



Mr Malcolm Thompson  
Deputy Secretary  
Department of Agriculture  
GPO Box 858  
CANBERRA CITY, ACT 2601

Dear Mr Thompson

**New South Wales 2018/19 Basin Plan Statement of Assurance**

I am pleased to provide the New South Wales 2018/19 Statement of Assurance. This report sets out the achievement of milestones in 2018/19 as required under Schedule A of the National Partnership Agreement on Implementing Water Reform in the Murray-Darling Basin.

In addition, the Statement of Assurance presents New South Wales' self-assessment of performance against its Basin Plan Implementation Agreement obligations.

In particular, I note New South Wales' meaningful advancements to the milestones in 2018/19 and commitment to continue this into the future.

I note NSW has a significant and unplanned work program in response to what is now the worst drought on record. Whilst much of this activity is not recognised in this report due to the nature of the agreement, it is important contextual information. I submit that NSW response to an unplanned natural water disaster must be taken into consideration when assessing NSW performance during the 2018/19 financial year. NSW would be happy to provide further details on this activity if requested.

Should you need to discuss any aspects of this report please contact Natasha Hudson, Manager Strategy and Evaluation, on 0419 907 610 or [natasha.hudson@industry.nsw.gov.au](mailto:natasha.hudson@industry.nsw.gov.au)

I look forward to your Department's assessment and response to the 2018/19 report.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Jim Bentley'.

**Jim Bentley**  
Deputy Secretary Water

13<sup>th</sup> September 2019

CC: Mr. Paul Morris, First Assistant Secretary, [paul.morris@agriculture.gov.au](mailto:paul.morris@agriculture.gov.au)  
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## Information collection template for water year 2018-19

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### The New South Wales 2018–19 annual report to satisfy annual reporting obligations for:

- Basin Plan Schedule 12 responses (except Matter 9 – use of environmental water)
- National Partnerships Agreement (NPA) assurance of milestone achievement
- Basin Plan Implementation Agreement (BPIA) self-assessment of compliance with implementation tasks

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### Reporting context

This template provides a single Commonwealth information collection point that covers Basin State 2018-19 annual reporting obligations in relation to the Murray-Darling Basin Plan for:

- Basin Plan Schedule 12
- the Basin Plan Implementation Agreement (BPIA) compliance requirements
- the milestone assessments of the National Partnership Agreement (NPA) on Implementing Water Reform in the Murray-Darling Basin

Note that: reporting for Schedule 12 Matter 9 (the identification and use of environmental water) is reported separately by Basin States, CEWH and the Authority; and reporting for Schedule 12 Matter 5 (the transition to long-term average sustainable diversion limits) is reported separately by the Department.

The Department of Agriculture (the Department) will use the information provided in this template as well as multiple other sources to meet NPA reporting requirements. Where milestones have not been fully met in 2018–19, Basin states should indicate what steps are underway to fully meet the milestone in the future. Where applicable, describe any intended actions and planned timeframe for the milestone to be met. The Department will seek collaborating information from the MDBA and Commonwealth Environmental Water Office (CEWO) where applicable.

## Matter 6: Local Knowledge & Solutions

Reporting Matter	Reporting Requirement (Supporting evidence to be provided by Basin States)	Response (response/milestone achievement/compliance status)
<p><b>M6 The extent to which local knowledge and solutions inform the implementation of the Basin Plan.</b></p> <p>[Chapter 6, 8 &amp; 10]</p> <p>[NPA 8e]</p>	<p>Please describe the process and outcomes of local engagement contributing to key BP implementation activities in 2018-19 as follows:</p> <p><b>M6a) Water Resource Plans:</b></p> <ul style="list-style-type: none"> <li>The engagement process and how local knowledge and views influenced the development of WRPs.</li> <li>Any activities undertaken to increase Traditional Owners' capacity to participate in the development of WRPs, and improve engagement between water planners and Traditional Owners, in order to incorporate indigenous values and uses into WRPs (BP Ch10 Part 9).</li> </ul>	<p><b>M6a) Water Resource Plans</b></p> <p>NSW has Met this Milestone.</p> <p>In 2018-19 NSW continued engagement for its Water Resource Plans (WRPs). This has included the continuation of Stakeholder Advisory Panels (SAPs) as a forum to discuss management options. SAPs are in place for 19 of the 20 WRPs, including the establishment of a statewide Stakeholder Advisory Panel for the 11 Groundwater WRPs. These panels include representatives from water users, aboriginal groups, local government and environmental interests. Panel members have provided local knowledge and advice on potential issues in developing the WRPs. Specific programs and processes are in place to ensure the views of Aboriginal peoples and cultural values are captured in the planning process.</p> <p>As part of the WRP process, the NSW Government, in partnership with Northern Basin Aboriginal Nations (NBAN) and Murray Lower Darling Rivers Indigenous Nations (MLDRIN), has developed and is implementing a culturally appropriate process for consulting with First Nations people across 29 Nation groups to meet the requirements of the Murray Darling Basin Plan Chapter 10, Part 14 - Aboriginal values and uses.</p> <p>Through this process NSW is obtaining feedback from First Nations people regarding their values and uses, objectives and outcomes for water management within their nation area. Through this process, NSW is also seeking to build strong relationships and improve First Nations participation in water planning into the future. The approach supports Commonwealth measures to improve Basin Plan outcomes for First Nations people.</p> <p>NSW commenced consultation with First Nations in April 2018 with the Gomeroi Nation. NSW has since completed 33 workshops with 17 Nations.</p>
	<p><b>M6b) Environmental watering:</b></p> <ul style="list-style-type: none"> <li>Describe the engagement process and how local knowledge, views and solutions influenced the planning and delivery of environmental water and the outcomes. This includes how the following were considered: <ul style="list-style-type: none"> <li>the views of local communities and persons materially affected by the management of environmental water (BP8.39 and NPA 8e)</li> <li>indigenous values (BP8.35).</li> </ul> </li> </ul>	<p><b>M6b) Environmental watering</b></p> <p>NSW has Met this Milestone.</p> <p>To support and validate environmental flow management, there is a need to consolidate the experience gained over time and involve people interested in or affected by environmental water activities. Communication is essential to maintain a common purpose between contributing partners. Environmental Water Advisory Groups (EWAGs) are an important mechanism for ensuring both input from and advice to relevant stakeholders.</p> <p>EWAGs, which include community, industry and indigenous stakeholders, currently exist in the Gwydir, Macquarie-Castlereagh, Lachlan, Murrumbidgee and Murray-Lower Darling. On the completion of the relevant Water Sharing Plans (WSPs), EWAGs will also be created in the Border Rivers, Intersecting Streams, Barwon-Darling and Namoi, to bring together knowledge and experience to advise on environmental water use.</p> <p>Before the start of each water year each EWAG provides advice on annual environmental watering priorities (AEWPs). These plans consider recent watering history and forecast likely water management actions for the next water year at the valley scale, under different climatic scenarios. They also aim to identify various watering actions required to meet identified environmental objectives.</p> <p>EWAGs must ensure that the advice and reports they produce are consistent with the relevant Long Term Water Plans (LTWPs) and Water Sharing Plans (WSPs).</p> <p>The NSW Government is also represented on the Gayini Nimmie-Caira Core Team which is charged with implementing the associated Land and Water Management Plan. Environmental water will play an important role in maintaining and improving the natural values of this area, while also supporting cultural values.</p>
	<p><b>M6c) Other Basin Plan implementation activities, namely SDL adjustment:</b></p> <p>Describe how local knowledge and solutions identified through engagement with local communities, including Aboriginal communities, impacted on the implementation of other key Basin Plan mechanisms or activities including the development and implementation of SDL adjustment measures. (Reporters may also choose to address any of their other engagement priorities, which may vary among jurisdictions).</p> <p>Examples or case studies are not mandatory, but may be a useful way to describe how local knowledge and solutions inform implementation of the Basin Plan.</p>	<p><b>M6c) Basin Plan Implementation activities</b></p> <p>NSW has Met this Milestone.</p> <p><b>SDL adjustment</b></p> <p>The NSW Sustainable Diversion Limit Adjustment Mechanisms (SDLAM) governance structure adopted in late 2018 includes establishment of stakeholder, Aboriginal and Technical Advisory groups at the sub-program level to ensure local influence will be enabled through the formal governance structure. It also provides for higher level peak body stakeholder advisory group establishment which provides an escalation pathway in the event that issues are unable to be resolved at the local level.</p> <p>The governance structure therefore ensures multiple levels and opportunities for input, and that the advisory groups have a role in establishing the co-designed elements of the SDLAM program.</p> <p>With SDLAM funding confirmed on 28 February 2019, strategic planning activities and recruitment of staff to a program organisation structure occurred ahead of formal advisory group establishment in the remainder of the 18/19 reporting period.</p> <p>Stakeholder engagement is integral to the SDLAM program delivery approach. An overarching Stakeholder Engagement Framework was developed late in the 18/19 financial year to provide a platform for consistent engagement of communities and stakeholders across all projects within the NSW SDLAM program, ensuring local knowledge and solutions are captured through a variety of mechanisms, including co-design.</p> <p>Each SDLAM project has or will develop a project specific stakeholder engagement strategy and communications plan, consistent with the Program Framework that integrates stakeholder input and co-designed elements into the projects' options for design and operation.</p> <p>Community information and engagement forums were held in October, November and December 2018 across the Menindee and Yanco regions where intelligence and inputs gained has shaped the development of the stakeholder engagement framework at the program level, and specific project-level strategies.</p> <p>A draft Stakeholder Engagement Plan for the SDLAM projects in the Yanco Creek System was informed by and will continue to be co-designed with YACTAC, the key stakeholder group for these projects as identified by stakeholder analysis and consultation with a broad range of local and regional stakeholder organisations. The Stakeholder Engagement Plan specifically targets the establishment of Stakeholder, Aboriginal and Technical Advisory Groups in order that local group representatives have every opportunity to provide advice and influence outcomes during the project development phase.</p>

