



Natural
Resources
Commission

Review of the water sharing plans for the Greater Metropolitan region

Report Summary

This slide pack provides an overview of findings and recommendations – the Commission’s full and official advice to the Minister is contained in the final report.

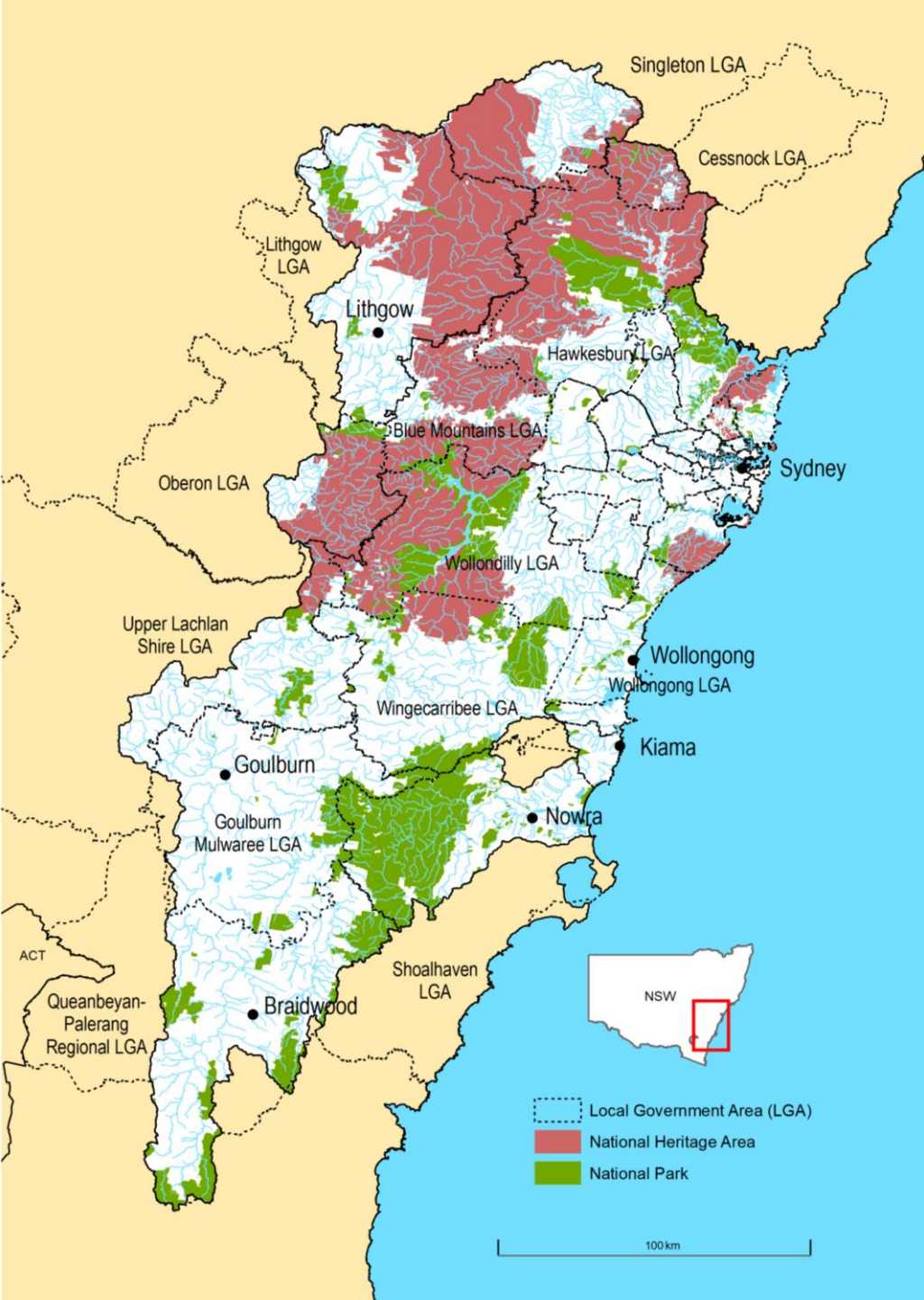
Acknowledgement of Country

In the Greater Sydney Metropolitan area the Commission pays its respects to the Yuin, Tharawal, Eora, Dharug and Gundungurra Traditional Owners past, present and future, as well as other Aboriginal peoples for whom the waterways in these catchments are significant.

