

Compliance with water management principles - *Water Sharing Plan for the Peel Regulated River Water Source 2022*

This document details how the department has complied with the water management principles outlined in the Water Management Act 2000 in the development of the Water Sharing Plan for the Peel Regulated River Water Source 2022.

When making or concurring to the making of the *Water Sharing Plan for the Peel Regulated River Water Source 2022* (the Plan), Ministers have a duty under section 9(1) of the *Water Management Act 2000* (the Act):

- (a) to take all reasonable steps to do so in accordance with, and so as to promote, the water management principles of the Act, and
- (b) as between the principles for water sharing set out in section 5(3) of the Act, to give priority to those principles in the order in which they are set out in that subsection.

The water management principles that are set out in section 5(3) provide that in relation to water sharing:

- (a) sharing of water from a water source must protect the water source and its dependent ecosystems, and
- (b) sharing of water from a water source must protect basic landholder rights, and
- (c) sharing or extraction of water under any other right must not prejudice the principles set out in paragraphs (a) and (b).

In the Plan there are two key mechanisms for protecting water sources and dependent ecosystems:

- Long term average annual limits on water take. This includes the NSW long-term average annual extraction limit (LTAAEL) for each water source, and the Sustainable Diversion Limit (SDL) for each water resource plan area, established under the *Murray Darling Basin Plan* through extensive peer reviewed scientific analysis. Both limits are included in the water sharing plans, which also contain provisions to assess and ensure compliance with limits. On a long-term average annual basis, all water in excess of these limits is water protected for environmental benefit.
- Specific plan rules of an operational nature that aim to protect explicit ecosystem functions and /or environmental assets in the water sources. Rules relevant to the Peel Regulated River water sharing plan are detailed in the table below.

Basic landholder rights are also protected under the Plan. The Plan allows for the exercise of basic landholder rights in accordance with Part 1 of Chapter 3 of the Act, and gives priority to current and future basic landholder rights by ensuring any action to ensure compliance with extraction and diversion limits does not apply to these rights.

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NSW acknowledges that there is currently a court case against the making of the Water Sharing Plan for the Border Rivers Regulated Water Source 2021, which could affect this water sharing plan. While there is a risk that this plan will need to be changed based on the outcome of the case, there is a need for NSW to remake or amend this water sharing plan to meet Basin Plan requirements. The proposed dates to resubmit the water resource plans are before the outcome of the case against the Border Rivers plan will be known. Therefore, this plan is being amended at this time.

All reasonable steps have been taken to promote the water management principles set out in the Act and to reflect these principles in the Plan, as detailed in the tables below:

Water management/sharing principle	How principle has been promoted	Relevant Plan Provisions
<p>Section 5(2)(a) - Water sources, floodplains and dependent ecosystems (including groundwater and wetlands) should be protected and restored and, where possible, land should not be degraded</p>	<p>The Plan aims to protect and restore dependent ecosystems through the provision of water for the environment and contains provisions to:</p> <ul style="list-style-type: none"> • establish long-term average annual extraction limits which protect water in excess of those limits for environmental purposes • reserve a portion of high and medium natural flows and provide for hydrological connectivity • provide for minimum daily release from Chaffey Dam of 3 ML to maintain connectivity and protect a portion of low flows • provide for the storage and release of an environmental water allowance of up to 5,000 ML per year downstream of Chaffey Dam • limit over extraction during any low, medium and high flow event by ensuring specifying flow thresholds for pumping and protecting 50% of the volume arising from unregulated inflows • include clauses which aim to minimise environmental impacts, damage to river banks and other damage caused by floods when operating water storages. 	<p>Part 6, Division 2</p> <p>Part 10, Division 1 and 2</p> <p>Clause 48</p> <p>Clause 49</p> <p>Part 8, Division 2</p> <p>Clause 56 & 57</p>

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	<ul style="list-style-type: none"> specify objectives, strategies and performance indicators which measure the effectiveness of Plan rules. 	Part 2
Section 5(2)(b) - habitats, animals and plants that benefit from water or are potentially affected by managed activities should be protected and (in the case of habitats) restored	The Plan protects and restores animals, and habitats through the provision of water for the environment and the same provisions set out above in respect of section 5(2)(a)	See above
Section 5(2)(c) - the water quality of all water sources should be protected and, wherever possible, enhanced	<p>The Plan aims to protect and enhance water quality by providing environmental water for flushing flows. In particular:</p> <ul style="list-style-type: none"> the water quality allowance can be used to respond to water quality issues, in particular salinity and blue green algae the environmental water allowances could be used to respond to specific water quality issues, should they arise. <p>The operation of all environmental water rules, and the delivery of water for regulated river licences can provide water quality benefits within the river.</p>	<p>Part 10, Division 1</p> <p>Part 8 Division 2</p>
Section 5(2)(d) - the cumulative impacts of water management licences and approvals and other activities on water sources and their dependent ecosystems, should be considered and minimised	<p>Cumulative impact is managed through rules limiting total usage. The long-term average annual extraction limit and long-term average sustainable diversion limit established by the Plan protect water within the water source for environmental purposes.</p> <p>Water available for extraction is reduced if these limits are exceeded.</p> <p>Access licence dealing rules that allow for a variety of dealings within specified environmental constraints.</p>	<p>Part 6, Division 2</p> <p>Part 6, Division 5</p> <p>Part 9</p>
Section 5(2)(e) - geographical and other features of Aboriginal significance should be protected	<p>The Plan makes water available for Aboriginal Cultural purposes via a specific purpose access licence category, which could be used to provide water to these features.</p> <p>The Plan provides for the recognition of Native Title determinations as they are</p>	Clause 38

