

27 May 2021

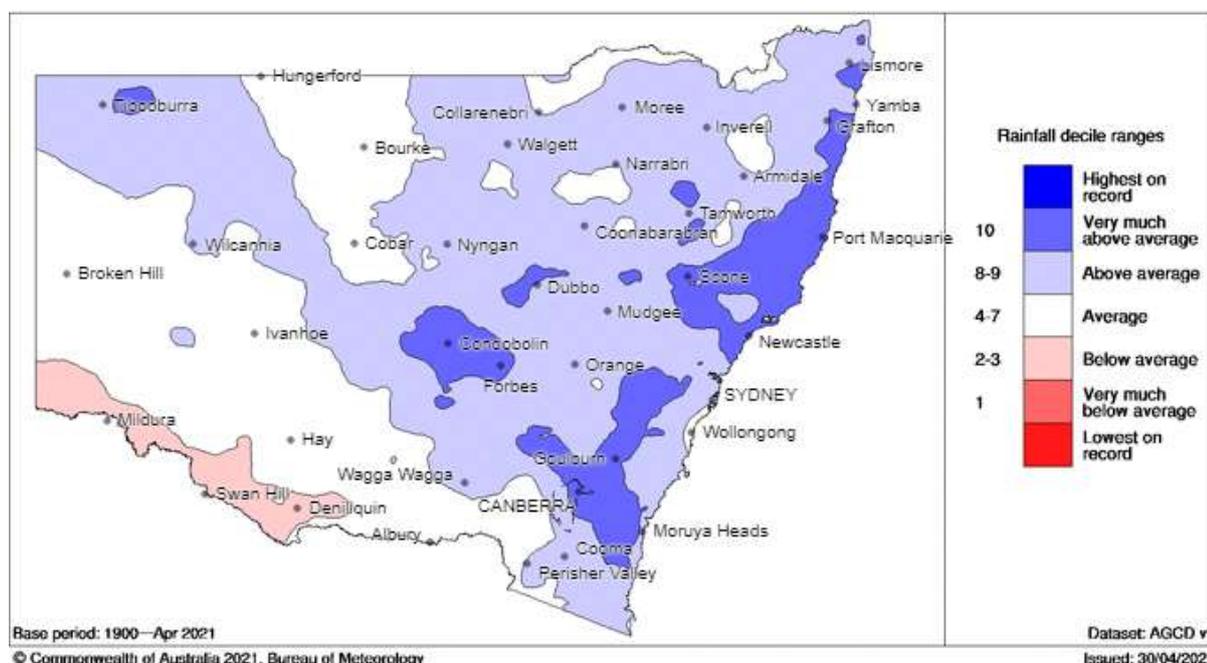
NSW Groundwater allocation statement

Water allocation update

Since February 2020 there has been some good rainfall across much of the state. The map below shows large areas of the state have received higher than average rainfall for the twelve months to the end of April 2021. This rainfall has alleviated some of the pumping pressure on groundwater.

New South Wales rainfall deciles 1 May 2020 to 30 April 2021

Australian Gridded Climate Data



Water sharing plans allow groundwater to be temporarily pumped for some years at higher volumes than the annual limit. This provides water users with operational flexibility to deal with seasonal variations, particularly during droughts. However, on-going exceedance of the annual limits must be managed.

The plans therefore set limits on the period that this higher level of extraction can continue. Once this compliance trigger is reached, groundwater allocations to aquifer access entitlements may be reduced to drive water usage back to within the plan limit to prevent resource depletion.

Whilst groundwater pumping volumes have generally declined this water year, the annual average remains high because the compliance period includes years of high extraction during the drought.

At the end of last year, the department launched an online dashboard that provides information to water users on the likelihood of reduced groundwater access. We encourage licence holders and interested stakeholders to monitor the status of groundwater extraction using the dashboard at: www.industry.nsw.gov.au/water/allocations-availability/tracking-groundwater

Licence holders are also encouraged to enter their meter readings into the WaterNSW's Water Accounting System (iWAS). This near-real-time usage data is incorporated into the dashboard and helps to make the information as current and useful as possible.