Our review

- The Natural Resources Commission (the Commission) has a statutory role under s43A of the *Water Management Act 2000* (the Act) to review water sharing plans approaching expiry
- Our reviews consider if a plan's environmental, social, cultural and economic outcomes have been achieved, and what improvements can be made
- As part of our reviews, we recommend whether a plan should be extended or replaced
- Our reviews consider relevant data and documents, technical advice, stakeholder consultation and public submissions – we received 29 public submissions for this review

Greater Metropolitan context



- Critical system for Australia – most populous, one of the fastest growing regions
- Plans manage water supply, high value agriculture, significant urban and peri-urban waterways
- Support iconic, internationally recognised environmental values
- Surface water plan and groundwater plan were reviewed together as the system needs to be managed as a connected system

Overview of key issues



Sydney water supply under pressure

Recent drought and higher temperatures have reduced the estimated volume of water available from the dams for Sydney's water supply



Plans are fundamentally flawed

Too complicated to implement
Too many exemptions
Not based on the overall system



Now is opportunity to fix Plans to:

Set sustainable extraction limits
Define environmental water requirements
Consider water management holistically to secure Sydney water supply
Make the plans fit for purpose
Enhance equity

Overall recommendation: Extend Plans to June 2023 and replace by July 2023



**Extend the Plans
and build evidence**



**Comprehensively model
and test the Plans**



Replace the Plans

Consider water management holistically

Strategic management of the overall water balance critical to protect stretched water resources

Key issues

- Growing volume of water managed outside of the Plans – Plans do not speak to or consider these sources. The overall water balance for the region has not been comprehensively assessed
- Limited policy frameworks for some issues, including stormwater harvesting, recycled water, capture of groundwater through building construction and shepherding of environmental water released from Sydney's water supply dams
- The *Greater Sydney Water Strategy* (due mid-2021) aims to increase Sydney water security on a 'whole of water cycle' basis - approaches sit outside the Plans but will likely have implications for overall water availability

Key recommendations for DPIE-Water

- Develop a comprehensive water balance and modelling framework, including all extraction and inflows and current data on recharge, hydrogeology, connectivity and climate
- Replacement process should consider the *Greater Regional Water Strategy* and ensure water management is integrated across the region
- Finalise policies for extraction managed outside the plans

Set sustainable extraction limits

Establishing clear, sustainable extraction limits is the most fundamental requirement of a water sharing plan - without these, extraction cannot be managed

Key issues

- Current Long Term Average Annual Extraction Limits (LTAAELs) are not based on sound evidence of sustainability
- LTAAELs not easily calculated as they are based on poor historical records
- Multiple LTAAELs that cannot be compared within and across catchments to manage impacts overall extraction
- Without numerical LTAAELs analysis of compliance with the LTAAELs can not be undertaken
- Available Water Determinations are ineffective.
- Some extraction is not accounted within the LTAAELs

Key recommendations for DPIE-Water

- Develop numeric, sustainable LTAAELs based on improved knowledge
- Consider all extraction in LTAAEL calculation, including currently unlicensed mining activities
- Finalise policies around exempt extraction
- Use Available Water Determinations to more effectively manage droughts

Define environmental water requirements

Key issues

- The requirements for estuaries are not fully understood
- Studies specified in the plan have not been completed
- Discretionary environmental flows have not been used, despite potential need

Key recommendations for DPIE-Water

- Improve the understanding of estuary requirements
- Complete studies specified in the plan
- Make all environmental flows mandatory in Plan rules and maximise outcomes through strategic management of environmental flows
- Optimise water transfers to improve both environmental and water security outcomes

