

Our ref: V23/633#15

Prof. Hugh Durrant-Whyte  
Commissioner, Natural Resources Commission (NRC)  
GPO BOX 5341  
SYDNEY NSW 2001

Email: [hugh.durrant-whyte@nrc.nsw.gov.au](mailto:hugh.durrant-whyte@nrc.nsw.gov.au)

18 January 2024

---

## **Audit of implementation of fine inland groundwater sharing plans**

Dear Professor Durrant-Whyte

I refer to your letter of 12 September 2023 concerning the audit of the implementation of five inland groundwater sharing plans (WSPs).

It is pleasing to note that the report included positive findings in relation to long term average annual extraction limits (LTAAEL), available water determinations (AWDs), systems, processes and procedures to support granting of access licences, access licence dealing provision implementation, application of mandatory conditions to licences and approvals.

It is also accepted that there are several areas where further work is required.

The former Department of Planning and Environment (DPE) – Water, now Department of Climate Change, Energy, the Environment and Water (DCCEEW) has considered each of these findings and recommendations with suggested actions, and our detailed response is in the attached tables. Eighty-five percent of these recommendations are fully or partially agreed and accepted.

The exceptions to this are findings and recommendations:

1. 4.11 (Specific purpose access licence application assessment) and
2. 6.4a (water supply work approval assessments in relation to compliance with the provisions under Part 9 of the plans for water supply works near high priority groundwater dependent ecosystems and high banks of rivers).

In finalising the audit, the NRC consulted the department on the draft responses where the department had disagreed or partially agreed.

1. In relation to 4.1 the NRC noted that the DPE Water has reviewed and since implemented actions following the groundwater audit. While leaving its recommendation 'as is' for the report the NRC identified that the department should amend its response to note action had since been implemented.
2. In relation to 6.4.1 the NRC reviewed assessment reports and noted that assessment was not consistently applied and updated its assessment to indicate the assessment under Part 9 needs to occur 'consistently'. The revised recommendation includes this need for consistency.

The Department has already undertaken work to finalise actions against these recommendations post the audit being completed.

The Department is also progressing work that will contribute to addressing matters identified in this and other audits including:

1. development of monitoring and evaluation frameworks for water sharing plans which will inform plan assessment and monitoring (Recommendation R1.2)
2. processes relating to granting access licences (Recommendations R4.1.1, R4.1.2)
3. procedures and systems relating to water supply work approvals (Recommendations R6.1a, R6.2a, R6.3.1)
4. notification of mandatory conditions (Recommendations R8.1, R8.2)

The Department continues to work collaboratively with WaterNSW to ensure consideration and implementation of NRC recommendations.

I understand that WaterNSW is working on addressing the 14 recommendations that the NRC either assigned directly to them or that they need to work with other agencies to resolve.

These include:

- apply Annual Use Limits to existing licence categories that have maximum water account debit provisions in the plans that do not currently have any
- review and update the configuration of carryover for Aquifer licence subcategories in the Water Accounting System to align with plan provisions for Aquifer access licences
- update the Water Accounting System to configure the accounts of aquifer access licences without account management provisions, after DPE Water has investigated and advised on this issue
- update processes and templates to assess and explicitly document compliance with the provisions for water supply works approvals under Part 9 of the plans
- assess and explicitly document compliance with the provisions under Part 9 of the plans for all rules to minimise interference between water supply works
- consistently assess and explicitly document compliance against the plans' schedule requirement for the assessment of contamination sources
- develop a process to support the assessment and documentation of compliance against the plans' schedule requirement for the assessment of contamination sources
- consistently assess and document compliance with the provisions under Part 9 of the plans for water supply works near high priority groundwater dependent ecosystems and high banks of rivers
- assess and document compliance with the provisions under Part 9 of the plans for water supply works near groundwater dependent culturally significant areas
- assess and explicitly document compliance, where relevant, with the definition of a replacement work under Part 9 of the plans to inform the assessment process
- update the naming conventions for dealings under WAVE to ensure dealing names and system reports accurately reflect dealings undertaken to demonstrate compliance and improve data quality
- update the assessment summary sheet structure and process for 71W dealings under the *Water Management Act 2000* to:
  - include a 'not applicable' option for interstate and NSW tagging requirements
  - remove default positions on answers to promote active entry of answers by assessing officers
  - ensure any answers which would trigger a refusal of the dealing are identified and corrected before processing a dealing

