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NSW Government response to the Vertessy Report and the Natural Resources Commission's review of the Barwon-Darling Water Sharing Plan

Water is a critical but sometimes scarce natural resource in New South Wales (NSW). The community, businesses and the health of the environment all rely on the availability of surface and groundwater and our management of it.

The Natural Resources Commission's (NRC) review of the Barwon–Darling Water Sharing Plan and the Independent Assessment of the 2018–19 fish deaths in the Lower Darling (Vertessy Report) provided recommendations on how to protect our water assets so they can continue to serve communities, industries and the environment.

Both reports support the significant progress the NSW Government has already made in implementing reforms to improve water management in NSW following the release of the Matthews report in 2017.

We will continue to build on this solid foundation. However, we recognise there is significant work to do to increase public confidence in the NSW water management system, not only in the Barwon–Darling, but across the state.

We will continue to use the best available information and work with stakeholders to make positive changes to water management rules that ensure the best outcomes for regional communities, the environment and industries.

The NSW Government will address the NRC's review and the Vertessy recommendations using a staged approach, as detailed in this response.

Stage 1: Implement actions to better manage environmental water and the health of fish populations

Action 1.1: Manage risks to fish health and contribute to native fish recovery

In response to the fish deaths in Menindee and other areas of NSW in 2018–19, we undertook short-term emergency response actions that included:

- installing aerators
- · ongoing fish rescues and relocations
- adaptive management of water for the environment where possible
- commissioning 14 new water quality monitors in the Barwon Darling and Lachlan river systems, adding to the 120 existing monitoring sites across NSW.

We are also monitoring fish populations in the Lower Darling to better understand the impacts of recent fish deaths on the remaining fish populations. The preliminary results from the research will be publicly released in the near future.

To manage the risks to river health and minimise the chance of further fish deaths over the coming summer, we will:

 continue to identify sites across the entire NSW Murray–Darling Basin that are key to the long-term maintenance of fish populations, and assess the risk factors that could result in fish deaths at each site

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- identify the range of technological interventions available, such as de-stratification and oxygenation, to reduce the potential for fish deaths at key sites
- prioritise intervention actions for the key sites
- continue monitoring activities at key sites to assess the impact of any deployed intervention
- develop and adopt a communication strategy that informs and involves communities and agencies across the Basin.

These actions are consistent with the recommendations of the Vertessy Report.

Additionally, we will continue to contribute to and implement measures that will help recovery of native fish populations and river health across the Basin, including through the Northern Basin Toolkit and the Native Fish Management and Recovery Strategy.

The NSW Government is also working with the Australian Government to remove barriers to fish movement and enhance river connectivity at existing weirs and regulators in the Lower Darling and Menindee areas.

Action 1.2: Implement rule changes in response the NRC's recommendations to protect low flows

The NRC has recommended changes to A Class licence access rules to protect low flows in the Barwon-Darling as part of the water sharing plan review process. We will listen to the community's views on proposed changes to A Class licence pumping thresholds.

In addition to proposed A Class access changes, we will also be seeking the views of communities on the NRC's proposed removal of clauses in the Barwon-Darling Water Sharing Plan that can provide irrigators with access to low and no-flows before an anticipated flow event reaches normal pumping levels (the 'imminent flow' rule).

This rule has only been used twice since the water sharing plan has been in force. Until a decision on this rule is finalised, the Minister will not permit the taking of water in these circumstances, as the NRC is of the view that this is likely to cause unacceptable local or downstream impacts.

Action 1.2: Immediately protect water for towns and the environment

While we are consulting with the community on proposed rule changes, we are already using mechanisms such as temporary water restriction orders to manage specific issues. These orders restrict water access when there are flow events to make sure the water gets to towns in need. Securing water for critical human needs is our main priority in this drought. These orders will do that, and will also provide environmental benefits and allow for fish movement.

Action 1.3: Implement our commitments to better manage environmental water

The NRC and Vertessy have told us that the environmental water reforms the NSW Government is progressing are vitally important and should be implemented as a priority.

We are already making changes to improve environmental and cultural water management in the Barwon–Darling. Changes include introducing rules to manage the resumption of flows in the river following extended dry periods, implementing individual daily extraction limits (IDELs) for licence holders, and preventing the extraction of environmental water so it can remain in the river and achieve the desired environmental and social outcomes. We will also listen to community views on proposed changes to A Class licence threshold that the NRC has recommended.

