



I N L A N D
R I V E R S
N E T W O R K

PO Box 528, PYRMONT NSW 2009
ph 0428 817 282
email inlandriversnetwork@gmail.com
web inlandriversnetwork.org
ABN 34 373 750 383

Department of Industry – Water
GPO Box 5477
Sydney NSW 2001
macquarie-castlereagh.sw.wrp@dpi.nsw.gov.au

Friday 1 February 2019

Comments on Draft Macquarie-Castlereagh Surface Water Resource Plan

The Inland Rivers Network (“IRN”) is a coalition of environment groups and individuals that has been advocating for healthy rivers, wetlands and groundwater in the Murray-Darling Basin since 1991.

IRN welcomes the opportunity to provide comments on the Draft Macquarie-Castlereagh Surface Water Resource Plan (draft WRP).

Background

IRN submitted substantial comments to the Status and Issues Paper on the Macquarie-Castlereagh Surface Water Source released in late 2016.

We outlined concerns that the significance of the Ramsar listed Macquarie Marshes as a major water bird breeding site in Australia had not been clearly recognised.

The draft WRP fails to recognise the obligations of the NSW and Commonwealth Governments under international treaties to provide adequate water for Ramsar listed wetlands and migratory water bird breeding events.

We raised the issue of significant risks to key environmental assets and ecological function.

These include medium to high risk of damage to ecological values due to insufficient water in the regulated system and possibly the unregulated system, medium to high risk under climate change scenarios for Macquarie Marshes and Wilgara Wetlands and high risks to ecological values from salinity in the lower sections of the Bogan, Castlereagh and Macquarie Rivers.

The draft WRP does not mitigate these key risks.

We also noted that the objectives and strategies for the WRP will not achieve the necessary outcomes required by the Basin Plan.

The management of floodplain harvesting is a key issue. We note that the first Macquarie-Cudgegong Regulated Water Sharing Plan had no inclusion of floodplain harvesting extraction. We note that the replacement plan included in the draft WRP also provides no volumes of the extraction of flood flows from the Macquarie floodplain.

This is an important issue due to the impact on significant ecological values in the WRP area. We are concerned that the Healthy Floodplains Project does not include a rigorous assessment of the cumulative downstream environmental, social and economic impacts of floodplain harvesting.

Rules to protect held environmental water through the unregulated section of the Macquarie River have also not been included in the replacement water sharing plans.

This is a critical issue for the implementation of the Basin Plan and a key component of the Northern Basin toolkit measures.

The lack of information on both floodplain harvesting and protection for environmental water is unacceptable because without this information the draft WRP is incomplete. It should not have been released for public comment without all the necessary details provided.

IRN considers that failing to provide this critical information until 1 April 2019 is highly inappropriate and does not demonstrate a fair and transparent consultation process.

It is imperative that an Environmental Watering Advisory Group (EWAG) is included as a mandatory requirement in the draft WRP and that its membership is clear. The Environmental Flows Reference Group as mandated in the current Macquarie-Cudgegong Regulated Water Sharing Plan has been a highly successful means of providing advice on the planning of environmental flow releases for planned and held environmental water in the system.

The EWAG has successfully delivered an important trust building community function by providing local knowledge working together with key government agencies including Fisheries, OEH as Ramsar managers and environmental water holders, CEWO, DoI Water and Water NSW.

Finally, we do not support current arrangements under the NSW Water Management Act (2014 Amendment) whereby available water determinations are based on the worst period of low inflows into the water source, as identified in flow information held by the Department before 1 July 2004.

The lack of modelling inputs using the Millennium Drought and subsequent worst drought of record inflows has resulted in over allocation of available water and has increased the risk of poor management of extreme events, as is being experienced in the draft WRP area at this point in time.

This has an impact on the management of risk which is identified as high for many of the criteria, especially for environmental water requirements.

Proposed Rule Changes:

1. Cudgegong Environmental Water Allowance (EWA)

IRN supports that the conversion of Cudgegong translucent releases to an EWA.

We would appreciate an explanation about how any changes to modelling in regard to floodplain harvesting have an impact on the final conversion volume from 10,000 ML per annum translucent flows in the Cudgegong, given there is no floodplain harvesting in this section of the water resource area.

It is imperative that the formation of an EWAG sub group for the Cudgegong is recognised in rules associated with the continuation of EWAG functions in this regulated system.

IRN also strongly supports that the Cudgegong EWA is protected as an environmental allocation once it arrives in Burrendong Dam.

2. Cudgegong ‘residual’ environmental water account

IRN is concerned that the rules in the current WSP were not met in regard to the release of translucent flows. This has caused a residual volume of approximately 11,283 ML that has not been provided to the environment of the Cudgegong River for the past 7 years.

We note that Windamere Dam storage levels were much higher in the 2010 – 2012 period than now. The issue of managing water quality in dam releases becomes more complex once the storage is at lower levels. The proposal to use this outstanding balance until Windamere Dam is at 70 GL storage level must take into account the implications of poor water quality releases into the Cudgegong River that will not provide an environmental benefit.

3. Review of environmental flow rules for Macquarie EWA

IRN supports that the EWA be managed as 100% active release. This approach was adopted during the water sharing plan suspension in the millennium drought to great effect.

This rule provides greater flexibility for adaptive management decision-making. This will enable the achievement of the best environmental outcomes in a complex and variable system.

The current restriction of translucent releases between November and March is a major limiting factor in delivering environmental outcomes in the Macquarie system. A rule change to 100% active release will enable beneficial use of environmental water releases when they are most needed.