Water allocation outlook

The 1 July 2021 water allocations are currently being calculated. For two groundwater sources, extraction is forecast to exceed the plan’s compliance trigger by the end of the water year and a reduced allocation for their associated aquifer access licenses is likely. Another five groundwater sources will be close to exceedance and may also receive reduced allocations (Table 1).

All other groundwater sources are likely to receive full allocations, apart from groundwater entitlements in highly connected alluvial systems, where a reduced allocation can be expected on 1 July 2021 if the associated surface water allocation is reduced.

WaterNSW is prioritising the processing of metering data for groundwater systems that have extraction levels approaching their plan’s compliance trigger. This will ensure the best available information for the 1 July water allocation determinations.

Reduction in allocation is required under water sharing plan rules when the average annual extraction exceeds the plan’s compliance trigger. Reduced allocations are intended to return extraction to within long term sustainable limits and avoid depletion of the resource over time.

If significant allocation reductions are required, they will be spread over multiple years with at least a 0.5 ML/share allocation for aquifer access licences assured in the first year of reductions.

Table 1 Compliance exceedance outlook for 2021-22

Compliance	Groundwater Source
Forecast likely exceedance of compliance trigger. Can expect reduction in aquifer access allocations. Allocation for 2021-22 depends on final metering data.	Great Artesian Basin Eastern Recharge Lower Murrumbidgee Deep
Historic pumping indicates potential to reach and exceed compliance limit therefore possible reduced allocation for aquifer access licences. May not eventuate depending on final metering data.	Lower Lachlan Upper Namoi Zone 3 Mooki Valley (Breeza to Gunnedah) Upper Namoi Zone 5, Namoi Valley (Gin’s Leap to Narrabri) Upper Macquarie Alluvial Upper Murray

Not all groundwater meter readings can be finalised prior to the 1 July 2021 announcement, therefore some projections of likely annual water usage will be necessary.

Projections will be checked using actual data as it comes to hand. Where a reduction has been imposed, but subsequent confirmed data from meters indicates an increase in the allocation is possible, an increment to the allocation will be made in early October 2021.

All other groundwater sources can expect the usual allocation for their corresponding entitlements on 1 July 2021 for the water year 2021-22.

The calculations for compliance with extraction limits and the requirement to reduce allocation are based on the volumes pumped in the current and previous years to determine the average annual extraction over the five-year compliance period. The plans have varying exceedance levels, typically 5% or 10% above the extraction limit.

It should be noted that those groundwater sources that have higher exceedance levels over which the average extraction is calculated, could require longer periods of reduced allocation to return the water source to sustainable levels of extraction once exceedance is triggered.

Community consultation on managing groundwater extraction to extraction limits

The groundwater sharing plans in the NSW Murray-Darling Basin, which started in July 2020, have two methods available to return average extraction to the extraction limit. These methods can be used separately or in combination.

Between November 2020 and March 2021, the department consulted with stakeholders in targeted areas and sought views on the method or combination of methods that would best suit their area.

The department has assessed the feedback and produced a report that can be found at: www.industry.nsw.gov.au/__data/assets/pdf_file/0008/380915/what-we-heard.pdf

The department will not change the current management method of reducing available water determinations for the coming 2021-22 water year where extraction limits are exceeded in 2020-21. Rather it will further consider the stakeholder feedback and undertake additional consultation before publishing the method(s) to be used to manage extraction to limits in inland groundwater sources from 1 July 2022 onwards. The method that applies may differ between water sources.

Further information

Information on managing groundwater extraction within sustainable limits can be found at: www.dpie.nsw.gov.au/managing-access-to-groundwater

In addition, information on available water determinations and water sharing plans is available on the Department of Industry website: www.industry.nsw.gov.au/water

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