

Water access and licensing during drought

Large areas of NSW are facing severe water shortages. Supply in most of the northern and far west inland river valleys is limited to critical needs. With no new allocations for most irrigators and reduced allocations for many other licence holders along our regulated rivers, there is increasing focus on accessing alternative supplies, such as groundwater.

Responsibilities for granting and managing water licences and approvals are shared between the Department of Planning, Industry and Environment, WaterNSW and the Natural Resources Access Regulator. However, for most water licences and approvals, the key contact is WaterNSW.

1. Categories of water access licences

1.1 How can I use basic landholder rights water?

Under basic landholder rights, the occupier of a property can take water from a river that directly fronts their land or from an aquifer under their land for domestic consumption and stock watering.

The water can be used for normal household purposes around the house and garden and for drinking water for grazing stock. It cannot be used for irrigating fodder crops for stock, washing down a dairy or machinery shed, or intensive livestock operations (such as feedlots, piggeries or poultry).

While no water access licence is required to take water under basic landholder rights, if you are taking water via a bore for any purpose you will still need a water supply works approval for the bore.

1.2 How can I use domestic and stock access licence water?

A domestic and stock water access licence is required when the:

- property does not directly front the river or overlie the aquifer
- water for basic domestic and stock purposes must be pumped or piped across another property.

Water under a domestic and stock access licence and water supply works approval can be used only for the same purposes as basic landholder rights.

1.3 Am I allowed to dig a hole in the river to access more water?

No. This work would be outside basic landholder rights. You would need to apply for a Controlled Activity Approval from the Natural Resources Access Regulator: www.industry.nsw.gov.au/natural-resources-access-regulator

1.4 What type of water access licences and approvals are required for intensive livestock purposes?

This requires a:

1. water supply works approval
2. water use approval
3. water access licence.

Note: If both a water supply works approval and a water use approval are required, then these are combined into a single approval (called a combined approval). A water access licence for groundwater is called an aquifer access licence. A water access licence for surface water is called an unregulated river access licence if the water is taken from an unregulated river, or a general security, high security or supplementary water access licence if the water is taken from a regulated river.

In regulated river systems, a high security regulated river licence provides a more reliable supply than a general security licence, as water is allocated to high security licences before remaining water in storage is allocated to general security licences.

A supplementary water access licence is the lowest priority and is a right to take water from (unregulated) flows that come into a regulated river downstream of the regulating dam.

Note: A regulated river is a river, stream or other watercourse, the flow of which is regulated by artificial structures such as dams, weirs, off-takes and storages. Releases are made to downstream users.

Unregulated rivers are rivers that are not controlled by releases from a dam or regulated via the use of weirs and gated structures.

2. Processing water access applications and approval times

2.1 Where do I go for information on water applications?

WaterNSW is the one-stop-shop for landholders and rural producers for all enquiries about water licences, water trades, water approvals and water information. Information can be found at: www.watarnsw.com.au

Contact WaterNSW for:

- groundwater and surface water access licences
- water supply works and use approvals
- water trading applications.

Most applications for basic landholder rights bores are assessed by WaterNSW and the applicant is typically advised within a few weeks. However, if the basic landholder rights bore is close to a septic system, or it is within the minimum setback distances from other bores or features as specified in the water sharing plan, then they are referred to the Department of Planning, Industry and Environment's Water Division for hydrogeological impact assessment.

All other groundwater applications that result in authorised take of groundwater changing location or applications for new or additional production bores, are also referred to the department for assessment. WaterNSW advises the applicant if the application is approved (usually with conditions) or refused.

The conditions could limit the amount of water that can be taken each year. These conditions ensure that the pumping does not cause unacceptable effects on existing licence holders, basic landholder rights, local river flows or groundwater dependent ecosystems.

Before you apply, we recommend meeting with a Water Regulation Officer from WaterNSW to discuss the proposed activity, likely effects, the application process and the information required. The pre-application meeting is a free service. To arrange a meeting or to submit an enquiry, contact the WaterNSW Customer Helpdesk on 1300 662 077 or email

Customer.Helpdesk@watarnsw.com.au

2.2 How long does it take to approve or refuse various water access applications and water trading applications?

Given the severity and extent of the drought across NSW, the number of water applications has significantly increased. This has extended the normal processing times.

A. Groundwater works approvals and trading applications.

Most applications for bores for basic landholder rights are processed fairly quickly. However, where applications require hydrogeological impact assessment, current estimated times to complete the impact assessments are:

- basic landholder rights bore applications: 5–10 days
- temporary trades: 2–3 weeks
- permanent trades, new bores, extraction limit reviews: 4–6 months.

If an application needs to be advertised, this requires an extra 28 days for the advertising, plus time to review any objections.