- collaborate with the Department to complete work to improve systems and processes for notifying licence and approval holders of mandatory conditions, including the Standard Operating Procedure
- apply rules for replacement groundwater works as mandatory conditions instead of discretionary conditions.

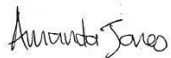
Water NSW has advised that they are in the process of assessing the recommendations in order to develop appropriate action plans to address them. These will include a combination of administrative steps and changes to our systems, processes and documentation, as appropriate to each individual recommendation. Some changes are relatively straight forward (noting some of these have already been made), some are more complex and will take some time to address, while others are dependent on prior actions by the Department. For those, WaterNSW will collaborate with the Department to ensure they are addressed appropriately.

A further separate response has been provided by WaterNSW in 2023 and including a more detailed description of the proposed actions and realistic timeframes to address the recommendations.

The outcomes of this work, along with the Commission's audit, will inform the next steps in relation to these management plans. If your office requires any additional information or to discuss these matters further, please contact Anna Bailey, Director of Coastal and Groundwater Planning, in the department, at [anna.bailey@dpie.nsw.gov.au](mailto:anna.bailey@dpie.nsw.gov.au).

I would like to thank the Commission for its work in this important process.

Yours sincerely,



Amanda Jones

Deputy Secretary, DPE Water

Attachment

**Table 1: Audit findings and recommendations relevant to DPE Water**

- *Water Sharing Plan for the Gwydir Alluvial Groundwater Sources 2020 (Gwydir Plan) – version effective from 30 June 2020*
- *Water Sharing Plan for the Lachlan Alluvial Groundwater Sources 2020 (Lachlan Plan) – version effective from 30 June 2020*
- *Water Sharing Plan for the Macquarie-Castlereagh Groundwater Sources 2020 (Macquarie- Castlereagh Plan) – version effective from 30 June 2020*
- *Water Sharing Plan for the Murray Alluvial Groundwater Sources 2020 (Murray Plan) – version effective from 2 September 2022*
- *Water Sharing Plan for the Murrumbidgee Alluvial Groundwater Sources 2020 -(Murrumbidgee Plan) – version effective from 30 June 2020.*

Finding	Recommendation No	Recommendation	DPE Water Response
DPE Water has started developing systems and processes to address monitoring and evaluation for water sharing plans. However, there were no monitoring, evaluation and reporting plans in place for these groundwater plans to guide monitoring and evaluation activities during the life of the plans.	1.1	DPE Water to develop systems and processes to facilitate monitoring and evaluation of groundwater plans.	<b>Partially agree.</b> While Monitoring Evaluation Reporting (MER) plans are not a requirement of Part 2 of the Water Sharing Plans (WSP)s, the department is currently developing and testing an improved Water Sharing Plan Evaluation Framework to improve MER implementation. The Framework includes an evaluation program and methods to coordinate and guide the collection of performance indicators and evaluation against plan objectives. The framework also includes a prioritisation tool to ensure limited resources to undertake MER are directed to areas of highest priority. Plan term evaluations for these 5 groundwater plans will commence in Year 8 (2028) of the plan term.