Reporting Matter	Reporting Requirement (Supporting evidence to be provided by Basin States)	Response (response/milestone achievement/compliance status)
		<p>The Darling Sub-program team commenced development of its stakeholder engagement plan progressing to the recent formation of the Stakeholder Advisory Group for the Menindee Lakes Water Saving Program. The Advisory Group will have similar opportunity to advise, influence and incorporate local knowledge into project development.</p> <p>As projects progress, each project will feature co-designed elements with stakeholders, ensuring local knowledge and solutions underlie implementation decisions.</p> <p>The Nimmie Caira project was notified as part of the SDL adjustment package. This project, which is nearing completion has been a good case study into use and engagement of local communities, including Aboriginal people to deliver beneficial outcomes for people and the environment. Details of the project can be found at:</p> <p><a href="https://www.industry.nsw.gov.au/water/plans-programs/state-significant-projects/nimmie-caira">https://www.industry.nsw.gov.au/water/plans-programs/state-significant-projects/nimmie-caira</a></p> <p><b>Environmental Watering</b></p> <p>Further to the details provided at M6b) on the use of local knowledge in environmental water planning, the close partnership between NSW environmental water holders and local Aboriginal communities in planning cultural flows in the Snowy system initiated in 2014/15 has been embedded in environmental watering planning processes.</p> <p>In recognition of the five traditional Aboriginal groups associated with the Snowy Mountains Rivers, the five winter-spring high flow releases have been assigned culturally meaningful names.</p>

## Matter 10: Environmental Watering

Reporting Matter	Reporting Requirement (Supporting evidence to be provided by Basin States)	Response (response/milestone achievement/compliance status)
<p><b>M10 The implementation of the environmental management framework.</b></p> <p>[Chapter 8, Part 4]</p> <p>[NPA 8f]</p> <p>[BPIA 18.1]</p>	<p><b>M10a)</b> Are you on track to develop long-term watering plans for surface water resource plan areas consistent with the requirements of the Basin Plan?</p> <p><i>The Department's guidance - reporting may include:</i></p> <ul style="list-style-type: none"> <li>Where long-term surface watering plans have not been finalised, please indicate whether an extension of time has been agreed with the MDBA and report on progress in the preparation of plans to provide assurance that the agreed revised timeframe will be met.</li> </ul>	<p><b>M10a)</b></p> <p>NSW has Met this Milestone.</p> <p>Long Term Water Plan (LTWP) development is well progressed with five NSW LTWPs having completed Public Exhibition (Gwydir, Lachlan, Macquarie-Castlereagh, Border Rivers and Murrumbidgee). The remaining four NSW LTWPs are scheduled for exhibition over coming months (Intersecting Streams – July 2018, Namoi – August 2018, Murray lower Darling – August 2018 and Barwon Darling – September 2018).</p> <p>The MDBA formally agreed to revise NSW LTWP development timelines in May 2019. LTWP development is consistent with these agreed timelines with the exception of Public Exhibition of the Namoi LTWP which will now occur in August 2019 given delayed exhibition of the Namoi Water Resource Plan. Note that NSW LTWP development continues in parallel with the associated Water Resource Plan.</p> <p>MDBA's May 2019 correspondence strongly commends NSW's dedicated efforts in developing LTWPs to a high standard.</p>
<p>[Chapter 8, Part 4]</p> <p>[NPA 8c]</p>	<p><b>M10b)</b> Were annual environmental watering priorities (AEWP) or other relevant instruments submitted to the MDBA for all areas by 31 May 2019, for the purposes of identifying the Basin annual environmental watering priorities for the water resource plan areas?</p> <p><i>The Department's guidance - reporting may include:</i></p> <ul style="list-style-type: none"> <li>Confirmation that annual environmental watering priorities have been prepared and provided to the MDBA for all (regulated and unregulated) surface water catchments.</li> <li>A rationale should be given for any areas where these have not been prepared.</li> <li>As per s8.24 of the Basin Plan, the level of detail in annual environmental watering priorities may vary according to local conditions, and statutory and other arrangements prevailing in the water resource plan areas.</li> </ul>	<p><b>M10b)</b></p> <p>NSW has Met this Milestone.</p> <p>Annual Priority Statements were submitted to the MDBA for all areas by 31 May 2019. These priorities were developed with regard to the Basin Plan Part 4 of Chapter 8, Division 4 and the principles in Part 6 of Chapter 8. The Priority Statements identify how environmental water is likely to be used in the coming year, depending on ecological and climatic factors, including antecedent conditions, and water availability.</p> <p>Annual Environmental Watering Plans are also developed annually for inland valleys and shared with the MDBA.</p> <p>Where LTWPs have not been finalised, NSW supported the environmental priorities identified by the Commonwealth Environmental Water Holder (CEWH), as in these valleys the CEWH actively manages environmental watering.</p> <p>Once LTWPs have been finalised for these valleys, they will be used as the guiding document for the development of AEWPs for both CEWH and NSW.</p>
<p>[Chapter 8, Part 4]</p> <p>[NPA 8c, d &amp; f]</p>	<p><b>M10c)</b> Please describe progress in coordination, consultation or cooperation issues with other Basin jurisdictions on the management and delivery of environmental water and opportunities for further improvement.</p>	<p><b>M10c)</b></p> <p>NSW has Met this Milestone.</p> <p>NSW watering strategies, WRPs, LTWPs, AEWPs and Annual Priority Statements are prepared consistently in accordance with Chapter 8, Part 4. This approach, which includes addressing risks, community concerns and priorities, is developed with input from key stakeholders including Environmental Water Advisory Groups (which include Indigenous stakeholders), Commonwealth Environmental Water Office (CEWO) and Southern Connected Basin Environmental Water Committee (SCBWC).</p> <p>As part of the Basin Plan reporting process NSW agencies work collaboratively to deliver required reporting. The Ecological Outcomes Monitoring Working Group (which includes members from all agencies involved in water management) ensures that monitoring, evaluation and reporting efforts are fit-for-purpose, are not duplicated and are scientifically-robust.</p> <p>NSW met with QLD to discuss planning processes and approaches to LTWPs. NSW also worked closely with representatives from Victoria and SA to deliver watering events in the Murray.</p> <p>NSW has sought improved cooperation and coordination in managing environmental water across the Qld-NSW Border, and NSW and Qld held joint workshops to progress this work.</p> <p>In 2018/19 NSW protected a natural event and a release of held environmental water (the Northern Connectivity Event) via a S324 Order issued under the NSW <i>Water Management Act WMA 2000</i>.</p>

