Department of Planning and Environment

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What We Heard

Draft Water Sharing Plan for the Greater Metropolitan Region Unregulated River Water Sources 2023

January 2023





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 waters, as 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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Executive Summary

About this document

The <u>Water Sharing Plan for the Greater Metropolitan Region</u> Unregulated River Water Sources 2011 will expire in July 2023.

The Department of Planning and Environment (the department) publicly exhibited a <u>draft replacement water sharing plan</u>, providing an opportunity for water users, broader stakeholders and other interested parties to learn more about proposed changes and to make submissions and comment on the draft plan.

This report summarises how we engaged with communities, the key issues we heard and the next steps in finalising the *Water Sharing Plan* for the Greater Metropolitan Region Unregulated River Water Sources 2023.

Engagement at a glance





Background

The department is responsible for surface and groundwater management, including ensuring water security for NSW. We also ensure equitable sharing of surface and groundwater resources, and that water entitlements and allocations are secure and tradeable.

Water sharing plans are the primary legal framework for managing and sharing water in NSW. They are made under the NSW <u>Water</u> <u>Management Act 2000</u> and are valid for 10 years. The rules in the plans allow equitable sharing of water for all water users, including the environment.

They do this by:

- providing water for the environment by protecting a proportion of the water available for fundamental ecosystem health
- setting limits on the total volume of water extracted to ensure security for all water users
- protecting the water needed to meet basic landholder rights
- providing water users with a clear picture of when and how water will be available for extraction
- providing flexibility for licence holders in the way they can manage their water accounts







- specifying rules to minimise impacts of extraction on other groundwater users, groundwaterdependent ecosystems, culturally significant sites, water quality and the integrity of the aquifer
- specifying the rules for water trading, that is buying and selling water licences and water allocations
- setting the mandatory conditions that apply to licence holders.

Under the *Water Management Act 2000* water sharing plans are subject to review every 10 years and may be replaced to deliver better outcomes for all water users, including the environment.

Consultation

Consultation is an essential part to developing the Water Sharing Plan for the Greater Metropolitan Region Unregulated River Sources 2023.

From 27 June 2022 to 21 August 2022 the draft replacement *Water Sharing Plan for the Greater Metropolitan Region Unregulated River Sources 2023* (the plan) was exhibited publicly.

Stakeholders were encouraged to provide feedback directly and through written submissions. The website included a 'Have your say' section that provided details of different ways to make a submission, including via email, direct mail and a downloadable feedback form.

In addition to the feedback provided by those who attended targeted, face-to-face and webinar sessions, we received 16 submissions. The valuable feedback received during the public exhibition period and through submissions has helped the department finalise the draft replacement water sharing plan.

Due to flooding in the plan area, some community engagement events were rescheduled, or cancelled, and the public exhibition period was also extended (from 7 August to 21 August). Some communities were recovering from their second major flood event in 12 months. It was inappropriate to engage with these communities at this time, so we postponed consultation activities for these areas.

Within the first 5 years of the new plan, we will seek feedback from these flood-affected communities on proposed changes to some elements of the water sharing plan that more directly affect individual licence holders including access and trade rules and some boundary changes. We will seek to make any required amendments to rules in these areas following this consultation.

How did we consult?

Between 27 June 2022 and 21 August 2022, the department consulted with stakeholders and sought their views on the proposed changes to the plan. Stakeholders with a potential interest in the plan were identified. These included WaterNSW customers (water access licence holders and water supply work approval holders), environmental interest groups, Local Aboriginal Land Councils community groups, irrigation groups, horticulture and dairy groups and local councils.

WaterNSW customers were contacted via mail (12,872 letters) and other groups and individuals were contacted via email (2,203 recipients). These numbers include users in both the unregulated

and groundwater water sharing plan areas. Both these communications informed recipients of the plan replacements, ways to access information and invited them to attend one of the public information sessions.

Fifteen public information sessions were planned across 6 weeks and included 2 webinars and 13 face-to-face sessions. Targeted meetings with NSW irrigators, NSW Farmers, Turf NSW, Penrith Lakes Development Corporation, Energy Australia, Wingecarribee, Shoalhaven City, Goulburn-Mulwaree and Wollondilly Councils were also held. The Local Aboriginal Land Councils in the plan area were invited to discuss the plan but were unable to attend.

Due to flood emergencies within the plan area, 3 of the face-to-face public information sessions were cancelled. Details of cancellations were shown on the <u>public exhibition page</u> of the department's website.