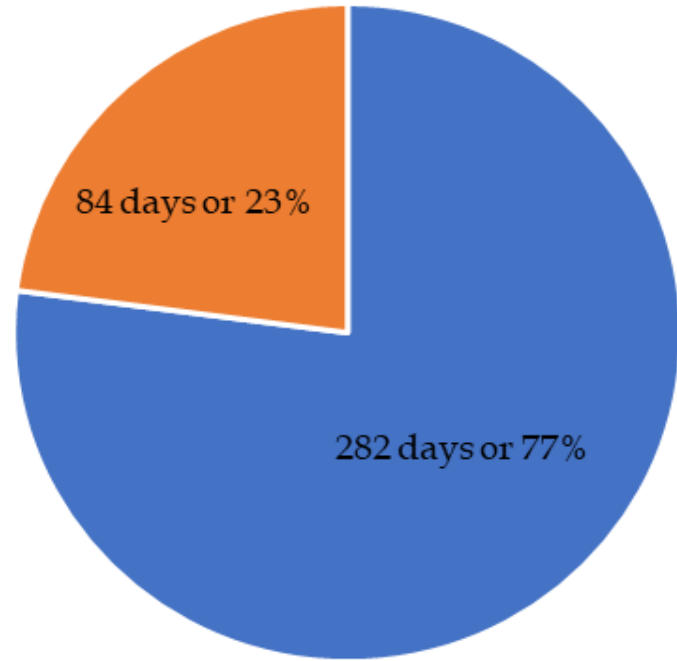
Make the Plans fit for purpose

Key issues

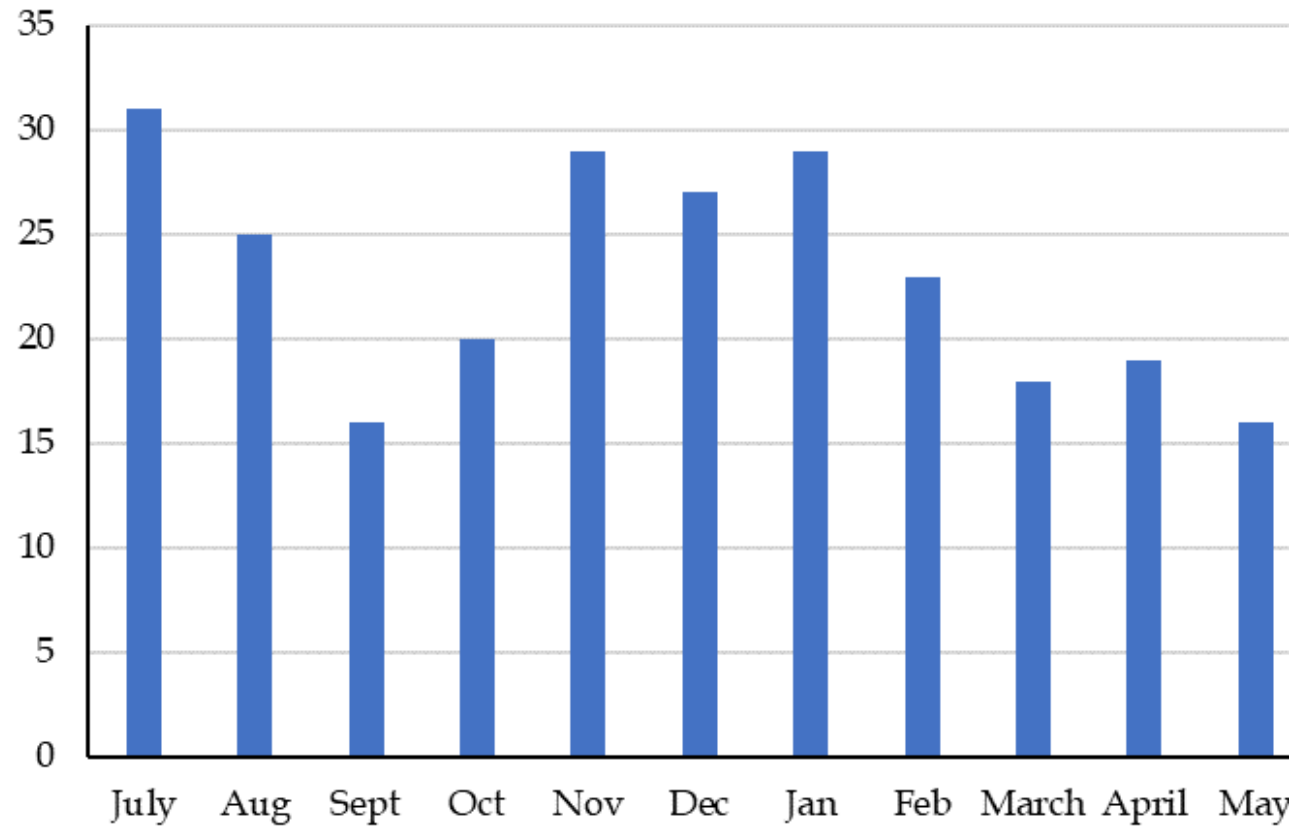
- Surface Water Plan is overly complex, sometimes contradictory, and often unimplementable
- Some access rules requires complex daily calculations that are very difficult and costly to implement (and as such have not been)
- To overcome this problem, the Plan includes extensive exemptions.
 - In one example 77 percent of days potentially exempt (*see next slide*)

Key recommendations for DPIE-Water

- Once environmental water requirements are defined, access rules should be redesigned to be simple and practical
- Focus on outcomes and achieving the priorities of the Act – based on latest evidence around whole system
- Set rules at most efficient and effective time and spatial scales
- Minimise exemptions



■ Potentially exempt days ■ Non-exempt days



Number of potentially exempt days from July 2019 to June 2020

Proportion of days potentially exempt from Plan access rules under temperature exemptions in the Campbelltown areas

Make the Plans equitable

Key issues

- The Plans do not define equitable sharing or outline how they support community benefits
- Some provisions clearly result in inequity through allowing increases in extraction for some licence categories while reducing extraction in other categories
- Outcomes for Aboriginal people are not supported
 - native title claims, Indigenous Land Use Agreements and culturally significant groundwater dependent sites not fully recognised
 - Aboriginal values poorly understood and recognised
 - Aboriginal specific purpose licences are complex and limit meaningful use – none were applied for

Key recommendations for DPIE-Water

- Define equitable sharing
- Transparently allocate water to support a range of community benefits
- Reflect native title claims and Indigenous Land use Agreements
- Work with Aboriginal stakeholders and Traditional Owners to identify and protect values
- Reserve unallocated water for Aboriginal specific licences or other Aboriginal water access options
- Finalise state-wide Aboriginal Water Strategy to provide consistent, transparent guidelines and resourcing for Aboriginal water management across NSW

Use the water market to improve outcomes

- Desire from industries for water extraction to move to higher value activities
- Water market currently limited through unnecessarily small trading units
- Need to increase the size of trading units while protecting areas of high ecological value.
- Market rules should be changed to allow the trade of entitlement out of areas of high ecological value into areas of high economic value (win-win)
- Enhance trading across catchments should be allowed within the sustainable limits



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