Finding	Recommendation No	Recommendation	DPE Water Response
<p>Provisions related to vision, objectives, strategies, and performance indicators under Part 2 of the Plans were largely not implemented during the audit period. There were no defined performance indicators for these groundwater plans to facilitate evaluation of the success of the Plans in meeting their objectives. DPE Water has begun monitoring and collecting of some data that should support assessment of the Plans' performance indicators. There are gaps in the data collection across the environmental, economic, Aboriginal cultural and socio-cultural datasets.</p>	<p>1.2</p>	<p>DPE Water to lead the monitoring and evaluation of performance indicators to measure the success of the strategies to reach the objectives set out in Part 2 of the Plans, including undertaking appropriate monitoring.</p>	<p><b>Partially agree.</b>  The department leads the collection of performance indicator information including recorded values of groundwater and salinity levels in high use water sources. This information is publicly available through published reports and real time- monitoring on NSW government websites. The department also leads the collection of performance indicator information on the identification and classification of Groundwater Dependent Ecosystems (GDEs) to enable ongoing extent and condition monitoring, water trading and allocations and local water utility requirements. DPE Water will also commence collecting additional social and economic performance indicator information and design of groundwater WSP evaluation methods in 2023-24. The department is also seeking funding in the next IPART determination to design and develop monitoring and evaluation of Aboriginal cultural performance indicators.</p>

Finding	Recommendation No	Recommendation	DPE Water Response
<p>Specific purpose access licence applications were assessed to determine if the share and extraction component of the licence was the minimum required for the proposed use, as required under Part 7 of the Plans. However, recommended actions from internal specialist advisers that contributed to the assessment and the granting of a licence in the Lachlan were not implemented in full during the audit period.</p>	<p>4.1.1</p>	<p>DPE Water to finalise its review of the internal specialist advice which informed the granting of specific purpose access licences during the audit period to confirm whether any actions or updates are required.</p>	<p><b>Disagree.</b> DPE Water has reviewed the internal advice in relation to the two specific purpose access licenses and action has been implemented to address this advice regarding specific purpose access licence assessment.</p>
<p>Specific purpose access licence applications were assessed to determine if the share and extraction component of the licence was the minimum required for the proposed use, as required under Part 7 of the Plans. However, recommended actions from internal specialist advisers that contributed to the assessment and the granting of a licence in the Lachlan were not implemented in full during the audit period.</p>	<p>4.1.2</p>	<p>DPE Water to document reasons, and inform internal technical advisors, if it intends to not follow the recommendations or technical advice provided to inform the granting of a specific purpose access licence.</p>	<p><b>Agree.</b> In the identified case the recommended action to reduce the volume on another WAL was not taken. This step would have been undertaken only after the WAL was registered. This was an omission as the system does not trigger a notification that action is required on another WAL. DPE Licensing and Approvals will consult with DPE Water Utilities and WAL holder to rectify the matter – action commenced end of August 2023.</p>
<p>Maximum water account debit provisions have been applied in the Water Accounting System as an annual use limit to around half of all access licence categories in these groundwater sources. All of the licence categories without a use limit applied in the Water Accounting System appear to be limited in their use by carryover provisions applied in that</p>	<p>5.1</p>	<p>WaterNSW to apply Annual Use Limits to existing licence categories that have maximum water account debit provisions in the plans but do not currently have an Annual Use Limit applied in the Water Accounting System.</p>	