	<p>made and the amendment of the plan to reference the determination.</p> <p>While, planned environmental water rules may not target Aboriginal outcomes specifically, they provide flows which may also provide for Aboriginal Cultural outcomes.</p> <p>The Plan gives priority to current and future basic landholder rights by targeting extraction limit compliance actions at supplementary water and general security licences only. This allows BLR extractions to increase. BLR includes native title rights.</p> <p>The Plan also requires to operator to:</p> <ul style="list-style-type: none"> • Operate the water supply system to meet the annual water requirements of domestic and stock rights and native title rights through a repeat of the period of lowest accumulated inflows to the water source that occurred prior to 1 July 2010. • set aside sufficient volumes of water from inflows into the water source and in reserves held in Chaffey Dam to provide for domestic and stock requirements 	<p>Clause 19 & 70(5)</p> <p>Part 10, Division 1 & 2</p> <p>Part 6</p> <p>Clause 52</p> <p>Clause 52</p>
<p>Section 5(2)(f) - geographical and other features of major cultural, heritage or spiritual significance should be protected</p>	<p>The Plan makes water available for Aboriginal Cultural purposes via a specific purpose licence category which could be utilised to ensure water is provided for cultural, heritage or spiritual significance purposes</p>	<p>Clause 38</p>
<p>Section 5(2)(g) - the social and economic benefits to the community should be maximised</p>	<p>The Plan maximises the social and economic benefits to the community and contains provisions to:</p> <ul style="list-style-type: none"> • define a long-term average annual extraction limit and a long-term sustainable diversion limit which provides water for community and economic benefit • trade licensed entitlement and account water to allow the market to drive strong economic outcomes and water 	<p>Part 6, Division 2</p>

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	<p>dependent business to manage their own supply requirements and risks</p> <ul style="list-style-type: none"> maintain supply for basic human needs, town water supply and domestic and stock requirements provide environmental flows that also have positive social and community outcomes environmental water rules that contribute to the mitigation of poor water quality events support social and community requirements by reserving water for basic landholder rights (including Native Title rights), domestic and stock needs, and urban water needs, before making water available for lower priority uses 	<p>Part 9</p> <p>Part 10, Division 1</p> <p>Part 5, Division 2</p>
<p>Section 5(2)(h) - the principles of adaptive management should be applied, which should be responsive to monitoring and improvements in understanding of ecological water requirements</p>	<p>The Plan is audited and reviewed at ten-year intervals by the Natural Resources Commission, to indicate if the Plan rules are applied and remain fit for purpose.</p> <p>The Plan includes a set of objectives, strategies, and performance indicators. If required, an earlier review of the Plan could be triggered based on monitoring of these indicators</p> <p>Mandatory metering and reporting requirements will inform the implementation of the Plan rules and water available for the environment.</p>	<p>WMA 2000 Sections 43A and 44</p> <p>Part 2</p> <p>Part 11</p>
<p>Section 5 (3) (a) – Sharing of water from a water source must protect the water source and its dependent ecosystems</p>	<p>The Plan ensures water is committed and identified as planned environmental water by establishing:</p> <ul style="list-style-type: none"> environmental flow provisions that provide a physical presence of water in the water source, and both a long-term average annual extraction limit and a long-term sustainable diversion limit to create a long-term average annual commitment 	<p>Part 4</p> <p>Part 6</p>

	<p>of water as planned environmental water.</p> <p>In particular, the Plan:</p> <ul style="list-style-type: none"> establishes a long-term average annual extraction limit which protects water within the water source in excess of that limit for environmental purposes establishes rules for making available water determinations in accordance with the priorities in the WM Act provide for the storage and release of an environmental water allowance of up to 5,000 ML per year downstream of Chaffey Dam provide for minimum daily release from Chaffey Dam of 3 ML to maintain connectivity and protect a portion of low flows. has environmental water requirements, including environmental flow targets and environmental water allowances to protect the water source and dependent ecosystems. includes objectives, strategies and performance indicators which measure the effectiveness of the Plan rules in delivering environmental outcomes. 	<p>Part 6, Division 2</p> <p>Part 6, Division 5</p> <p>Clause 48</p> <p>Clause 49</p> <p>Part 10</p> <p>Part 2</p>
<p>Section 5(3)(b) - sharing of water from a water source must protect basic landholder rights</p>	<p>The Plan includes provisions for maintaining compliance with the long-term average annual extraction limit and long-term sustainable diversion limit which target general security licences. These provisions give priority to current and future basic landholder rights by allowing their extractions to increase at the expense of future access for supplementary and general security licences.</p> <p>The Plan allows for the inclusion of any future Native Title determinations</p> <p>The Plan also requires the operator to:</p> <ul style="list-style-type: none"> operate the water supply system to be able to meet the annual water 	<p>Part 6, Division 2</p> <p>Clause 52</p>

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	<p>requirements of domestic and stock rights and native title rights through a repeat of the period of lowest accumulated inflows to the water source that occurred prior to 1 July 2010.</p> <ul style="list-style-type: none">• set aside sufficient volumes of water from inflows into the water source and in reserves held in Chaffey Dam to provide for domestic and stock requirements	Clause 52
Section 5 (3) (c) – Sharing or extraction of water under any other right must not prejudice the principles set out in paragraphs (a) and (b).	The rules previously discussed ensure the principles for the protection of planned environmental water and basic landholder rights are upheld	All above

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