



Natural
Resources
Commission

Review of the *Water Sharing
Plan for the Hunter
Unregulated and Alluvial Water
Sources 2009* – Report
summary

Our review

- The Natural Resources Commission (the Commission) has a statutory role under s43A of the *Water Management Act 2000* 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 48 public submissions for this review.



Hunter Unregulated and Alluvial plan area

- The *Water Sharing Plan for the Hunter Unregulated and Alluvial Water Sources 2009* (the Plan) covers the unregulated and alluvial water sources in the Hunter Valley and Lake Macquarie catchments
- Water managed under the Plan provides part of the flows to important environmental assets, including the Ramsar-listed Hunter Estuary Wetlands
- The Plan also manages town water, including for Hunter Water Corporation, and water for a diverse range of regional and state-significant industries
- The Hunter Valley and its water sources is an area of cultural significance to the Wanaruah, Worimi, Awabakal, Biripi, Kamilaroi, Darkinjung and Geawegal peoples
- There are other plans in the Hunter Valley that also manage water in the region, including for the Hunter and Paterson regulated river water sources
- Drought security is the primary economic risk to the Hunter Valley, as evidenced by the severe drought experienced since 2017

The Plan should be replaced

The Commission's advice is that the Plan should be:

- **Extended until June 2022**, with priority amendments and actions for extraction limits, available water determinations, environmental flow rules and licence conversions progressed during this period – the extension period will provide time for the completion of studies and implementation of recommendations in this review
- **Replaced by 1 July 2022**, supported by the completion of other recommendation in this review and ensuring appropriate alignment and integration with other Greater Hunter plans
- A replacement plan is intended to strengthen rules protecting environmental outcomes and increase the appropriateness of other provisions governing water extraction
- The replacement plan should follow a more coordinated approach with the other water sharing plans in the Greater Hunter region to manage the connectivity between plans

Summary of key findings

Long-term average annual extraction limits (LTAAELs)

- No clear, volumetric extraction limits (except for Hunter Water Corporation) or accounting for all water take
- This makes it difficult to assess actual extraction against extraction limits, and to adjust future water usage accordingly
- Establishing limits to the availability of water is particularly important as water entitlements across the Hunter Valley have reached their full allocations

Available Water Determinations (AWDs)

- AWDs are not functioning to ensure compliance with extraction limits or to proactively ration limited water in drought
- Reducing allocations through AWDs would share reductions in water more equitably across water users, regardless of their relative position in each water source
- AWDs are also not aligned with other connected plans in the region, creating potential issues for equitable water access for water users extracting under different plans, particularly during times of drought

Summary of key findings (cont.)

Environmental flow provisions

- There has been inconsistent implementation of environmental flow provisions – this means that some water sources may have inadequate measures in place to protect environmental values and basic rights
- The Plan was developed with the intent to undertake further studies to support the design and implementation of provisions but these have not been completed – this has created risks to the protection of environmental values and potential inequity between water users
- There is an unclear process to mitigate take under exemption from cease to pump rules for aquifer interference activities – the extent to which these mitigation activities have reduced risks to the environmental and other water users is unclear

Aboriginal water values

- There has been limited consideration of Aboriginal cultural water values, and support for cultural water access and use

Summary of key findings (cont.)

Trade and dealing provisions

- Access licence dealing provisions are in place to provide for trade under specified conditions, however some stakeholders would like increased flexibility in trading rules
- Inconsistent licence conversion provisions between connected surface water and groundwater, and inconsistent alignment of trade provisions in report cards and licence conditions – this has created uncertainty for water users and market participants

Monitoring, evaluation and reporting

- Comprehensive monitoring, evaluation and reporting has not been implemented to assess the extent to which the Plan's outcomes are being met



Summary of key recommendations

The Commission recommends the Plan should be updated as follows:

LTAELs

- Establish and publish numeric extraction limits that consider all forms of take

Available water determinations

- Review and update available determinations

Environmental flow provisions

- Prioritise, establish and update environmental flow and access provisions



Summary of key recommendations (cont.)

Trade and dealing provisions

- Review current trading and conversion provisions
- Amend inconsistencies between rules

Aboriginal water values

- Include amendment provisions for native title rights
- Identify Aboriginal values, uses, flow allocations and water access options

Monitoring, evaluation and reporting

- Complete relevant studies identified at plan commencement
- Develop a Plan-specific monitoring, evaluation and reporting framework