Finding	Recommendation No	Recommendation	DPE Water Response
system. This is also the case for many of the licences that do have annual use limits.			
Carryover provisions for Aquifer (town water supply) access licences other Aquifer subcategories have not been applied in the Water Accounting System in accordance with Aquifer provisions in the plans, or licence conditions. This is the case for Aquifer licence subcategories in most water sources in the Lachlan, Murray and Murrumbidgee.	5.2	WaterNSW to review and update configuration of carryover for Aquifer licence subcategories in the Water Accounting System to align with plan provisions for Aquifer access licences (unless otherwise stated in the plans).	
Carryover has been configured differently in the Water Accounting System for Aquifer licences in three water sources where the plans have no account management provisions relating to this licence category in these water sources. These were Aquifer licences in the Upper Gwydir Alluvial Groundwater Source, the Belubula Valley Alluvial Groundwater Source and the Cudgegong Alluvial Groundwater Source.	5.3.1	DPE Water to investigate three water sources where Aquifer access licences exist but there are no plan provisions for their account management, including investigating the potential for amendments. DPE Water to advise WaterNSW of the outcome and how to configure these accounts appropriately.	<b>Agree.</b> To be addressed on a risk based approach - through plan amendment or on plan replacement - noting higher risks in the Macquarie-Castlereagh.
	5.3.2	WaterNSW to update the Water Accounting System to configure these accounts in line with DPE Water's advice.	
WaterNSW and DPE Water (previously NRAR) have procedures and systems for governing the water supply work	6.1a	DPE Water to finalise updates to its procedures and systems governing the water supply work approval process.	<b>Agree.</b> Inconsistency in the method of assessment of Part 9 of plans. This was

Finding	Recommendation No	Recommendation	DPE Water Response
<p>approval process generally, however, gaps were identified in this audit relating to the documentation and assessment of rules for supply works approvals under Part 9 of the plans (see F 6.2 – F 6.6 below). Both agencies advised that they are updating their procedures and systems for processing supply works approvals. Water supply works must not be approved or amended unless the agencies are satisfied that there will be no more than minimal effect on a person’s ability to take water using an existing approved water supply work and any associated access licences, and no more than minimal harm done to: - any water source, or its dependent ecosystems,- public health and safety or - a groundwater-dependent culturally significant area. While the Commission observed evidence of assessment of this, there is the potential for greater than minimal harm or effect due to the gaps in assessment and documentation described in F 6.1 to F 6.6.</p>		<p>As part of this work, DPE Water to implement its updated processes and templates to assess and explicitly document compliance with the provisions for water supply works approvals under Part 9 of the plans. This should include rectification of gaps identified in R 6.2a to R 6.5.2b below.</p>	<p>recognised prior to the Audit and Assessment Summary sheet being updated at the time of Audit to reduce the inconsistency and gaps and will be an ongoing process to be kept current. See example A030256 provided to NRC via email 10 May 2023.</p>
<p>The plans include rules to minimise interference between water supply works, including minimum set back distances under certain situations such as from neighbouring properties or local water utility bores.</p>	6.2a	<p>DPE Water to assess and explicitly document compliance with the provisions for water supply works approvals under Part 9 of the plans. This should include rectification of gaps identified in R 6.2b to R 6.6 below.</p>	<p><b>Agree.</b> A document dedicated to cross checking the distance rules in the water sharing plans with a table is now being used in conjunction with the assessment summary sheet - example A030256.</p>



Finding	Recommendation No	Recommendation	DPE Water Response
<p>The Commission did not sight evidence of assessment of all the provisions to minimise interference between water supply works being checked by WaterNSW or NRAR. The current DPE Water and WaterNSW assessment sheets do not include any checks for the rules to minimise interference to be documented.</p>	6.2b	<p>R 6.2b WaterNSW to assess and explicitly document compliance with the provisions under Part 9 of the plans for all rules to minimise interference between water supply works.</p>	
<p>The plans require an assessment of potential sources of contamination near water supply works, including on-site sewage disposal systems and any site that:</p> <p>(a) has been declared to be significantly contaminated land under the <i>Contaminated Land Management Act 1997</i>;</p> <p>(b) notified to the EPA (Environment Protection Authority) under section 60 of the <i>Contaminated Land Management Act 1997</i>.</p> <p>The Commission did not sight evidence indicating the consistent assessment of declared and notified potential sources of contamination under the <i>Contaminated Land Management Act 1997</i> by NRAR and WaterNSW during the audit period.</p>	6.3.1	<p>R 6.3.1.a DPE Water to consistently assess and explicitly document compliance against the plans' schedule requirement for assessment of contamination sources including any site that has been declared to be significantly contaminated land under the <i>Contaminated Land Management Act 1997</i>, or notified to the EPA under section 60 of the <i>Contaminated Land Management Act 1997</i>.</p>	<p><b>Partially Agree.</b></p> <p>DPE Water officers conduct a search of the Contaminated Land Record (CLR) on the EPA website for water supply work approval applications. The CLR lists sites that are declared to be significantly contaminated under the <i>Contaminated Land Management Act 1997</i> (CLM Act). The website also has a link to an Excel file and a pdf file which list sites that have been notified to the EPA under section 60 of the CLM Act. DPE Water have amended the assessment procedure to include a check of this list for any nearby potentially contaminated sites and where non-compliance refer to the relevant agency.</p>
	6.3.1b	<p>WaterNSW to consistently assess and explicitly document compliance against the plans' schedule requirement for assessment of contamination sources including any site that has been declared to be significantly contaminated land under the <i>Contaminated Land Management Act 1997</i>, or notified to the EPA under</p>	