		<p>Another event (the Northern Fish Flow) involved coordinated releases from Glenylon and Copeton Dams commencing in April 2019. The objectives were to provide drought refuge, improve water quality and connect isolated pools.</p> <p>Both releases involved NSW collaborating and coordinating with Queensland and WaterNSW on release regimes, governance and potential monitoring.</p>
<p>[Chapter 8, Part 4] [NPA 8d]</p>	<p><b>M10d)</b> Provide at least one case study that demonstrates how environmental watering principles were embedded in the decision-making process and identify the relevant principles [limit 500 w].</p> <p><b>M10e)</b> Please provide reasons for any environmental watering that was not in accordance with the Basin annual watering priorities listed at Attachment A (partially/fully), in accordance with Section 8.44 of the Basin Plan and Principle 1 of Division 6.</p> <p><b>M10f)</b> Confirmation that the management and delivery of planned and held environmental water was consistent with the Basin Plan, including the environmental watering plan's <i>Principles to be applied to environmental watering</i>.</p> <p>If confirming, please provide evidence and examples. If unable to confirm, please describe what actions are underway to enable confirmation in the future.</p> <p><i>The Department's guidance – reporting under M10f) may include:</i></p> <ul style="list-style-type: none"> <li>– Confirmation that the management and delivery of planned and held environmental water was consistent with the Basin Plan's Principles to be applied to environmental watering, including Principle 4b of Div.6, which states that environmental watering is to be undertaken having regard to the risks of extraction of that water for other uses.</li> <li>– Confirmation that the jurisdiction is making progress in reforming compliance arrangements as reported in the MDBA's 2019 template 'Progress on Compact priority actions'.</li> </ul>	<p><b>M10d)</b></p> <p>NSW has Met this Milestone.</p> <p>NSW environmental water managers follow the principles of environmental watering as documented in the NSW Environmental Water Management Manual (2018) for all environmental watering events.</p> <p>Priorities, consistent with the Basin AEWP and LTWP objectives, were identified for each valley where environmental water is managed by NSW (8.33 and 8.34).</p> <p>For the Murrumbidgee, 2018-19 priorities included providing suitable habitat for waterbirds, native fish, turtles and frogs, and improved connectivity in the Lowbidgee.</p> <p>To meet these priorities, a watering event was planned for the Lowbidgee to support the resilience of floodplain vegetation communities and maintain critical refuge habitats for waterbirds, native fish and frogs under dry conditions (8.35). Risks were also identified during the event planning phase to ensure there are no adverse impacts on the local community or ecological components (8.36).</p> <p>Water was delivered into core Gayini Nimmie Caira wetlands to maintain the condition and complexity of waterbird and native fish habitats. This area has important refuges for fish and frogs, and is recognised as a crucial stop over for migratory shorebirds. Some sites are also home to significant southern bell frog populations and annual watering is required to ensure the maintenance and recovery of this threatened species (8.35).</p> <p>This event demonstrated efficient use of environmental water (4,300ML) to achieve beneficial outcomes for floodplain vegetation, waterbirds, frogs and fish (8.37). The multiple environmental benefits were achieved through collaboration among NSW, the Commonwealth Environmental Water Office and the Gayini Nimmie Caira managers (8.35 and 8.39). Local community and the Environmental Water Advisory Group were also engaged prior, during and following the completion of the event (8.39).</p> <p>The Lowbidgee, including Nimmie Caira, has sites jointly monitored by NSW and the Commonwealth. These monitoring activities have assisted the adaptive management process and enabled the evaluation of success of watering activities.</p> <p>Monitoring indicated that core wetland areas were maintained and supported waterbirds, including Australasian Bitterns, southern bellfrogs and native fish on a drying floodplain.</p> <p><b>M10e)</b></p> <p>NSW has Met this Milestone.</p> <p>All events were in accordance with Basin AWP's.</p> <p><b>M10f)</b></p> <p>NSW has Met this Milestone.</p> <p>The management and delivery of planned and held environmental water was consistent with the Basin Plan, including the consideration of risks to the environment from extraction of that water for other uses.</p> <p>Environmental water event planning includes consideration of risks to downstream users and water quality. The OEH Environmental Water Management Manual 2018 guides environmental water managers on how to identify, assess and mitigate risks associated with water delivery.</p> <p>Risk assessment for water delivery encourages managers to anticipate all risks likely to affect the delivery of water to the target assets, including both the possible undesirable consequences of the delivery and the consequences of not delivering. Risks are assigned high, medium and low ratings using a risk matrix. Managers also outline and assign responsibility for likely management responses if risks eventuate and then reassess the risk level after the risk management strategies are implemented.</p> <p>In 2018/19 NSW protected a natural event and a release of held environmental water (the Northern Connectivity Event) via a S324 Order issued under the NSW <i>Water Management Act WMA 2000</i>. Another S324 event (the Northern Fish Flow) involved coordinated releases from Glenylon and Copeton Dams commencing in April 2019. The objectives were to provide drought refuge, improve water quality and connect isolated pools.</p> <p>As a result of the Ken Matthews independent investigation into NSW water management and compliance and the MDBA compliance review in 2017, the NSW Government released the Water Reform Action Plan (WRAP) and established a Water Reform Taskforce to implement the WRAP. This included deliverables to better manage environmental water and the establishment of an Intergovernmental Working Group (IWG) on environmental water, with an initial focus to develop interim solutions to improve the management of environmental water with a focus on the northern Basin, in particular the Barwon-Darling. The IWG includes representation from NSW agencies, as well as the CEWH and MDBA.</p> <p>The IWG delivered recommendation on interim solutions and a roadmap to develop more enduring solutions for environmental water management. Government released these recommendations in June 2018 and asked the Department to progress them. During 2018/19, the Taskforce located within DPIE Water has been consulting with the IWG and Barwon-Darling Stakeholder Advisory Panel (SAP) to develop a package of measures that will provide a more enduring solution to better manage environmental water. The focus of these measures is the Barwon-Darling and unregulated areas of the lower Gwydir and lower Macquarie that regularly have HEW delivered to water priority environmental assets.</p> <p>Proposed measures in the Barwon-Darling include limiting daily water take, managing the resumption of flows after an extended dry period and implementing active management of HEW used in-stream. Active management of environmental water used in-stream is also proposed for some unregulated portions of the lower Macquarie and lower Gwydir Rivers, so that this water can be protected once it leaves the regulated system.</p>
<p>[Chapter 8, Part 4] [NPA 8a]</p>	<p><b>M10g)</b> Except as otherwise agreed between the Commonwealth and the relevant State(s) to facilitate improved environmental watering, please confirm that the characteristics of licensed entitlements held for environmental use</p>	<p><b>M10g)</b></p> <p>NSW has Met this Milestone.</p> <p>Implementation of prerequisite policy measures (PPMs) in the southern basin establishes accounting arrangements to environmental water holders which are not currently available to other water users. In</p>

