

## **Attachment B: Progress on NSW/ACT trade mechanism**

### **NSW – MDBA Bilateral Agreement Action 5 Report**

#### NSW requirement:

- 5.1 For the Murrumbidgee WRP area, NSW will:
- 5.1.1 work with the ACT Government to develop a process for enabling two-way interjurisdictional retail water trading between NSW and the ACT; and
  - 5.1.2 provide to the Authority a **report** on progress against the NSW/ACT agreed workplan.
- 5.2 NSW will engage with the Authority on the possible implications of the approach on interstate trade and any amendments that would be required to either Schedule 1 of the Act or its protocols

#### Action 5.1.2 - progress

After the February 2020 workshop attended by NSW, ACT, MDBA and the Commonwealth, agreement was not reached on the further developing a trade framework that satisfied all parties.

In October 2020, the Commonwealth appointed an independent consultant to work with NSW and the ACT to develop a trade mechanism that meets the requirements of both jurisdictions. The consultant undertook a review of the progress up to October 2020 and developed an issues resolution document that was agreed by NSW and the ACT. Since October NSW have met and actively participated with the consultant and the ACT on four occasions:

- 2 Dec 2020
- 10 Dec 2020
- 16 Dec 2020
- 29 Jan 2021
- 12 Feb 2021

To date a revised work program, agreed by NSW and the ACT, has been developed. As part of the ongoing work plan NSW has been providing feedback to the ACT on the *Proposed interstate water transfer-trading framework for ACT-NSW* and a *Scope of work for characterising ACT water that is eligible for trade*.

After the February meeting the following actions were agreed:

#### **Trading Framework document**

It was agreed that NSW would provide the ACT with detailed comment to allow the ACT to revise the current document. (Completed)

ACT is to circulate the revised document following receipt of NSW comments.

#### **Scope of ACT Investigations Paper**

The comments provided to the ACT on their draft paper were agreed.

The ACT agreed to initiate a consultancy to undertake the agreed investigations as soon as possible and advise on any revision to the timeframe for completion of the initial investigations.

#### **Work Plan**

Consultant to revise work plan if required in accordance with any advice from the ACT.

**Next Meeting**

To be scheduled after the completion of the investigations. It is now unlikely to be held before the end of July 2021 due to the delay in the Investigation Report being finalised.