The public exhibition periods for the draft *Water Sharing Plan for the Greater Metropolitan Region Unregulated River Water Sources 2023* and the draft *Water Sharing Plan for the Greater Metropolitan Region Groundwater Sources 2023* were held at the same time. Information sessions for both plans were run together, with plan-specific presentations and communication materials available and both surface water and groundwater staff in attendance to speak with stakeholders.

Table 1 shows the locations chosen for face-to-face community information events.

Face-to-face information sessions

We held 10 face-to-face stakeholder meetings, across 6 weeks, in locations that were convenient for the majority of stakeholders in each area that were likely to be impacted by proposed changes to the plan. We used a 'drop in' approach for the meetings in which staff were available over 4 hours at each location. Stakeholders attended at any time throughout the 4 hours to watch presentations, gather printed information, inspect maps and discuss any questions or concerns one-on-one with staff

Table 1 and Table 2 summarise participation for each meeting.

Table 1. Attendance at face-to-face meetings

Location	Date	Registered to attend	Attended
Sydney City	30 June 2022, 10am – 2pm	2	1
Goulburn	19 July 2022, 10am – 2pm	25	30
Bowral	20 July 2022, 10am – 2pm	30	30
Braidwood	26 July 2022, 10am – 2pm	10	11
Nowra	27 July 2022, 10am – 2pm	5	6
Kangaroo Valley	28 July 2022, 10am – 2pm	9	7
Wollongong	29 July 2022, 10am – 2pm	2	1

Location	Date	Registered to attend	Attended
Lithgow	2 August 2022, 10am – 2pm	15	8
Katoomba	3 August 2022, 10am – 2pm	16	7
Parramatta	4 August 2022, 10am – 2pm	8	3

Webinar sessions

Two webinar sessions were held using a virtual meeting platform at the beginning of the public exhibition period and at the end. The proposed changes to the plan were presented live, with attendees able to post questions in the live chat. Presentations were emailed out to attendees after each webinar. Time was allocated at the end of each presentation for clarifications, questions and discussion.

Table 2. Attendance at webinars

Location	Date	Registered to attend	Attended
Webinar 1 - Microsoft teams	28 June 2022, 5pm – 6:30pm	50	30
Webinar 2 - Microsoft teams	10 August 2022, 4:30pm – 6:30pm	42	32

What we asked

The online submission form focused on the following key proposed changes between the 2011 plan and the 2023 plan:

- o new water source and water management zone boundaries
- o new Long Term Average Annual Extraction Limit (LTAAEL) definition
- o changes to access rules in some water sources (WS)
- o rules to protect environmental flow releases from the Upper Nepean and Tallowa dams as they travel downstream to the estuary
- implementation of an online notification system alerting users when they can take water whilst protecting environmental flows
- o impacts of changes to access rules on businesses
- o appropriateness of access rules to protect the environment
- o removal of several exemptions to access rules in the Hawkesbury & Lower Nepean extraction management unit (EMU)
- o inclusion of the new Eastern Creek management zone
- o changes to Upper South Creek Management Zone (MZ) boundary
- o changes to Lower South Creek Management Zone (MZ) boundary

- o trade framework and general overall increase in trade
- o restriction on upstream trade into the Lower Nepean River Water Source (WS)
- downstream trade of water into the Upper Hawkesbury River water source in the tidal pool if salinity impacts are managed
- o impact of increased trade opportunities on buying / selling water
- o appropriateness of rules for conversion to high flow access licenses
- o appropriateness of review of access and trade rules following assessment of the uptake of harvestable rights at year 3
- o rules to minimise impact on coastal wetlands
- o Aboriginal Community Development Licences in select areas.

Although these were the key issues, comments, and discussion on all aspects of the plan were welcome and encouraged.

What we heard

Stakeholders raised issues via consultation sessions, formal submissions and email correspondence. When reviewing whether issues were in or out of scope of the replacement plan the department considered the following:

- Is the issue within the scope of the water sharing plan?
- Is the suggestion consistent with the Water Management Act 2000?
- Are existing programs/processes or other departments addressing the issue?
- Does it relate to water charges, costs, operational activities or licensing matters outside of the scope of the water sharing plan?
- Is it likely to affect water availability for basic landholder right users and licence holders, and if so, how?
- Can current legal mechanisms enable the change, or is legislative change required?
- Is it consistent with current policy settings, and if not, can we develop robust, alternative policies within the timeframe for developing the water sharing plan?
- Are there additional costs for the NSW Government?
- Can we investigate the issues within the timeframe for developing the water sharing plan?