Finding	Recommendation No	Recommendation	DPE Water Response
		section 60 of the <i>Contaminated Land Management Act 1997</i> .	
<p>The plans require an assessment of potential sources of contamination near water supply works, including any site that is or has been the subject of an activity listed in Table 1 of the contaminated land planning guidelines published under the <i>Environmental Planning and Assessment Act 1979</i>. WaterNSW and DPE Water indicated that there are currently no processes in place to complete this assessment, and this requirement has not been met during the audit period.</p>	6.3.2a	DPE Water to develop a process to support the assessment and documentation of compliance against the plans' schedule requirement for the assessment of contamination sources including any site that is or has been the subject of an activity listed in Table 1 of the contaminated land planning guidelines published under the <i>Environmental Planning and Assessment Act 1979</i> .	<p><b>Agree.</b> DPE Water to develop process to support the assessment of compliance against the WSPs.</p>
	6.3.2b	WaterNSW to develop a process to support the assessment and documentation of compliance against the plans' schedule requirement for the assessment of contamination sources including any site that is or has been the subject of an activity listed in Table 1 of the contaminated land planning guidelines published under the <i>Environmental Planning and Assessment Act 1979</i> .	

Finding	Recommendation No	Recommendation	DPE Water Response
<p>The plans have rules to prevent water supply works from being approved within certain distances of high priority groundwater dependent ecosystems or the high bank of a river unless adequate arrangements are in place to protect the ecosystems. The audited assessment summary sheets do not require compliance with these provisions to be recorded or have a check that they are explicitly met. In the sample of relevant water supply work approvals reviewed, NRAR did not document the distance to the high bank of a river or groundwater dependent ecosystems in one of the three tested water supply works approvals.</p> <p>WaterNSW did not document the distance to the high bank of a river in two relevant water supply works approvals, or the distance to groundwater dependent ecosystems in one relevant tested water supply works approval.</p>	6.4a	DPE Water to consistently assess and document compliance with the provisions under Part 9 of the plans for water supply works near high priority groundwater dependent ecosystems and high banks of rivers.	<p><b>Disagree.</b></p> <p>The hydrogeological assessments check the distance rules in relation to high priority groundwater dependent ecosystems. See WAMS11735, WAMS8798, WAMS8391 assessment reports for the three water supply work approval applications, provided to NRC 24 July 2023. A document dedicated to cross checking the distance rules in the water sharing plans with a table is now being used in conjunction with the assessment summary. See attached example for A030256 and screen shots from the Water Licensing System provided 10 May 2023 via email - Estelle Avery.</p>
	6.4b	WaterNSW to consistently assess and document compliance with the provisions under Part 9 of the plans for water supply works near high priority groundwater dependent ecosystems and high banks of rivers.	
<p>The plans require assessment of water supply work approvals located near groundwater-dependent culturally significant areas.</p> <p>The Commission did not sight evidence that demonstrated assessment of</p>	6.5.1a	DPE Water to develop a process to support the identification of groundwater-dependent culturally significant areas to enable assessments of potential impacts from water supply work approvals.	<p><b>Partially Agree.</b></p> <p>No data base/tool available to undertake the searches for GDE culturally significant areas. The only database currently available for water regulation officers to search for Aboriginal</p>

