

Ref: EC23-000407

Mr Bryce Wilde  
Executive Director  
Natural Resources Commission  
GPO Box 5341  
SYDNEY NSW 2001

Via email: [nrc@nrc.nsw.gov.au](mailto:nrc@nrc.nsw.gov.au)  
Attn: Water Review Team

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 Murrumbidgee Regulated River Water Source 2016*. The MDBA is available to discuss any of the matters set out in the submission.

Please contact [REDACTED] Director Water Resource Planning [REDACTED]  
[REDACTED] in the first instance to discuss the submission.

Yours sincerely



Tim Goodes  
Executive Director

28 June 2023

## Murray–Darling Basin Authority submission to the New South Wales Natural Resources Commission review of the Water Sharing Plan for the Murrumbidgee Regulated River Water Source 2016

### Introduction

Thank you for the opportunity to provide input to the review of the *Water Sharing Plan for the Murrumbidgee Regulated River Water Source 2016*. The Murray-Darling Basin Authority (MDBA) welcomes the review and acknowledges the review work undertaken by the Natural Resources Commission (NRC) to date.

The MDBA has been working closely with the 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 Murrumbidgee (surface water) WRP.

The MDBA has previously advised the NRC about NSW proposed WRPs received in 2020 that were assessed to be inconsistent with the requirements of Chapter 10 of the Basin Plan and withdrawn by NSW. Since then, NSW has been revising all WRPs, with five groundwater plans resubmitted, assessed, and accredited for operation under the Basin Plan. The MDBA continues working closely with NSW to review changes made to remaining WRPs to ensure these can be resubmitted for assessment, and be made available to the Commonwealth Minister responsible for water for an accreditation decision as soon as possible.

All proposed NSW WRPs incorporate specific clauses from NSW water sharing plans (WSPs), some of which have been amended or re-made for the purpose of consistency with the Basin Plan. As a consequence, the NRC's program of scheduled reviews of current NSW Murray-Darling Basin WSPs 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 Murrumbidgee Regulated River Water Source 2016*, the re-submitted proposed Murrumbidgee WRP incorporates provisions from a version of this WSP that is different to the one currently in force. It is likely that amendment to the current *Water Sharing Plan for the Murrumbidgee Regulated River Water Source 2016* will also be necessary to give effect to several supply measures under the Basin Plan Sustainable Diversion Limit Adjustment Mechanism (SDLAM).

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

The following is a list of relevant information that may help to inform the NRC review of the *Water Sharing Plan for the Murrumbidgee Regulated River Water Source 2016*:

- [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](#).
- Amendments to the *Water Act 2007* and the *Basin Plan 2012*, mean that the MDBA is no longer responsible for enforcing compliance with the Basin Plan. This responsibility now sits with the Inspector General of Water Compliance (IGWC), formally established on 5 August 2021. 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. More information about the IGWC can be found [here](#).
- [Basin Plan evaluation framework](#). The Evaluation Framework is used by the MDBA to evaluate the effectiveness of the Basin Plan. 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 recent 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 next Basin Plan evaluation will be published in 2025.
- Hydrological [analysis](#) from the 2020 evaluation yielded results regarding historical flow characteristics of the Murrumbidgee River system. Overall, relationships between climate and Murrumbidgee flow characteristics have been largely maintained, i.e., the climate-to-flow relationship from 2012 appears like that from the 2000–12 period.

## Other Issues

- [SDL Accounting 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’. The [SDL accounting framework](#) flags activity up to 2024-25 to investigate if improvements can be made from using long-term averages for SDL compliance.
- The MDBA notes that the Murrumbidgee Long Term Water Plan (LTWP) has identified insufficient water for environmental needs in the regulated Murrumbidgee River system as a risk to meeting the LTWP objectives. The Murrumbidgee Regulated WSP contains a complex array of rules related to management of water for the environment, including the prerequisite policy measures at clause 78. These measures regarding environmental flow reuse and piggybacking operation rules are part of arrangements made under the Basin Plan to improve environmental flow management. The MDBA recommends that the NRC reviews how effectively the prerequisite policy measures under clause 78 of the WSP have been operating.
- Complexity in WSP rules and arrangements. The MDBA considers that a key element of regulatory effectiveness is that expectations and obligations are clear and can be easily understood. This applies to the rules established by the WSPs. The NRC is encouraged to consider the impact of complex rules and arrangements – particularly in relation to the operation of the environmental water allowances, provisional storage volumes and translucency releases - on the effectiveness of the Murrumbidgee Regulated River WSP.
- MDBA SDLAM Assurance Reporting. The [MDBA SDLAM 2022 Assurance Report](#) notes (page 33) that expected amendments to the *Water Sharing Plan for the Murrumbidgee Regulated Rivers Water Source 2016* needed to complete the Computer Aided River Management system (CARM) for the Murrumbidgee River supply project have yet to be made. The NRC is encouraged to review how NSW is giving effect to the environmental entitlements proposed in the notification for the supply measure.

## Conclusion

The MDBA welcomes the NRC review of the *Water Sharing Plan for the Murrumbidgee Regulated River Water Source 2016* and would be happy to discuss the matters raised in this submission with the NRC to further inform the conduct of the review.