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Reforms will be developed with input from the community and stakeholders.

We are making additional improvements to address issues identified by the NRC, including:

- improving the way we track our progress against water sharing plan objectives—we are
 developing SMART (specific, measurable, achievable, relevant and time-based) objectives
 and robust monitoring, evaluation and reporting (MER) plans for all systems across the
 state, including the Barwon–Darling
- developing environmental watering requirements as part of the long-term water plans (LTWPs) to support the protection of ecological assets
- looking closely at how we can improve connectivity between northern Basin river systems by undertaking a review of water sharing plan rules that could contribute to this.

Since the announcement of the Water Reform Action Plan in 2017, we have been working with stakeholders and the community on how best to implement our commitments under the plan to better manage environmental water, improve compliance and bring in a robust new metering framework. Implementation is progressing well.

We will continue to work with the community on these actions. We will include any agreed changes to rules in the revised draft Barwon–Darling Water Sharing Plan, and consult on this in 2019.

These actions will go a long way to improving low flows, protecting environmental water as it moves downstream, and supporting the recovery of the river system following dry conditions.

Action 1.4: Support the Commonwealth buyback of A Class licences

Both Vertessy and the NRC have recommended limits on the water taken by irrigators to better protect low flows in the Barwon–Darling River.

In response to the Vertessy report, the Commonwealth Minister for Water Resources, the Honourable David Littleproud, announced that the Australian Government will work with stakeholders and the NSW Government to secure A Class licences.

We support this move. We will ask the Commonwealth to transfer some of this water to Aboriginal ownership for cultural use. We have heard from the communities in Bourke and Wilcannia that they want this water to be left instream so that it can flow to Wilcannia. Feedback is that this will lead to better environmental, socio-economic and cultural outcomes in the Barwon–Darling.

We will work with the Commonwealth and Aboriginal communities to design how this transfer will work.

Stage 2: Explore options for amending the Menindee Lakes Water Saving Project and improving Aboriginal outcomes

You have told us that you want changes to the Menindee Lakes Water Saving Project and that Aboriginal cultural values and outcomes need to be better recognised in water management. We want to progress changes to address your concerns, and where appropriate implement them alongside regional water strategies that are currently being developed.

Action 2.1: Explore options for an Aboriginal water policy

We will work with key agencies involved in NSW water management and Aboriginal groups to explore options for an Aboriginal water policy with the aim of improving the representation of Aboriginal cultural interests and values in water management.

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The Commonwealth government has committed \$40 million to support investment in cultural and economic water entitlements for First Nations communities in the Basin and associated planning activities. We want to incorporate this initiative into any NSW Aboriginal water policy.

Action 2.2: Amend objectives for the Menindee Water Saving Project

The NSW Government has listened to the community regarding the management of the Menindee Lakes and the proposed Menindee Lakes Water Saving Project, and we are taking action on what we've heard. We want to make sure the community has a greater role in this project. The project will play an important part in meeting the requirements of the Murray–Darling Basin Plan. We intend to work with the local community to design the project in a way that meets their needs.

We are talking to the Commonwealth about how best to amend the objectives of the Menindee Lakes Water Saving Project. Changes to the project will involve the Commonwealth and other Basin jurisdictions.

Stage 3: Make further improvements based on evidence

Action 3.1: Remake of the water sharing plan in 2023 informed by evidence gathered over time

We will put in place an effective monitoring, evaluation and reporting framework to understand how far the changes in Stage 1 and 2 of our response outlined in this document go towards improving environmental, social and cultural outcomes in the Barwon–Darling.

We will work closely with stakeholders to gather evidence through this process and to decide whether further changes are needed when the Barwon–Darling Water Sharing Plan is remade in 2023.

This work will give us a better understanding of how the rivers and valleys in the northern NSW Basin are connected. Many of the Vertessy and NRC recommendations go towards looking at water as a whole system, rather than as individual valleys.

Working with Queensland will also be a key focus, as water management in Queensland has a significant impact on water flowing into NSW. The collaboration will feed into the development of <u>regional water strategies</u> across the Northern Basin.





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