Trade of water rights is subject to the rules of the respective water sharing plan. If it is consistent with these, it is generally permitted, except where such trade is likely to have unacceptable effects on existing licence holders, basic landholder rights, local river flows or groundwater dependent ecosystems.

B. Farm dams and on-site storages

Rural landholders in NSW can build dams on minor streams and capture 10% of the average regional rainfall run-off on land in the Central and Eastern Divisions, and up to 100% on land in the Western Division. If the dam is within this 'harvestable right', no approval or water access licence is required. If it is larger, then you need to get a works approval and water access licence. See WaterNSW's website on harvestable rights dams to calculate the size of your harvestable right: www.watarnsw.com.au/customer-service/water-licensing/basic-water-rights/harvestable-rights-dams

On-site storage dams, such as 'turkey-nest' dams, do not require a water access licence, but do require a works approval from WaterNSW. Processing times for these applications are currently two months.

In some cases, the dam will also require council approval under a Development Application (DA), depending on your council's consent requirements. For large structures with dam walls, the proposal will need to be referred to the Dam Safety Committee.

2.3 For new groundwater bores or permanent trades, what does the department consider in the impact assessment?

The Department of Planning, Industry and Environment assesses the effect of pumping on the aquifer, neighbouring bores and nearby surface water sources, as well as proximity to septic systems and other lower quality water that may affect water quality, and on any groundwater-dependent ecosystems.

Basic landholder rights bore applications are generally only referred to the department for impact assessment if the proposed location is close to a septic system, or is within the minimum setback distances from other bores or features, as specified in the respective water sharing plan.

For more detail, refer to the *Assessing groundwater applications* fact sheet: www.industry.nsw.gov.au/__data/assets/pdf_file/0008/175931/Assessing-groundwater-applications-fact-sheet.pdf

2.4 Restrictions apply to drilling bores near rivers and streams. Can these restrictions be waived if there is no other location for the groundwater bore?

The rules for installing water supply works (bores) near a river or stream are detailed in the respective water sharing plan. Bores generally must be installed more than 40 metres from the top of the river bank. Refer to the information sheet on assessing groundwater applications, the relevant water sharing plan or contact WaterNSW for advice.

These rules are in place to limit the effect of groundwater pumping on surface water when it flows.

2.5 If I buy a groundwater licence entitlement and want to extract the water from my existing bore, will I be able to extract the full amount?

As part of the groundwater drawdown impact assessment undertaken in the processing of new bore applications or dealings that result in water moving from one location to another, we may apply conditions to the licence, restricting the volume that can be taken over a time period (typically a year). This may prevent the full entitlement or volume traded being accessed.

This extraction limit condition is applied to manage effects on the environment, the aquifer and other users.

2.6 Are water access licence applications prioritised and can applications be fast-tracked?

As per the priorities under the *Water Management Act 2000*, the only applications that are given priority for processing above others are those for town water supplies and basic landholder rights. All other applications are assessed in the order they are received.

The effects of the delays are acknowledged and the government is engaging more expert hydrogeologists to assist with the backlog of applications.

2.7 Shouldn't towns and basic landholder rights access also be restricted?

Towns are expected to put in place town water supply restrictions when supplies are low. Many Councils have introduced severe town water restrictions.

The department is considering whether restrictions should be applied to basic landholder rights take. Restrictions were applied in some valleys in the last major drought.

2.8 What information is required to support applications and faster assessments?

An application must include all the required information. Application forms and guides are available from WaterNSW's website. If you need more information, contact WaterNSW. WaterNSW can also assist in a pre-application meeting by advising which sections of the application form are relevant and need to be filled in.

Before you apply, we recommend that you meet with a Water Regulation Officer from WaterNSW to discuss the proposed activity, likely effects, the application process and the information required. The pre-application meeting is a free service. To arrange a meeting or to submit an enquiry, contact the Customer Helpdesk on 1300 662 077 or email Customer.Helpdesk@waternsw.com.au

2.9 Can surface and groundwater be mixed and stored in common storage on the property?

Yes. This is a matter for the landholder, noting that the quality of the different water sources may vary.

3. Other options

3.1 Given the processing times for new bores and permanent trades, what alternatives and financial assistance is available?

A fact sheet *Ceasing regulated river supplies—options and assistance for water users* is available on the department's website: www.industry.nsw.gov.au/water/allocations-availability/droughts-floods/drought-update/drought-information

The purchase of groundwater entitlements does not guarantee that the purchaser will be able to access their full entitlement. As stated previously, the department will undertake a groundwater drawdown impact assessment when applications are made for new bores or dealings (trades) that result in water moving from one location to another. We may apply conditions to the licence, restricting the volume that can be taken over a time period (typically a year). This may prevent the full entitlement or volume traded being accessed.