Issues raised from public consultation that were out of scope of the water sharing plan are summarised in Appendix 1. These issues will not be explored further as part of the replacement plan.

Key issues

We received feedback on the proposed changes during multiple consultation sessions and through submissions about the proposed rule changes. The feedback is summarised in Table 3 and is being considered to finalise the plan.

Table 3. Summary of submissions about the proposed rule changes

Issue	In	Not in	Comments
	support		
New water source & water management zone boundaries	2	3	 In support: Proposed boundaries "are logical subcatchments." Not in support: Referring to merging of Mid Shoalhaven and Upper Shoalhaven water sources - "there is no logical reason either environmentally, hydrologically, flora or fauna based, or even practical reason for this to go ahead".
New LTAAEL definition	2	1	In support: • "It's positive that major utility LTAAELs have been established for this plan and are expressed volumetrically."
Proposed access rule changes	2	1	n/a
Proposed rules to protect environmental flow releases from Upper Nepean dams as they travel through the Hawkesbury & Lower Nepean Rivers	2	n/a	n/a
Proposed rules to protect releases from the Upper Nepean dams are highly complex and require licence holders to be notified when they can or cannot take water (implementation of online notification system)	2	n/a	In support: • "We are pleased to see improvements to notifications and alert systems."
Impact of proposed changes to access rules on businesses	1	1	n/a
Proposed access rules appropriately protect the environment	1	1	n/a
Proposed removal of several exemptions to access rules - Hawkesbury & Lower Nepean EMU	1	1	n/a

Issue	In support	Not in support	Comments
New Eastern Creek Management Zone	n/a	1	n/a
Upper South Creek Management Zone boundary changes	1	1	n/a
Lower South Creek Management Zone boundary changes	1	1	n/a
Proposed trade framework	2	1	n/a
Restrictions on upstream trade – Lower Nepean River Water Source	1	n/a	n/a
Downstream trade – Upper Hawkesbury River Water Source in tidal pool (salinity impacts managed)	n/a	1	n/a
Impact of increased trade opportunities on buying / selling water	2	1	n/a
Conversion to high flow access licences	n/a	1	n/a
Managing the effects of increased Harvestable Rights	2	1	Not in support: "Calculations on the likely volumes of harvestable rights extractions (should) be done according to the new Harvestable Rights orders as soon as possible to ensure appropriate rules can be set, certainty provided to water users, and key environmental values protected".
Rules to minimise impacts on coastal wetlands	1	1	n/a
Aboriginal Community Development Licences	1	n/a	n/a

Other issues

During the consultation period additional issues were raised. An example of an issue raised that is within the scope of the water sharing plan includes the need to better demonstrate links between the water sharing plan and other water management frameworks.

Some of the issues raised during public exhibition are already addressed within the replacement plan and consideration will be given to how these can be better communicated.

Flood affecting consultation

The department recognises that residents and businesses in flood-affected areas are focused on how to manage the flood impacts, rather than on longer term water allocation and water use planning. In areas affected by recent flooding, consultation on some proposed changes will occur in the future when community consultation is more appropriate. This means that some proposed changes will not be brought into effect when the plans commence in 2023, instead stakeholders will be engaged about these changes within 5 years of the plan's commencement.

The department seeks to consult on the following changes within 5 years of the plan's commencement:

- Merging of management zones in the Upper Hawkesbury River Water Source.
- Changes to the boundaries in Wianamatta-South Creek Water Source and the creation of Eastern Creek Management Zone.
- Review of exemption rules in the
 - o Mid Nepean River Weirs Water Source
 - Lower Nepean River Water Source
 - Upper Hawkesbury River Water Source.
- Changes in trade conditions within:
 - Lower Nepean River Water Source
 - Upper Hawkesbury River Water Source
 - Colo River Water Source
 - Macdonald River Water Source.
- Changes to cease to pump conditions in the following:
 - Nattai River Water Source
 - o Stonequarry Creek Water Source
 - o Cattai Creek Water Source
 - Wianamatta-South Creek Water Source
 - Lower Nepean River Water Source
 - Upper Hawkesbury River Water Source
 - Lower Hawkesbury River Water Source.

Following this consultation, the plan may be amended to include any of the above changes. Ongoing community engagement is important to ensure we are identifying the right solutions for the Greater Metropolitan region that meet the vision and needs of communities, the environment and industries.