	<p>have not been enhanced or diminished relative to like entitlements held for other purposes.</p> <p><i>The Department's guidance - reporting may include:</i></p> <ul style="list-style-type: none"> <li>- <i>Where proposals to trade environmental water have not been supported, evidence of likely adverse third party impacts should also be provided.</i></li> </ul>	<p>effect this enhances the characteristics of environmental entitlement. Accounting rules for held environmental water has been developed in consultation with the MDBA who has confirmed that PPMs are in effect in NSW and that the requirements under Section 7.15 (2) of the Basin Plan have been met.</p>
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**M10h)** Where feasible and agreed by the relevant Basin State, and where third party impacts have been considered, confirm that measures have been implemented to facilitate the use of environmental water by protecting environmental water in-stream and on land.

**M10i)** Describe how has the State facilitated:

- the delivery of environmental water in-stream through arrangements such as water shepherding to facilitate environmental flows (NPA 8(b)(i)) and,
- the further use of environmental water at multiple locations, such as through return flow provisions (NPA 8(b)(ii)).

**M10h)**

NSW has Met this Milestone.

While development of enduring and rules based measures are in place under water resource plans, NSW has demonstrated it has robust interim measures in place, the use of which has been clearly demonstrated in 2018/19.

NSW protected a natural event and a release of held environmental water (the Northern Connectivity Event) via a S324 Order issued under the NSW *Water Management Act 2000* in 2018. A S324 order allows the Minister or their nominated delegate to order a temporary ban on extraction for a specified period in particular water sources, if the restriction is determined to be in the public interest. This includes outcomes for the environment. This event was designed to deliver replenishing flows to improve in-stream drought refuge habitat (pools).

Another event (the Northern Fish Flow) involved coordinated releases from Glenlyon and Copeton Dams commencing in April 2019. The objectives were to provide drought refuge, improve water quality and connect isolated pools. Protection of this flow was also achieved through the making of a S324 order.

Apart from protecting environmental water during instream events, NSW delivers environmental water to private wetlands for ecological outcomes. Prior to delivery of environmental water, landholder agreements are signed to ensure that environmental water is protected from extraction and stock are appropriately managed in target areas.

To keep track of water volumes the landholder must provide water meter readings during environmental water deliveries. Assurances must be made by the landholder that environmental water allocations will be managed independently of irrigation activities and will not be used for any other purpose. Stock must also be excluded from wetland sites during watering and monitoring staff must be allowed access to measure outcomes.

An example of private property wetland watering occurred in the mid-Murray during the 2018-19 water year where approximately 1000 ML was delivered to five privately owned wetlands to support the threatened southern bell frog, waterbirds and vegetation.

In addition, NSW has worked hard over the reporting period to meet its Basin Plan commitments to have prerequisite policy measures (PPMs) in effect from 30 June 2019. PPMs apply only to Held Environmental Water (HEW) in the regulated Murray Lower Darling and Murrumbidgee river systems. They will allow HEW to be used more effectively and flexibly, by letting it be used across multiple sites, and allowing water for the environment to be released on top of natural flow events. PPMs will mean HEW can be used more efficiently, maximising the benefits of water recovered for the environment, while maintaining the reliability of other licence holders. The MDBA assessed that the NSW PPMs were in effect and enduring as of 30 June 2019.

**M10i)**

NSW has Met this Milestone.

NSW routinely includes consideration of opportunities to shepherd water and use return flow provisions in environmental watering events. Two examples are offered below - the northern fish flow event and the Lachlan return flow.

#### Northern fish flow event

A native fish and drought refuge flow was delivered within the Border Rivers, Gwydir and Barwon systems in April-July. The expected ecological outcomes of the northern fish flow event were improved habitat quantity and quality (including water quality) and improved native fish condition, survival, and community composition.

Under the current regulatory framework, environmental water released from storages flowing into downstream unregulated water sources may be extracted by water users. This would limit the success of northern fish flows in achieving the desired social and environmental outcomes.

To mitigate this risk, NSW protected the flow event using a section 324 order, while Queensland agreed not to announce that water was available for extraction. The NSW Natural Resource Access Regulator work plan also included evaluating the level of compliance during the northern fish flow should it proceed. Releases were made from Glenlyon Dam (Qld) and Copeton Dam (NSW). The northern fish flow exceeded the original target of the Macquarie-Barwon junction, and reached Brewarrina in early July 2019.

#### Lachlan return flows

Return flows were delivered to the Lachlan River via Booberoi Creek during 2018-19. This return flow improved hydrological connectivity between the Lachlan River and the highly productive Booberoi Creek complex.

The flow provided a late season autumn fresh to maintain adequate depth and water quality in permanent pools, riffle/run sections and shallow water areas within Booberoi Creek, as well as providing longitudinal connectivity back to Lachlan River.

The action further supported Booberoi Creek's freshwater catfish and un-specked hardyhead populations. The Creek has been identified as the only drought refuge listed for freshwater catfish in the Lachlan (McNeil et al. 2013).

The return flows were also pivotal for moving nutrients, carbon and sediments, enhancing productivity and allowing organisms to disperse to the Lachlan River.

As part of water deliveries to Booberoi Creek, NSW and MDBA are currently exploring a framework for monitoring and reporting on the use of environmental water for cultural values. This holds cultural significance for Paakantji and Ngyiampaa traditional owners (NBAN members). The delivered flows were also consistent with the Ngyiampaa Nation Water Resource Plan.

NSW has also worked to have pre-requisite policy measures (PPMs) in place by 30 June 2019 in the regulated Murray Lower Darling and Murrumbidgee River systems which are:

- Environmental flow reuse. If water used in an environmental event returns to the river, it's recognised as a returned flow and can be used for downstream environmental purposes.
- Piggybacking, or directed release. Environmental water holders can order water from storage during a flow event, and the water is released on top of the event.

The MDBA assessed that the NSW PPMs were in effect and enduring as of 30 June 2019.