Water carting may be a short, or even longer term option during the drought. You can have small volumes of water carted in, particularly for domestic and stock purposes. Many local councils provide stand pipes or filling stations to supply water for rural landholders and you can hire local water carters to truck the water to the destination. It is also possible to cart larger quantities of water for commercial or more intensive industries, but the number of truck movements and costs need to be considered. Contact your local council and/or water carting companies for advice on locations and costs.

You may be eligible for subsidies for the cost of carting water. Information on the range of assistance available is on the NSW DroughtHub: www.dpi.nsw.gov.au/climate-and-emergencies/droughthub

Subject to agreement between the parties, there may also be opportunities to access and pipe groundwater from bores on neighbouring properties that are not using their full allocation.

If sufficient water supplies cannot be obtained, then producers need to consider de-stocking before any animal welfare issues emerge.

4. Groundwater effects and monitoring

4.1 How can I monitor what's happening with my groundwater source?

The NSW Groundwater Baseline Project is an initiative of the Land and Water Commissioner in response to community concerns about water rights, licensing and use. The project explores the geology of a region and its groundwater sources to provide context. It examines existing groundwater entitlements and purpose. It shows the groundwater monitoring networks and highlights water level behaviour over time for key groundwater sources.

The project also focuses on individual catchments, showing long-term groundwater monitoring within the catchment. This allows agricultural industries to understand local groundwater trends. Further information: www.industry.nsw.gov.au/about/our-business/statutory-officers-and-independent-appointments/land-and-water-commissioner/nsw-groundwater-baseline-project

Water level data for both surface water and groundwater can be accessed via the WaterNSW Real-time Data website at: realtimedata.waternsw.com.au/

4.2 Are there likely to be restrictions on groundwater trade?

We will continue to assess applications for permanent and temporary trades and new bores, in keeping with the existing processes and respective water sharing plan rules.

The department will continue to monitor groundwater levels in response to the continuing drought conditions and may need to implement restrictions at some future point.

5. Ongoing support and longer term issues

5.1 What assistance is available?

The NSW Government is providing \$1.8 billion in drought assistance. Information on the assistance available is on the NSW DroughtHub: www.dpi.nsw.gov.au/climate-and-emergencies/droughthub

5.2 Will policies and water sharing plans be reviewed after the drought to prevent or mitigate issues and challenges that are being experienced now?

Several major river systems are in stage 4—critical water shortage under the NSW Government's Extreme Events Policy. Under the critical water shortage, water supply for critical human needs is the main priority. The Extreme Events Policy is being reviewed in light of the current drought conditions. This may lead to changes to water sharing plans.

6.3 Is the government looking at longer term water security options?

Water security is the highest priority under the \$4.2 billion Snowy Hydro Legacy Fund, which will invest in dams, pipelines and weirs. The NSW and federal governments are investing over \$1 billion for major dam projects: \$650 million to raise Wyangala Dam in the Lachlan Valley and \$480 million for a new Dungowan Dam near Tamworth. The NSW Government is also investing an initial \$24 million on a 50/50 basis with the federal government for a proposed new 100,000 megalitre dam on the Mole River.

The department is fast-tracking 20-year water strategies to identify the best long-term, tailored and enduring water security solutions for 12 regions across NSW by 2020. The strategies will use the best available climate risk data, including those from the current drought. They will identify infrastructure, policy and planning solutions to improve water resilience in regional NSW. These strategies will consider the 20-year infrastructure options developed by WaterNSW and projects under consideration by local water utilities. Consultation will also occur with local communities.

The \$1 billion Safe and Secure Water Program also provides funding for town water and sewerage infrastructure projects in regional NSW. To date, the government has committed funding to more than 140 projects, with NSW Government funding providing some \$760 million. This is in addition to the funding that has been provided for emergency town water supply projects.

More information

WaterNSW

www.waternsw.com.au

Department of Planning, Industry and Environment—Water -
www.industry.nsw.gov.au/water

Drought Hub

www.dpi.nsw.gov.au/climate-and-emergencies/droughthub

Rural Assistance Authority

www.raa.nsw.gov.au/

Rural Resilience Program

www.dpi.nsw.gov.au/about-us/rural-support/rural-resilience-program

Rural Financial Counselling Service

www.agriculture.gov.au/ag-farm-food/drought/assistance/rural-financial-counselling-service

Contact

- WaterNSW Customer Helpdesk: 1300 662 077
- Rural Assistance Authority: 1800 678 593
- Rural Adversity Mental Health Program: 02 6363 8444
- Rural Financial Counselling Service : 1800 686 175

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