Next steps

Feedback and issues raised within scope of the water sharing plan are considered by the department before recommending a replacement water sharing plan to the Minister of Lands and Water.

Before deciding to replace the plan, the Minister must seek agreement from the Minister for Environment and Heritage. The department expects the *Water Sharing Plan for the Greater Metropolitan Region Unregulated River Water Sources 2023* will be in force by 1 July 2023.

The department will publish a background document this will include a summary of the changes made because of public consultation.

More information

The draft Water Sharing Plan for the Greater Metropolitan Region Unregulated River Water Sources 2023 and supporting factsheets, is available on the NSW Department of Planning and Environment's website until the new plan commences on 1 July 2023. After that date, the new plan and supporting information will be available here.

Appendix 1: Out-of-scope issues

Managing water resources in New South Wales relies on a range of legislation, initiatives and cooperative arrangements with other agencies. Many issues that are out of scope of a water sharing plan are managed by other agencies, including some issues relating to:

- complying to plan rules
- assessing development applications,
- the costs and process of obtaining water licenses and works approvals
- pollution and contamination of water sources.

Table 4 outlines the criteria for and examples of out-of-scope issues.

Table 4. Assessment criteria for identifying whether an issue is out of scope

Assessment criteria	Comment/Example
Does the issue relate to water charges, costs, infrastructure proposals, operational activities or a licensing matter?	These are issues with the implementation and operation of water management that a water sharing plan cannot address
Is the issue about including descriptions or explanations within the Plan?	The water sharing plan is a legal document and states the rules relevant to water sharing. Other documents provide supporting information that describe how water is managed and how decisions have been made.
Is another program or process addressing the issue, or is it the responsibility of another department?	Proposed or current land development activities such as mine approvals or road tunnel developments, water pollution. The Access Licence Dealing Principle Order 2004 is the basis for assessing the local impacts of water extraction, when an applicant seeks approval to trade water or construct a new water supply work.
Does the issue require time and resources beyond the time frame to review the water sharing plan?	A study on the effects of climate change in a particular unregulated river source.
Is the issue consistent with the current legislative and policy framework?	A water licence is required for any activities that intercept or extract groundwater unless a valid exemption applies.

Table 5 summarises issues raised during public consultation that are outside of scope of the water sharing plan.

Table 5. Summary of submissions on broader issues

Issue	Comments
Water Management Act (WM Act)	 The WM Act is inadequate now that there is no State Water Outcomes Plan. "The WMA [WM Act] needs to contain a legal mechanism available for mining companies operating in the Special Areas to acquire a licence for surface water 'take' to allow mining operations to comply with water legislation."
Plan content / administrative	 Leave the plan as is Special provision licences for construction of dams for rehabilitation Removal of investigations required for environmental releases Greater links need to be made between the water sharing plan and the updated Water Quality Objectives for coastal catchments Inclusion of provision to enable releases from Upper South Creek Advanced Water Recycling Centre to be counted as environmental replacement flows or environmental water Water sharing plan doesn't recognise the importance of social, environmental and economic benefits that reconstructed dams/lakes can provide to urban areas including: mitigating urban heat island effects providing opportunities for leisure / recreation activities providing non-potable water sources for irrigation of sports fields and street trees minimising potable water use
Consultation	Lack of opportunity to have one-on-one phone discussions
Monitoring and evaluation	 "Current monitoring and evaluation is inadequate to access Water Sharing Plan performance" Monitoring programs should be established to measure the performance of the plan
Stormwater harvesting	 How will the water balance deal with recycled water or additional stormwater from increasing hard surface? "Establish a stormwater harvesting policy that helps to address the challenges facing catchments with increasing urbanisation" Special purpose access licenses for stormwater harvesting
Pollution / contamination	 "Prohibit the burying of all ash generated by waste incineration except within sealed, engineered containment cells" Introduction of compliance measures against known polluters
Harvestable rights	Possibility of extending increased harvestable rights to owners and developers of urbanising land or to regional stormwater managers in these areas

Issue	Comments
Other	 Small scale properties on tidal systems should not need a licence or meters. Better understanding of connectivity between surface and groundwater sources including: impacts of catchment land use change and local groundwater recharge, as well as impacts on the timing and volume of runoff into waterways benefits for groundwater recharge and retention of base flow in small streams from more extensive stormwater retention in the landscape impacts of groundwater extraction from mining and other extractive industries, and what this means for surface water availability and quality in the long term