



Australian Government



[Redacted]

Mr Bryce Wilde  
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Natural Resources Commission  
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Via email: [nrc@nrc.nsw.gov.au](mailto:nrc@nrc.nsw.gov.au)

Dear Mr Wilde

Please find enclosed a submission from the Murray-Darling Basin Authority for the Commission's review of the *Water Sharing Plan for the Lachlan Unregulated River Water Sources 2012*. The MDBA is available to discuss any of the matters set out in the submission.

Given a Federal Election has been called, the Australian Government is in a caretaker period. In recognition of longstanding caretaker conventions, I would ask that the NRC delay publishing this submission until after 21 May 2022 or the end of the caretaker period.

Please contact [Redacted], [Redacted] in the first instance to discuss the submission.

Yours sincerely

[Redacted Signature]

29 April 2022

**Office locations**

Adelaide, Albury-Wodonga, Canberra, Goondiwindi, Griffith, Mildura, Murray Bridge, Toowoomba

## **Murray–Darling Basin Authority submission to the New South Wales Natural Resources Commission review of the Water Sharing Plan for the Lachlan Unregulated River Water Sources 2012.**

### **Introduction**

Thank you for the opportunity to provide input prior to the commencement of the review of the *Water Sharing Plan for the Lachlan Unregulated River Water Sources 2012*. The Murray-Darling Basin Authority (MDBA) welcomes the review and acknowledges the work undertaken by the Natural Resources Commission (NRC) to date.

The MDBA has been working closely with New South Wales (NSW) Department of Planning and Environment (DPE) to develop accreditable Water Resource Plans (WRPs) in accordance with the requirements of the Basin Plan 2012. This includes the Lachlan WRP. The water resources covered by the *Water Sharing Plan for the Lachlan Unregulated River Water Sources 2012* are water resources that will be governed by the Lachlan WRP.

The MDBA received all NSW proposed groundwater WRP's on 9 April 2020 and all NSW proposed surface water WRP's on 30 June 2020. These 20 WRP's were assessed as inconsistent with the requirements of Chapter 10 of the Basin Plan and were withdrawn by NSW. All 20 plans are currently being revised by NSW based on assessment feedback from the MDBA or are undergoing assessment by MDBA following their re-submission.

The re-submitted proposed NSW WRP's will incorporate specific clauses from NSW water sharing plans; some of which have been amended or re-made for the purpose of Basin Plan consistency. This will mean that the NRC's program of scheduled reviews of NSW Murray-Darling Basin water sharing plans, may be examining water sharing arrangements that have been amended or re-made.

For the purposes of the NRC review of the *Water Sharing Plan for the Lachlan Unregulated River Water Sources 2012*, the recently re-submitted proposed Lachlan WRP incorporates references to an amended *Water Sharing Plan for the Lachlan Unregulated River Water Sources 2012*. At the time of writing the proposed amendments to the water sharing plan are not yet in effect in NSW law. A copy of the proposed amended water sharing plan has been submitted to MDBA by NSW as part of the proposed Lachlan WRP package. A copy can be accessed from the [MDBA website](#).

## Recent reviews and assessments relevant to the Lachlan water resources

The following is a list of relevant information sources that may help to inform the NRC review of the *Water Sharing Plan for the Lachlan Unregulated River Water Sources 2012*.

