>	Part 6, Divisions 1A, 1B

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How we have promoted the principle in Section 5(2)(d)	Relevant plan provisions
<ul> <li>compliance provisions for the long-term average annual extraction limit and long-term average sustainable diversion limit (SDL) that reduce the availability of water where users have exceeded the extraction limits</li> </ul>	Part 6, Division 1C
<ul> <li>dealing rules for access licences that allow for a variety of dealings (trade) within specified environmental constraints</li> </ul>	Part 10
rules for the granting or amending of water supply work approvals	Part 7
The amendment considers and minimises cumulative impacts of water management licences and approvals and other activities on water sources and their dependent ecosystems, in the same way as set out <b>Error! Reference source not found.</b> .	Clause 67(1)

<sup>\*</sup>Note Division 2 of Part 4 of Chapter 6 of the Basin Plan 2012 specifies the requirements for complying with the SDL

Table 8. How the plan amendments promote the water management principle of section 5(2)(e) – Geographical and other features of Aboriginal significance should be protected

How we have promoted the principle in Section 5(2)(e)	Relevant plan provisions
The plan contributes to the protection of cultural assets and values, including Aboriginal cultural values on the floodplain, by:	See below
<ul> <li>identifying and prioritising flood-dependent Aboriginal values on the floodplain.</li> <li>We used this information to inform the trade rules for floodplain harvesting access licences. We also used it to manage the granting and amending of water supply work approvals nominated by floodplain harvesting access licences.</li> </ul>	Part 10 Part 7

Table 9. How the plan amendments promote the water management principle of section 5(2)(f) – Geographical and other features of major cultural, heritage or spiritual significance should be protected

How we have promoted the principle in Section 5(2)(f)	Relevant plan provisions
The plan contributes to the protection of cultural assets and values, including Aboriginal cultural values and heritage sites on the floodplain, by:	See below

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How we have promoted the principle in Section 5(2)(f)	Relevant plan provisions
• identifying and prioritising flood-dependent cultural assets on the floodplain.	Part 10
We used this information to inform the trade rules for floodplain harvesting access licences. We also used it to manage the granting and amending of water supply work approvals nominated by floodplain harvesting access licences.	Part 7

Table 10. How the plan amendments promote the water management principle of section 5(2)(g) – The social and economic benefits to the community should be maximised

How we have promoted the principle in Section 5(2)(g)	Relevant plan provisions
The plan maximises the social and economic benefits to the community by:	See below
defining, and requiring compliance with, a long-term average annual extraction limit and long-term SDL, which provide water for community and economic benefit	Part 6
ensuring certainty of access for licence holders for the duration of the plan	Part 8, Division 1
providing rules for trade of licensed entitlement and account water to allow the market to drive strong economic outcomes	Part 10
facilitating the granting or amending of water supply work approvals.	Part 7
The amendment allows licence holders to sell retained account water in a reasonable timeframe and without the need to buy and sell additional entitlement.	Clause 42 and Schedule 1A
The economic value of this water is estimated to be significant. Water access licences identified as holding retained account water are listed in Schedule 1A of the plan.	

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How we have promoted the principle in Section 5(2)(g)	Relevant plan provisions
The amendment introduces temporary trade of IDECs between water access licences where both:  • are in the same river section  • have the same or more restrictive take conditions.  Some licence holders have an IDEC that is lower than their pump capacity.  Allowing them to get more IDEC through temporary trade may help them manage the work, health and safety risks of switching pumps on and off each day to comply with their IDEC.  An access rule has also been included that means the buyer could only increase their access by the volume calculated under the traded IDEC on days when WaterNSW has announced access for both the buyer's and seller's licences. This will ensure no more water is taken than may otherwise be extracted from a flow event as it moves down the river, protecting environmental water and avoiding effects on other users.	Clause 64A Clause 46(5)
The amendment allows WaterNSW to change an access announcement on the same day it is made if there is a difference between forecast and observed flows. The amendment also allows WaterNSW to use either one of 2 gauges to set access if one of them is not working. These changes ensure WaterNSW uses the best available information to announce access.	Clause 49A

Table 11. How the plan amendments promote the water management principle of section 5(2)(h) – The principles of adaptive management should be applied, which should be responsive to monitoring and improvements in understanding of ecological water requirements

How principle has been promoted in Section 5(2)(h)	Relevant plan provisions
The Natural Resources Commission reviews the plan at 10-year intervals to decide if the plan rules remain fit for purpose.	S43A of the WM Act
The plan includes a set of objectives, strategies, and performance indicators. An earlier review of the plan could be triggered if required, based on monitoring of these indicators.	Part 2
Measurement requirements will inform how we apply the plan rules and provision of water for the environment.	Part 11

# More information

To read the amended water sharing plan and supporting fact sheets, visit <a href="https://www.industry.nsw.gov.au/water/plans-programs/water-sharing-plans/status/barwon-darling-west-region">www.industry.nsw.gov.au/water/plans-programs/water-sharing-plans/status/barwon-darling-west-region</a>

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To read the protocol for changing water sharing plans, refer to the fact sheet  $\underline{www.industry.nsw.gov.au/\_data/assets/pdf\_file/0004/509863/water-sharing-plan-amendment-protocol.pdf}$