Finding	Recommendation No	Recommendation	DPE Water Response
<p>groundwater-dependent culturally significant areas for any of the six relevant water supply work approvals processed by WaterNSW or NRAR during the audit period. Assessments did include an Aboriginal Heritage Information Management System (AHIMS) search with a requirement that works are not within 20 m of a site. Agencies identified in interview that this search is not intended to fulfil the requirements of an assessment for groundwater-dependent culturally significant areas under Part 9 of the plans. Agencies identified that there is no process to provide the information to allow an assessment of groundwater-dependent culturally significant areas. The current DPE Water and WaterNSW assessment summary sheets do not have a location to record the results of any assessment of nearby groundwater-dependent culturally significant areas.</p>	6.5.2a	<p>Upon completion of R 6.5.1, DPE Water to assess and document compliance with the provisions under Part 9 of the plans for water supply works near groundwater dependent culturally significant areas.</p>	<p>culturally significant sites is the Aboriginal Heritage Information Management System.</p>
	6.5.2b	<p>Upon completion of R 6.5.1, WaterNSW to assess and document compliance with the provisions under Part 9 of the plans for water supply works near groundwater dependent culturally significant areas.</p>	

Finding	Recommendation No	Recommendation	DPE Water Response
<p>The plans only require replacement water supply works to be assessed against some of the criteria in Part 9 due to their lower risk profile. The plans define the specific features of a 'replacement' water supply work. This audit reviewed one replacement water supply work application, approved by WaterNSW under the Gwydir Plan. It did not explicitly comply with two elements of the definition of a replacement groundwater supply work in the plan (depth and diameter). The Commission understands that the Minister's exemption clauses were used and conditions applied to the licence in place of meeting the depth requirements. However, the diameter requirement was not met. This means it was not assessed against all relevant plan provisions that apply to new water supply work approvals.</p> <p>The current DPE Water and WaterNSW assessment summary sheets do not require documentation of compliance with the criteria for a replacement work under the plans and the agency's agreed triage process does not align with the replacement work definitions or exemptions. Further, the assessment did not address provisions that should still be assessed for replacement works, specifically rules</p>	6.6	WaterNSW to assess and explicitly document compliance, where relevant, with the definition of a replacement work under Part 9 of the plans to inform the assessment process.	

Finding	Recommendation No	Recommendation	DPE Water Response
for water supply works located near contaminations sources.			

Finding	Recommendation No	Recommendation	DPE Water Response
<p>The Water Licensing System that is used to process dealings reports any 71O, 71P, 71R, 71S and 71W dealings as a bundle of dealing types (“71O/R/S/W” or “71P(1)(a)/O/R/S/W” for example). 71O (conversion to a new licence category) dealings are prohibited across the plans and 71R (amendment of licence share component) dealings are typically prohibited. Therefore, the system reports make it appear as if dealings that are prohibited were processed during the audit period. Note, the Commission has not confirmed any instances of prohibited dealings being processed.</p>	7.1	<p>WaterNSW to update the naming conventions for dealings under WAVE to ensure dealing names and system reports accurately reflect dealings undertaken to demonstrate compliance and improve data quality.</p>	