Held environmental water from the Murrumbidgee was recognised in the Murray River and passed through to South Australia in February-April (2019) as part of NSW's commitments to implementing Prerequisite Policy Measures. Held environmental water inflows from the Murrumbidgee River into the

	<p><b>M10j)</b> Where interim measures have been implemented, please describe what actions are underway, or proposed, to implement enduring measures that will facilitate longer-term protection and use of environmental water.</p> <p>If unable to confirm, please describe what actions are underway to enable confirmation in the future.</p> <p><i>The Department's guidance - reporting under M10h, i) and j) may include:</i></p> <ul style="list-style-type: none"> <li>- Confirmation that arrangements are in place to protect environmental flows and allow reuse of environmental water at multiple locations. Please indicate where these arrangements are specified.</li> <li>- Reporting on the implementation of Prerequisite Policy Measures should also be provided.</li> <li>- Where these measures have not been fully implemented, please indicate what future actions are planned to ensure implementation by June 2019, for example through the preparation and accreditation of Water Resource Plans.</li> </ul>	<p>River Murray are managed under the bulk entitlement delivery arrangement provided in the Murray Darling Basin Agreement (Clause 98).</p> <p><b>M10j)</b> NSW has Met this Milestone.</p> <p>In 2017/18, NSW established a Water Reform Taskforce, that included an Intergovernmental Working Group (IWG) on environmental water. The IWG includes representatives from NSW agencies as well as CEWH and MDBA. NSW also entered into a binding bilateral agreement with the MDBA in early 2019.</p> <p>In 2018/19, the IWG commenced working on enduring solutions for environmental water management in the Barwon-Darling, including the introduction of IDELs, TDELs, and consideration of a first flush protection rule. The IWG worked on, and continues to work on options for greater protection of held environmental water in the unregulated portions of the Macquarie and Gwydir Rivers, so that these flows can be protected once they leave the regulated system. (The Barwon Darling, Macquarie, and Gwydir have been identified by the IWG as the priority valleys where extraction of environmental water is seen as a significant risk.)</p> <p>The MDBA has determined that pre-requisite policy measures (PPMs) are in effect and enduring in NSW as of 30 June 2019. Water sharing plan provisions will come into effect in early 2020, however a joint letter of commitment has been provided by the agencies responsible for PPM implementation, providing assurance that PPMs will be implemented as per the procedures manuals.</p> <p>These manuals provide a process for adaptive management and ongoing refinement of PPMs. NSW is establishing a PPM working group to provide advice and input to the ongoing refinement of PPM management.</p>
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### Matter 13: Critical Human Water Needs

Reporting Matter	Reporting Requirement (Supporting evidence to be provided by Basin States)	Response (response/milestone achievement/compliance status)
<b>M13 The implementation, where necessary, of the emergency response process for critical human water needs.</b> [Chapter 11] [BPIA 26.1]	<p><i>Context: The Guideline for the triggers and processes for changing water sharing Tiers provides guidance on how the MDBA and Basin States should communicate if the triggers are reached.</i></p> <p><b>M13a)</b> Please indicate if a water quality trigger (as per s11.05) was reached and if so, what action was taken.</p>	<p><b>M13a)</b> NSW has Met this Milestone.</p> <p>No water quality (salinity) trigger reached in the Murray in 2018/19.</p>
Chapter 11 [BPIA 27.1, 27.2, 28.1]	<p><i>Context: (i) The MDBA will provide New South Wales, Victoria and South Australia with Water Resource Assessments, from which the States make decisions about allocations. Assessments will be provided at least monthly, and more frequently if conditions warrant.</i></p> <p><i>(ii) During periods of Tier 3 water sharing arrangements, the MDBA will provide the Ministerial Council with Water Resource Assessments, from which New South Wales, Victoria and South Australia make decisions about allocations when determining if water can be made available for uses other than critical human water. Assessments will be provided at least monthly, and more frequently if conditions warrant.</i></p> <p><i>(iii) A Basin State must have regard to advice from the Authority regarding the volume of water to be made available to it in a particular year, when making decisions about whether water is made available for uses other than meeting critical human water needs (s11.08(3)).</i></p> <p><i>(iv) The MDBA, through the preparation of the Water Resource Assessment will determine if the appropriate conditions apply. If New South Wales, Victoria or South Australia considers the triggers have been reached, its BOC member should advise the Executive Director, River Management Division, MDBA. The Guideline for triggers and processes for changing water sharing Tiers provides more information on how the MDBA will communicate a change in water sharing arrangements to the Basin States, CEWH and the Department.</i></p> <p><b>M13b)</b> Please indicate if a trigger was reached and what action was taken to implement water sharing arrangements.</p>	<p><b>M13b) (i)</b> NSW has Met this Milestone.</p> <p>Timely resource assessment information for the Murray provided by MDBA ensured timely decisions about allocations, plus assured water availability for critical human needs if required.</p> <p>There were no critical water shortage situations in the Murray in 2018-19.</p> <p>Critical water shortages in the Lower Darling have been largely addressed by the construction of the Wentworth to Broken Hill pipeline while other localised challenges are being addressed.</p> <p><b>M13b) (ii)</b> NSW has Met this Milestone.</p> <p>There were no periods of T3 water sharing arrangements in the Murray during 2018/19.</p> <p><b>M13b) (iii)</b> NSW has Met this Milestone.</p> <p>Timely water availability advice was provided by the Authority to enable NSW to limit allocation to general security irrigation so that high priority needs, including critical human needs, could be met in 2018/19 in accordance with NSW water sharing plan arrangements</p> <p><b>M13b) (iv)</b> NSW has Met this Milestone.</p> <p>No subject triggers reached in 2018/19.</p>