- [MDBA compliance review](#). The MDBA and an Independent Panel conducted a Basin-wide Compliance Review at the request of the Australian Government. The review assessed the legislative, policy and practical implementation of compliance in water management across the Basin. As an outcome of this process, the five Basin state governments and the Australian government agreed to a series of compliance commitments and actions, which are close to fully implemented and are captured in the [2018 Murray-Darling Basin Compliance Compact](#).
- Following amendments to the *Water Act 2007* and the *Basin Plan 2012*, the MDBA is no longer responsible for enforcing compliance with the Basin Plan. This responsibility now belongs to the Inspector General of Water Compliance (IGWC) which was formally established on 5 August 2021. Some of the responsibilities that now lie with the IGWC include enforcing compliance of water trading rules, monitoring, and auditing of water resource plan compliance and investigating and enforcing non-compliance with sustainable diversion limits. Further information the [here](#).
- [Basin Plan evaluation framework](#). The Evaluation Framework is used by the MDBA to evaluate whether the Basin Plan is on track. The most recent Basin Plan evaluation was completed in 2020 and is available [here](#). The MDBA encourages the NRC to review this document in terms of issues and outcomes.
- The [2020 Basin Plan Evaluation](#) is the most recently completed review under the Basin Plan evaluation framework and includes a wealth of information concerning the economic, social and environmental outcomes from water recovery in the Southern Murray-Darling Basin.
- The Productivity Commission made a number of recommendations in relation to water entitlements and planning in its recent [review of the National Water Initiative](#). The NRC may wish to look to these recommendations in relation to ensuring the water sharing plans remain robust under climate change, particularly in relation to using the new climate change information generated through the development of NSW Regional Watering Strategies to inform water management settings in water sharing plans that can adapt to uncertain changes to water availability and manage climate risks appropriately.

## Other Issues

- [SDL Health Check](#) Accounting of water use and diversions and monitoring of compliance against the requirements of the Basin Plan is critical to the delivery and success of the Plan. To ensure that best practice is applied to the SDL water accounts, the MDBA commissioned an Independent Review to undertake a health check of the SDL accounting framework.
- In response to the review and to improve the SDL accounting framework, MDBA has published the 'Sustainable diversion limit (SDL) accounting framework improvement strategy 2020 – 2025' [SDL accounting framework](#), which flags activity up to 2024-25 to investigate if improvements can be made from using long-term averages for SDL compliance.
- Water take accounting under the Murray Darling Basin Plan: To provide improved tracking of water use relative to Basin Plan limits, all NSW unregulated Water Sharing Plans should distinguish between the various individual forms of take that align with s. 1.07 definitions and BDL description requirements of Schedule 3 of the Basin Plan. This includes watercourse, runoff dams (above maximum licenced volumes), floodplain harvesting (if such take is occurring in this valley) and take under basic rights. We acknowledge this may take some time to achieve.
- Protection of water available for the environment: The MDBA notes that the *Risk Assessment for the Lachlan Water Resource Plan Area* has determined that there is a significant (either medium or high) risk to water available for the environment and capacity to meet environmental watering requirements during zero flow periods, for base and low flows, and for fresh flows in various river reaches covered by the Lachlan unregulated river water sharing plan. Despite the application of current water sharing plan rules, including rules to protect planned environmental water (PEW), within the water sharing plan (referred to as current critical mechanisms in the Risk Assessment) the risk outcome is not tolerable. The MDBA notes the Lachlan LTWP defines planned environmental water (PEW) as *Water that is committed or preserved by the Basin Plan, a water resource plan or a plan made under state water management law for fundamental ecosystem health or other specified environmental purposes. This water cannot be taken or used for any other purpose.* The MDBA further notes that NSW's recently resubmitted Lachlan WRP contends the proposed WRP does not commit or preserve any PEW under the definition set out in the *Water Act 2007* (Cth). The MDBA invites the Commission to consider this issue as part of its review.
- Wyangala Dam raising project: NSW DPE Water is currently consulting with stakeholders (including the MDBA) on this project, (also detailed in the Draft Lachlan Regional Water Strategy). The MDBA has raised issues related to the Wyangala Dam raising project. This project will have groundwater related consequences. Groundwater recharge will be enhanced in the vicinity of the Dam area. There is a need to consider whether the enhanced recharge is raising the watertable of the area that has higher groundwater salinity as this can cause secondary salinisation of the landscape and can affect the environment. In addition, storing more water can change the seasonality

of downstream flows and can impact seasonal recharge to groundwater (the main parameter in setting the SDL). There is a need to ensure that if there is a significant surface water and groundwater connectivity that replenishes the groundwater downstream of the Dam, the change in seasonality of flows should not impact the amount of groundwater recharge.

## **Conclusion**

The MDBA welcomes the NRC's upcoming review of the *Water Sharing Plan for the Lachlan Unregulated River Water Sources 2012* and would be happy to discuss the matters raised in this submission with the NRC in order to inform the conduct of the review.