

20 March 2020

The Hon Melinda Pavey MP
Minister for Water
52 Martin Place
SYDNEY NSW 2000

NSW Groundwater Water Sharing Plans and Water Resource Plan Finalisation

Dear Minister,

Thank you again for your recent statement regarding your commitment to provide additional consultation on NSW Water Sharing Plans (WSPs) prior to accreditation. However, we are writing regarding the status of the NSW's groundwater WSPs and the lack of clarity around future consultation on these plans and the outstanding issues.

The SAP members across the State were provided updated drafts of these plans in November 2019 and feedback was provided. Irrigated Agriculture identified three key issues for all regions as being:

1. The criteria for compliance with Plan Limits, including the compliance assessment methodology and the compliance criteria.
2. Lack of transparency with the technical data used including groundwater model reports and analysis of Groundwater Dependent Ecosystems for dependency and presence using ground-truthing.
3. Amendment provisions and future reviews of the WSPs.

It is the view of our members these issues remain unresolved and we therefore seek the following actions as a way forward to resolution.

1. Compliance Criteria

The proposed five-year rolling average provides an improved timeframe that reflects variability in surface water availability providing an opportunity for both wet and dry sequences and aquifer recharge, whereas the existing three-year timeframe has been proven not to adequately represent this variability. However, increasing the timeframe without also adjusting the compliance trigger increases the uncertainty in times of drought for water users and their communities, and increases the risk of perverse water management outcomes.

Limited testing by our members of the proposed five-year rolling average with the 5% trigger resulted in more consistent breaches over a longer period in times of drought, which means

the impacts are exacerbated when groundwater is needed most. The impacts are compounded by the limited options available within the WSP to achieve compliance.

Recommendation 1.

We recommend that the existing risk assumptions be aligned to the proposed new timescale, resulting in a five-year rolling average with an 8% trigger. This approach complements the existing risk approach embedded within the current WRPs and therefore represents a solution to compliance management that reflects the current aquifer management principles consistently for all these major inland systems.

Recommendation 2.

It is recommended that the WSPs be amended to contain two options for managing compliance with the Plan Limit – by an Available Water Determination (current method) or by a Take Limit (new option). If compliance activity is required, we recommend there must be an avenue for water users to specify their preference. The preferred option may vary between groundwater sources, but there should be a clear process for each valley to decide their preferred method, and DPIE-Water should apply the compliance method supported by industry. The risk if this approach is not taken, is that it could result in groundwater users shifting back to a use or lose it approach which is a backward step.

Any compliance action, if it is required, should also be managed over a 2-3-year period, rather than in the year immediately following non-compliance, to minimise flow-on water market and economic impacts.

2. Technical reporting

It has been consistently raised that there is a lack of ground-truthing of Groundwater Dependent Ecosystems (GDEs), and a lack of accurate identification of the degree of groundwater dependence. With proposed amendments to trade or work approval assessments linked to priority GDEs, there is a risk that trade and new groundwater applications may unjustifiably restrict future activity, and also shift responsibility on to the water user to provide evidence of *no impact* on the GDE.

It is recognised that these essential steps may not be undertaken prior to finalisation of these plans. Therefore, we recommend that a clause be included in each WSP specifying the actions required and timeframes to undertake ground-truthing of GDEs and identification of the degree of dependence of these high priority ecosystems on groundwater.

Recommendation 3.

We recommend that DPIE-Water be required to provide the most recent groundwater model reports to stakeholders prior to finalisation of the WSPs and their associated Water Resource Plans (WRPs) to ensure greater transparency.

3. Review and amendment provisions

Inevitably there will be issues arising from the WSP that may require review or amendment during implementation (as identified above).

Recommendation 4.

It is recommended that review clauses should be included within the amended WSPs, but that these should be applied on an individual valley basis and a process determined on how to raise these issues and what issues trigger a review or amendment.

It is important that progress can be made on these plans given the legal requirement for some of the WSPs to be replaced by June 2020 and the shortcomings identified in the review regarding compliance measurement and management.

We ask that the above-mentioned recommendations are accepted and incorporated into the current plans and that the final-updated plans are provided to the Groundwater SAPs to review, as with the surface water WSPs.

Yours sincerely,



Luke Simpkins

Chief Executive Officer

cc: Vanessa O'Keefe, DPIE-Water