### Matter 14: Water Quality and Salinity

Reporting Matter	Reporting Requirement (Supporting evidence to be provided by Basin States)	Response (response/milestone achievement/compliance status)
<p><b>M14 Progress the implementation of water quality and salinity management plan, including the extent to which regard is had to the targets in Chapter 9 when making flow management decisions.</b></p> <p>[Chapter 9] [BPIA 21.1]</p>	<p><i>Context: BP Ch9.14 recognises that flow management, in some circumstances, can assist with the management of water quality issues, such as salinity, hypoxic blackwater events and blue green algae outbreaks. The intent of s9.14 is that 'having regard' to these risks and opportunities becomes part of business as usual when making decisions about flow management or the use of environmental water. Other actions that can also address water quality issues include coordination and communication about blue green algae outbreaks (in line with BP s9.18) or hypoxic blackwater events.</i></p> <p><b>M14a)</b> In this context, please describe how these water quality issues were considered, when making decisions about flow management or the use of environmental water, and/or other actions; did this make a difference to these water quality issues, and are there any learnings to inform adaptive mangement.</p>	<p><b>M14a)</b></p> <p>NSW has Met this Milestone.</p> <p>During 2018/19, when delivering environmental water, managers assessed delivery risks, including those associated with water quality. These risks are identified in Form A (request to deliver environmental water) prior to delivery, with the level of risk calculated using a risk classification assessment table, with an accompanying mitigation strategy proposed.</p> <p>On completion of a watering event any issues, including those relating to water quality, are identified and documented using a Form B (outcomes from environmental water delivery). This information is used to inform adaptive management of environmental water delivery.</p> <p>Environmental water may provide fish refuges from natural hypoxic events and maintain water quality in refuge pools under low flow conditions.</p> <p>Other current procedures and tools to enable meeting water quality targets for dissolved oxygen, recreational water quality and salinity are:</p> <p>s9.14 a) to maintain dissolved oxygen at a target value of at least 50% saturation:</p> <ul style="list-style-type: none"> <li>During 2018/19, NSW operated a network of dissolved oxygen early warning sensors in the Murray and Riverina regions. Information from these sensors is disseminated weekly during high risk times and management options discussed by multi-agency river operation groups when a warning for a potential low dissolved oxygen or blackwater event is triggered.</li> <li>Physical monitoring of dissolved oxygen occurred routinely in all NSW Murray-Darling Basin catchments during 2018/19, with the potential to monitor key water flow events as required during high risk times.</li> </ul> <p>s9.14 b) the targets for recreational water quality in s9.18:</p> <ul style="list-style-type: none"> <li>During 2018/19 the response to the risk of algal blooms was managed by the regional algal coordinating committees. This included a state wide algal monitoring program and the release of public notifications. Algal warning levels are for recreational water use as set out in the Australian Guidelines for Managing Risks in Recreational Water.</li> </ul> <p>s9.14 c) the levels of salinity at the reporting sites set out in the following table should not exceed the values set out in the table, 95% of the time.</p> <ul style="list-style-type: none"> <li>During 2018/19, NSW continuously monitored river salinity at a number of key locations within the Murray-Darling Basin.</li> <li>Modelling tools support salinity management by enabling assessment of salinity regimes under a 'stationary' water management regime, enabling different management options to be explored and evaluated, or to allow the extrapolation of salinity into the future or into geographic areas where there is little data available.</li> <li>NSW adheres to its obligations under the Basin Salinity Management Strategy by remaining a positive balance on the salinity registers, and to maintain the Basin salinity targets in the Murray-Darling Basin Agreement for salinity planning and management.</li> <li>The Murray-Darling Basin Authority, Basin Officials Committee and Basin States undertake long-term salinity planning and management functions in accordance with the targets in Appendix 1 of Schedule B, including the Basin Salinity Management Strategy Operational Protocols.</li> </ul> <p>The NSW Government is installing seven dissolved oxygen sensors at gauging stations in the Barwon Darling as well as electrical conductivity loggers in two pools. This will provide increased understanding of dissolved oxygen and salinity behaviour in response to flow changes which will feed into the decision making process.</p> <p>The Lachlan water quality allowance was used to maintain flows &gt;100 ML/day at Booligal in the lower Lachlan between January and April 2019. The primary purpose was to reduce the risk of algal blooms. Flow management decisions were made by the Lachlan Technical Advisory Group consisting of relevant NSW Government agencies. Outcomes will be assessed in order to guide future use of the allowance.</p>
<p>[Chapter 9] [BPIA 23.1]</p>	<p><i>Context: The MDBA, the BOC, and Basin States are to undertake any long-term salinity planning and management functions in accordance with the targets in Appendix 1 of Schedule B of the Murray-Darling Basin Agreement (including the Basin Salinity Management Strategy Operational Protocols).</i></p> <p><b>M14b)</b> Please indicate how salinity (and other) water quality targets are being applied. (Note that Basin States may refer to Basin Salinity Management 2030 Strategy reporting to meet this reporting requirement, in line with the Schedule 12 Reporting Guidelines).</p>	<p><b>M14b)</b></p> <p>NSW has Met this Milestone.</p> <p>The Salinity Targets from Appendix 1 of Schedule B are reported annually, with comprehensive reporting being undertaken biennially, under the Basin Salinity Management 2030 (BSM2030) Strategy governance arrangements. A review plan has been developed for salinity accountability of actions, and these have regard to salinity targets.</p> <p>In addition to reporting, Core Salinity Monitoring sites are currently being identified for inclusion into the Basin-wide salinity monitoring network and include both surface and groundwater sites as per BSM2030 Monitoring Procedure: endorsed by Basin Salinity Management Advisory Panel (BSMAP).</p> <p>Water Quality and Salinity Management Plans for all valleys were developed based on a comprehensive analysis of monitoring and modelling information to assess meeting of irrigation and other targets.</p> <p>Salinity Technical Reports for all NSW MDB catchments were finalised and incorporated into the respective Water Quality and Salinity Management Plans/ Water Resource Plans.</p>

## Matter 16: Water Trading

Reporting Matter	Reporting Requirement (Supporting evidence to be provided by Basin States)	Response (response/milestone achievement/compliance status)
<p><b>M16 The implementation of water trading rules.</b></p>	<p><b>M16 a)</b> Provide website links to the publication of information regarding an Approval Authority's interest in a trade (s12.38 (2)).</p>	<p><b>M16 a) 12.38(2)</b></p> <p>NSW has Met this Milestone.</p>

<p>[Chapter 12] [BPIA 29.1 – 31.1]</p>	<p><b>M16b)</b> Provide documentation to support compliance with s12.37 (notice of disclosure)</p> <p><b>M16c)</b> Describe how you have notified affected parties with the decision to restrict a trade and reasons for the restriction consistent with s12.39.</p> <p><b>M16 d)</b> How has your State undertaken best endeavours to ensure water announcements have been made generally available?</p> <p><b>M16 e)</b> Provide documentation that supports a compliance with s12.50 (water announcements to be made generally available).</p>	<p>Information on any trades undertaken by NSW Government are published on the NSW Water Register, consistent with published information on all trades. <a href="https://waterregister.watarnsw.com.au/water-register-frame">https://waterregister.watarnsw.com.au/water-register-frame</a></p> <p><b>M16 b) 12.37</b> NSW has Met this Milestone. Trades in NSW are approved by WaterNSW, who do not hold any licences and therefore there have no legal, equitable or commercial interest in individual trades.</p> <p><b>M16 c) 12.39</b> NSW has Met this Milestone. When a trade application is rejected, WaterNSW gives notice of the decision as well as reasoning for the decision at the same time.</p> <p><b>M16d) Announcements made generally available:</b> NSW has Met this Milestone. NSW has been working and will continue to work to ensure compliance with Basin Plan CI 12.50. A Market Sensitive Information Policy is being finalised along with guidelines on the 'Communication of Market Sensitive Information'.</p> <p><b>M16 e) 12.50</b> NSW has Met this Milestone. Information about water announcements are made generally available and can be accessed via the DPIE Water and WaterNSW websites: <a href="https://www.industry.nsw.gov.au/water/allocations-availability/allocations/determinations">https://www.industry.nsw.gov.au/water/allocations-availability/allocations/determinations</a> <a href="https://waterregister.watarnsw.com.au/water-register-frame">https://waterregister.watarnsw.com.au/water-register-frame</a> <a href="https://www.watarnsw.com.au/customer-service/news/availability">https://www.watarnsw.com.au/customer-service/news/availability</a></p>
<p>[Chapter 12] [NPA 6d] [BPIA 29.1 – 31.1]</p>	<p><b>M16 f)</b> Report on interstate and intrastate trade processing times (as per the COAG service and reporting standards for trade processing times).</p> <p><b>M16 g)</b> Provide confirmation that applications for entitlement and allocation trades to which the Commonwealth was a party were processed consistent with the agreed service standards.</p>	<p><b>M16f)</b> NSW has Met this Milestone. The NSW Water Register provides a record of applications for approval. The details include: 1. the date the application was received 2. the water source to which it relates, 3. the category of approval the applicant is seeking and type of work, 4. the status of the application. Details on trade processing times can be found on this register at: <a href="https://waterregister.watarnsw.com.au/water-register-frame">https://waterregister.watarnsw.com.au/water-register-frame</a> Information regarding processing times under the service standard is available: <a href="https://www.watarnsw.com.au/customer-service/ordering-trading-and-pricing/trading/faqs-water-trading#stay">https://www.watarnsw.com.au/customer-service/ordering-trading-and-pricing/trading/faqs-water-trading#stay</a></p> <p><b>M16 g)</b> NSW has Met this Milestone. NSW has processed applications for water entitlement and allocation trades to which the Commonwealth was a party consistent with the agreed service standards for trade processing times for state approval agencies.</p>
<p>[Chapter 12.02 – 12.27] [NPA 6a] [BPIA 29.1]</p>	<p><b>M16h)</b> Report progress made in the last year in removing unnecessary restrictions on allocation trade in surface water systems including those MDBA identified as priorities in each Basin state.</p> <p><b>M16i)</b> Confirmation of the removal of volumetric or other barriers to permanent trade out of water irrigation areas that are inconsistent with the Basin Plan water trading rules.</p>	<p><b>M16 h)</b> NSW has Met this Milestone. NSW is continuously working closely with the MDBA to ensure compliance with Basin Plan water trading rules. Below provides a progress update on trade restrictions identified as priorities by the MDBA.</p> <p><b>Interstate trade arrangements between NSW and the ACT:</b> Over the past year, NSW has worked closely with the ACT to develop an interstate trade framework. As part of a bilateral agreement with the MDBA, NSW developed an agreed work plan with the ACT to progress this. In April and June 2019 respectively, NSW provided the work plan and an implementation progress report to the MDBA outlining processes and timeframes to develop the framework. NSW meets regularly with the ACT and has held a number of bilateral workshops to facilitate this.</p> <p><b>Interstate trade arrangements between NSW and QLD</b> NSW and QLD remain aligned in the view that there is insufficient demand for interstate trade on the intersecting streams to warrant the development of a trading framework. Both states will continue to monitor demand and review the possibility of establishing trade accordingly. NSW has proposed an amendment to the Intersecting Streams WSP to enable trade in the future should the demand warrant it.</p> <p><b>Trade closures in the Southern Connected Basin</b> It is proposed that the Murrumbidgee inter-valley trade closure date of 31 May in the Murrumbidgee Regulated River WSP be amended to remove this date. Interstate trade closure dates will remain as 30th April, as this protects against third party impacts. In January 2019, NSW published a fact sheet on the Murrumbidgee Intervalley Trade account, explaining its rules and operation and detailing the reasons for the upper and lower limits. It is available: <a href="https://www.industry.nsw.gov.au/_data/assets/pdf_file/0018/209412/murrumbidgee-ivt-fact-sheet.pdf">https://www.industry.nsw.gov.au/_data/assets/pdf_file/0018/209412/murrumbidgee-ivt-fact-sheet.pdf</a></p> <p><b>M16 i)</b> NSW has Met this Milestone NSW works closely with the MDBA to ensure compliance with Basin Plan water trading rules. NSW has reviewed the conversion factor for permanent surface water trade from the Peel to the Lower Namoi</p>