Finding	Recommendation No	Recommendation	DPE Water Response
<p>In the sample reviewed of three 71W dealings processed in each of the Gwydir, Lachlan, Murray and Murrumbidgee, the Commission found some minor quality issues relating to requirements of the Access Licence Dealing Principles Order 2004 including:</p> <ul style="list-style-type: none"> <li>• inconsistent documenting of the assessment of interstate tagging requirements and whether these applied and were met (including 1 dealing in the Murrumbidgee that incorrectly stated these requirements were not met)</li> <li>• inconsistent answering of subsequent questions relating to requirements for specific purpose access licences (SPALs) where it had been identified the WAL in question was not a SPAL (including 1 in the Lachlan and 1 in the Gwydir that incorrectly stated these requirements were not met)</li> <li>• one WAL in the Murrumbidgee was incorrectly stated as being suspended, which would trigger a rejection.</li> </ul>	7.2	<p>WaterNSW to update the assessment summary sheet structure and process for 71W dealings to:</p> <ul style="list-style-type: none"> <li>• include a 'not applicable' option for interstate and NSW tagging requirements</li> <li>• remove default positions on answers to promote active entry of answers by assessing officers</li> <li>• ensure any answers which would trigger a refusal of the dealing are identified and corrected before processing a dealing.</li> </ul>	



Finding	Recommendation No	Recommendation	DPE Water Response
<p>The Commission found that existing access licence and water supply work approval holders were notified of mandatory conditions up to 1 year and 3 months after plan commencement. Specifically:</p> <ul style="list-style-type: none"> <li>• Gwydir: August to September 2021 (around 1 year and 2 months after plan commencement)</li> <li>• Lachlan: February 2021 (7 months after plan commencement)</li> <li>• Macquarie-Castlereagh: September 2021 (1 year and 2 months after plan commencement)</li> <li>• Murrumbidgee: July 2021 (1 year after plan commencement).</li> <li>• Licence and approval holders under the Murray Plan were notified within two months, which the Commission considers to be within a reasonable timeframe.</li> </ul>	8.1	DPE Water to complete work to improve systems and processes for notifying licence and approval holders of mandatory conditions, including the Standard Operating Procedure. This should include documenting target timeframes for notification of mandatory conditions.	<p><b>Agree.</b></p> <p>It is planned for the Standard Operating Procedure to be completed by end of 2023. There is an existing target timeframe for notification of mandatory conditions, which is 8 months.</p>

Finding	Recommendation No	Recommendation	DPE Water Response
<p>The Commission did not observe any instances of water access licences in the Gwydir and Macquarie-Castlereagh having conditions relating to the new non-urban water metering requirements. DPE Water confirmed this is appropriate in most cases, as water supply work approvals are the main instrument for the placement of these conditions. Under the <i>Water Management (General) Regulation 2018</i>, only access licences that are exempt from the requirement for a water supply work approval or used for the purpose of prospecting or fossicking for minerals or petroleum must have mandatory metering equipment and reporting conditions placed on the access licence. DPE Water has commenced a project to identify access licences that require mandatory conditions to give effect to the non-urban water metering requirements. These nonurban water metering requirements came into effect for the Gwydir and Macquarie-Castlereagh on 1 December 2021 and so will be given delayed effect as conditions to access licences.</p>	<p>8.2</p>	<p>DPE Water to complete work to identify access licences that require relevant non-urban water metering requirements to be applied as mandatory conditions in the Gwydir and Macquarie-Castlereagh and apply appropriate mandatory conditions. This work will also be required for the Lachlan, Murray and Murrumbidgee from 1 June 2023.</p>	<p><b>Agree.</b> It is planned to complete this work by end of June 2024.</p>

Finding	Recommendation No	Recommendation	DPE Water Response
<p>WaterNSW indicated that conditions for replacement water supply works have been applied as discretionary conditions, rather than mandatory conditions. The Commission has observed one water supply work approved in the Gwydir during the audit period which had conditions for replacement groundwater works applied as a discretionary condition.</p>	<p>8.3</p>	<p>WaterNSW to apply rules for replacement groundwater works as mandatory conditions.</p>	<p></p>
<p>Some DPE Water processes to support the review of in-plan amendment provisions were not in place for over two years, which presented a risk to the identification of any in-plan amendments that may have been triggered.</p>	<p>9.1</p>	<p>Addressed during the audit period, no recommendation.</p>	<p>N/A</p>