	<p><i>The Department's guidance - reporting may include:</i></p> <ul style="list-style-type: none"> <li>– Please advise if any new restrictions have been introduced. The intention is to ensure that all barriers to permanent water trade have been resolved prior to the conclusion of the NPA, or else it has been agreed the issue is not material to Basin water reform. If the status of any matter has not changed since 2017-18 reporting, this will suffice as the response.</li> </ul>	<p>regulated water sources, to ensure that it accurately reflects transmission losses. Modelling has been conducted supporting a change in the conversion factor based on transmission losses. It is proposed to amend the conversion factor in the amended water sharing plans. NSW will request the MDBA make a declaration under Basin Plan Cl. 12.22 permitting the application of an exchange rate (conversion factor) to trades from the Peel Regulated River to the Lower Namoi Regulated River.</p> <p><b>Advice on new restrictions</b></p> <p>NSW has not introduced new restrictions on the trading of water access entitlement or allocation within the last water year.</p>
[NPA 6e]	<p><b>M16j)</b> Confirmation that surface water entitlements in regulated systems are consistent with clauses 28 to 32 of the NWI, unless where otherwise agreed by the Commonwealth.</p>	<p><b>M16 j)</b></p> <p>NSW has Met this Milestone.</p> <p>NSW confirms that entitlements in regulated surface water systems are consistent with clauses 28 to 32 of the National Water Initiative, unless where otherwise agreed.</p>
<b>Information and reporting requirements</b>		
[Chapter 12.43, 12.46] [BPIA 31.1]	<p><b>M16k)</b> Has the Basin State made any changes to the water access rights displayed on the MDBA's Water Market products page? If so what documentation has been provided to the MDBA with the updated information as required under s12.43?</p> <p><b>M16l)</b> Has the Basin State implemented any new trade rules that regulate the trade of tradable water access rights? If so have they provided these rules to the MDBA as required under s12.46?</p>	<p><b>M16k)</b></p> <p>NSW has Met this Milestone.</p> <p>The <a href="#">MDBA Water markets product information</a> webpage provides links to up-to-date information. No changes have been made by NSW.</p> <p><b>M16l)</b></p> <p>NSW has Met this Milestone.</p> <p>The <a href="#">MDBA Basin state water trading rules</a> webpage provides links to up-to-date information. No changes have been made by NSW.</p>
[Chapter 12] [BPIA 31.2]	<p><b>M16m)</b> Has the Basin State sold water in the previous year? If so, did they notify the approval or registration authority of the price agreed for the trade?</p>	<p><b>M16m)</b></p> <p>NSW has Met this Milestone.</p> <p>NSW has sold water within the past year specifically DPIE BC (formerly OEH) traded licensed environmental water allocation in 2018/19. Any water sold by NSW follows a standard procedure administered by the approval authority WaterNSW, including notification of all trade and the requirement on the seller to include the price of the trade. This notification is either a direct notification from the Basin State agency or via brokers who submit the forms on behalf of the Basin State agency. In 2018/19 there were errors in the prices reported on the NSW Water Register. OEH notified WaterNSW of the errors by email on 22/7/2019. All trade information is currently available online via the NSW Water register.</p>

## Other: Sustainable diversion limits

Reporting Matter	Reporting Requirement (Supporting evidence to be provided by Basin States)	Response (response/milestone achievement/compliance status)
[NPA 6c]	<p><b>MOa)</b> Confirmation that no action has been taken to impede Commonwealth measures to acquire water for environmental purposes, except where consistent with the Basin Plan water trading rules.</p> <p><i>The Department's guidance - reporting may include:</i></p> <ul style="list-style-type: none"> <li>– Where further water recovery is required to Bridge the Gap, provide evidence of support for Commonwealth measures to acquire water for environmental purposes, such as actions to support Commonwealth funded infrastructure programs and strategic water purchases.</li> <li>– Where support was not provided for a water recovery program, please provide an explanatory statement.</li> <li>– Reporting is only required in cases where further water recovery is required and water recovery programs have not achieved their water recovery targets.</li> <li>– Evidence of support that state led (Commonwealth funded) projects have been managed in way that supported the recovery of water.</li> </ul>	<p><b>MOa)</b></p> <p>NSW has Met this Milestone.</p> <p>NSW worked closely with the MDBA and the Commonwealth to reallocate the shared reduction in an agreed way and reduce the size of the gap that remains to be bridged.</p> <p>NSW continues to support the Commonwealth in consideration of 'one off' voluntary strategic water purchases as requested and also in consideration of A class licences in the Barwon Darling, which was announced as a key element of the Commonwealth response to the Vertessy report on fish deaths in 2018/19.</p> <p>In 18/19 the following water savings were realised as agreed:</p> <ul style="list-style-type: none"> <li>• Basin Pipe program Water Transfers = 3,981.20 ML</li> <li>• DPI's Irrigated Farm Modernisation (IFM) program delivered 3341ML</li> </ul> <p>After applying a Long Term diversion limit equivalence factor, the long term water use volume totals is approximately 6,499 ML.</p> <p>The Commonwealth's Water Efficiency Program was re-launched on Friday 26 July 2019 after being closed since 18 December 2018. NSW supported Commonwealth negotiations with other Basin jurisdictions to enable an agreement to be reached to progress with efficiency measure projects.</p> <p>NSW proponents brought forward efficiency measures projects in 2018 that were ultimately not funded by the Commonwealth. NSW understands that difficulties in securing agreement were primarily a result of the price of water being sought by project proponents.</p> <p>One project was withdrawn by the project proponent who has indicated their intention to resubmit a larger project under the new recently relaunched program.</p> <p>NSW is aware that other potential efficiency projects identified during 2018 proceeded with private funding.</p> <p>NSW worked with the Commonwealth to develop a proposal and funding agreement for a state-led project to examine the feasibility for efficiency savings in the local water utility sector in early 2019, and this funding agreement has now been signed by both Commonwealth and NSW Ministers.</p>

## Other: SDL Adjustment & Constraints Management

Reporting Matter	Reporting Requirement (Supporting evidence	Response (response/milestone achievement/compliance status)
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	to be provided by Basin States)	
<p>[NPA 7]</p> <p>[BPIA 14.2]</p>	<p><b>MOB)</b> Describe progress in the further development of the Ministerial Council agreed package of constraints proposals, and in addressing issues identified in the phased assessment process.</p> <p><b>MOc)</b> Describe progress towards the successful implementation of constraints measures by 2024, including coordinated cross-jurisdictional activities and community involvement, to enable flow rates of up to 80,000ML per day at the South Australian border.</p>	<p><b>MOB)</b></p> <p>NSW has Met this Milestone.</p> <p>The Stage 1 funding agreement between NSW and the Commonwealth signed on 28 February included funding for the 3 NSW led constraints measure projects. First milestone payments were made to NSW under that agreement in June 2019.</p> <p>In developing project management and delivery schedules to support its funding bid to the Commonwealth, NSW identified where, in the project delivery process, each of the issues identified in the phased assessment would be addressed. Actions to address issues will be reported on within required milestone reports.</p> <p>It is noted that NSW proactively recruited and engaged project staff at its own risk ahead of a finalised funding agreement to enable the program to progress as quickly as possible.</p> <p>Securing funding for stage one pre-construction activities associated with the constraints relaxation projects has enabled the establishment of governance arrangements and commencement of the engagement of the necessary project management, technical and stakeholder engagement resources. Detailed project planning is underway, with the priority task of securing a delivery partner to undertake stakeholder engagement and landholder negotiation activities in collaboration with the Department.</p> <p>NSW and Victoria have collaborated closely on the development of a funding proposal for the joint Hume to Yarrawonga constraints relaxation project. A “without prejudice” draft has been provided to the Commonwealth Dept. of Agriculture for discussion with the proponent states. Agreement on this is targeted for September 2019.</p> <p>A NSW landholder negotiation framework has been under development which is intended to provide a clear process for the NSW Government to consult and negotiate with landholders affected by environmental water releases that may inundate land and/or damage infrastructure.</p> <p><b>MOc)</b></p> <p>NSW has Met this Milestone.</p> <p>Stage 1 funding to commence implementation of constraints relaxation in the Murrumbidgee, Yarrawonga to Wakool reach of the Murray River and the Lower Darling was agreed with the Commonwealth in February 2019. It is noted that NSW proactively recruited and engaged project staff at its own risk ahead of a finalised funding agreement to enable the program to progress as quickly as possible.</p> <p>Since funding was received, NSW has been focused on commencement activities such as establishing project teams, communication and engagement planning, project management and interjurisdictional alignment activities through the Constraints Management Working Group (CMWG). With a project delivery team establishing and a partnership arrangement being negotiated with a delivery partner for on-ground landholder negotiation, the focus for the remainder of 2019 will be stakeholder engagement planning, refinement of modelling work and detailed work on technical and operational issues.</p> <p>NSW has been collaborating with Victoria on a joint funding bid to implement constraints relaxation in the Hume to Yarrawonga reach of the Murray River.</p> <p>The NSW Parliament passed the <i>Water Management Amendment Bill 2018</i> in June 2018 which contains provisions that will assist Government in making environmental water releases. As part of the suite of amendments, a landholder negotiation framework will be developed in the regulations to facilitate negotiations between affected landholders and government relating to proposed environmental water releases including those under constraints relaxation proposals, to enable landholders to raise issues and discuss mitigation of any impacts.</p> <p><b>Inter-jurisdictional Constraints Management Working Group</b></p> <p>NSW has been and continues to be an active member of the Constraints Management Working Group (CMWG) attending all meetings, influencing its strategic agenda and providing regular input into meeting documents.</p> <p>NSW actively contributed to the Policy and Engagement sub-committees of the CMWG. Through these sub-committees NSW contributed to establishing a baseline of policy issues for resolution across jurisdictions as well as shared key messages for the broader constraints management program.</p> <p>The CMWG has developed a Constraints Measures Coordinating Work Plan to assist in progressing delivery of the Constraints Measures Program (CMP). This Work Plan was agreed to by the Ministerial Council in December 2018.</p> <p>The CMWG prepared a progress report on the Work Plan deliverables for June 2019. A significant</p>

		<p>achievement was the development of a program coordinated risk management strategy and the prioritisation of identified policy issues.</p> <p>Key messages in relation to the achievability of the constraints package including impacts and benefits of constraints and interactions with other Sustainable Diversion Limit Adjustment Mechanism projects and water management operational frameworks continue to be developed by the CMWG.</p> <p>A significant amount of work has been undertaken on the outcomes possible under the current notified package of constraints measures projects including on the flow rates being targeted and associated impacts.</p> <p>A preliminary business case was submitted to the Commonwealth for the Gwydir Constraints Measures Project in late 2018. On 28 June 2019, NSW applied to the Commonwealth for early-release funding under the Northern Basin Toolkit Measures Funding program to progress feasibility investigations to address removing system constraints in the Gwydir catchment to improve flows reaching the Gwydir wetlands.</p>
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## Other: Water Resource Plans

Reporting Matter	Reporting Requirement (Supporting evidence to be provided by Basin States)	Response (response/milestone achievement/compliance status)
<p>[applicable to overall NPA] [BPIA 24.1]</p>	<p><i>Context: Progress with the development of Water Resource Plans for accreditation is currently being reported by the MDBA, through quarterly jurisdictional reports to the Basin Plan Implementation Committee and The Department will rely on reporting through BPIC. States only need to report where they wish to add further detail or clarification. Applicable to overall NPA assessment of progress as flagged in the 2017-18 NPA assessment.</i></p> <p><b>Od)</b> This reporting is <u>optional</u>. Basin states may choose to comment on their progress where this differs, or is expected to differ, from the most recent MDBA quarterly report on WRP development.</p>	<p><b>MOd)</b></p> <p>The NSW Water Resource Plans (WRPs) are in progress. There are 20 WRPs to be submitted for accreditation by NSW by 31 December 2019.</p> <p>Public exhibition commenced for 11 of the 20 NSW WRPs prior to 30 June 2019.</p> <p>NSW is working collaboratively with the MDBA to progress WRPs, maintain transparency of the work remaining to complete all WRPs and manage the risk that NSW may not meet the deadline for Commonwealth accreditation of all WRPs.</p> <p>Stakeholder Advisory Panels are in place for 19 of the 20 WRPs, including the establishment of a statewide Stakeholder Advisory Panel for the 11 Groundwater WRPs.</p> <p>NSW has developed and is implementing a culturally appropriate process for consulting with 29 First Nations across the Basin area.</p> <p>NSW has a bilateral agreement with the MDBA that ensured that key Basin Plan commitments came into effect from 1 July 2019.</p> <p>Updated information on the status of WRPs is online at <a href="https://www.industry.nsw.gov.au/water/plans-programs/water-resource-plans/drafts">https://www.industry.nsw.gov.au/water/plans-programs/water-resource-plans/drafts</a></p>