4. Stock & Domestic Replenishment Flow to Macquarie River below Oxley

IRN supports this proposed formalisation of historic practice in a new rule in the regulated water sharing plan.

5. Review of volumetric trade limits

IRN does not support the increase of the volumetric trade limit in Bulgeraga Creek from 33GL to 45GL. This creek system is a major delivery route for environmental water releases to the Macquarie Marshes.

The channel capacity and sharing issue will be greatly exacerbated by this proposed rule change.

We consider the increased risk of channel capacity constraints during periods of peak demand is too great and will impact on the ability of held and planned environmental water to be delivered to the significant environmental assets in the Macquarie Marshes.

This proposed rule change is not a balanced decision and will impact on the achievement of the WSP environmental objectives and the objectives of the Basin Plan.

This proposed rule change will increase the risk of the Macquarie Marshes not receiving enough environmental water which has been identified as a high risk in the risk assessment.

6. Draft rules for Floodplain Harvesting (FPH)

We note that nothing has yet been finalised about the inclusion of floodplain harvesting in the water sharing plans. It is unacceptable that this WRP has been placed on exhibition for public comment without this critical information.

There had been no inclusion of FPH extraction in the 2004 Macquarie-Cudgegong regulated water sharing plan or in the unregulated plan. Therefore, this water was included as Planned Environmental Water (PEW) in that plan.

We note that no share component has been identified and no volume has been provided to limit carryover of FPH. There should be no carry-over provisions for FPH.

Therefore Cl 43 (1) should state that ‘The Minister must not allow allocations in the water allocation account of a floodplain harvesting (regulated river) access licence to exceed 1 ML per unit share at any time.’

Cl 43 (4) should be removed. There should be no consideration of FPH over the first five years following the establishment of the licence. There should be no carry-over provisions for FPH.

We do not support cl 45 (2) that allows harvesting of rainfall runoff that has not been credited to the water allocation account of the licence. The proposal to debit this the following year bears no relationship to the availability of rainfall. Rainfall runoff was included as PEW in the original water sharing plan gazetted in 2004.

We do not support Cl 47A (1) in the Macquarie Bogan Unregulated Rivers water sharing plan that allows for a 2 ML per unit share to be available for FPH unregulated access licences on establishment.

The proposed rules for managing FPH are likely to continue to cause increased environmental degradation in the Macquarie system.

Further concerns about FPH are detailed below.

7. Objectives, strategies and performance indicators

The proposed environmental objectives and performance indicators have no reference to targets for water bird breeding or enhancement of the Ramsar listed Macquarie Marshes.

The NSW Government, as Ramsar managers, and the Commonwealth Government have obligations under international treaties to protect and enhance areas identified as significant for migratory birds and other values.

These obligations must be reflected in the objectives and performance indicators of the water sharing plan.

8. Compliance assessment advisory committees

IRN strongly objects to the role of compliance assessment being placed in the hands of Water NSW Customer Advisory Committees (CAGs). Both Water NSW and its customers have a major conflict of interest in the operation of water sharing plan rules.

Compliance assessment must be undertaken by a state-wide independent body such as the Natural Resources Access Regulator or the Natural Resources Commission.. This will improve the transparency and trust in the process.

Other Key Issues:

1. Water availability determination

The regulated river water sharing plan must be changed so that the most recent drought of record (ie 2018) is included in modelling used to determine water availability. The current definition that worst drought be defined as the worst period of inflows prior to 2004 is a high risk approach to water management in the context of climate change. The rule should be:

CI 76 Maintenance of water supply

(3) **worst drought** must be the most recent drought of record or worst period of inflows on record.

2. Floodplain Harvesting (FPH)

IRN has been advocating for a full cumulative environmental impact assessment of all FPH extraction on downstream water users and environmental assets. The small to medium size overland flows captured by this extraction method have important ecological functions such as recharging groundwater systems, providing natural flows to wetlands, providing connectivity flows to connected rivers and wetlands, in particular, the Barwon-Darling and returning nutrients and food sources to rivers.

We note that the Long-term average annual extraction limit (LTAAEL) has not yet been identified as a volume in the draft water sharing plans for the regulated Macquarie-Cudgegong and unregulated Macquarie-Bogan water sources.

We do not support that the volume of FPH access licences to be granted is added to existing levels of take. This volume must be obtained through a shared reduction of all other access licences.

This is to prevent a net reduction of PEW in the WRP area.

The modelling rationale being used ie to shift the newly assessed volume of FPH from system losses into extraction assumptions is deeply flawed. This method will cause a net reduction in PEW.

3. Protection of PEW (including Castlereagh)

Draft WRP Appendix C states at section 2.2 that the LTAAEL for the water sharing plans in the draft WRP area is not changed. Therefore, there is no net reduction in PEW.

However, the final volume of LTAAEL has not yet been set in the draft water sharing plans and is proposed to expand to account for the final assessed volume of FPH.

This will cause a change in the LTAAEL and will cause a net reduction in the protection of PEW.

Transmission losses are a volume of water that has not been extracted and have therefore had some environmental benefit and are included in the current volume of PEW in the water sharing plans.

If the final volume of FPH extraction is moved in the model assumptions from transmission losses to extraction, then this results in a net reduction in PEW.

The proposed changes to water sharing rules in the Castlereagh unregulated water sharing plan will also cause a reduction in PEW.

Table B showing flow classes in the current water sharing plan identifies low flow and A class flow heights to be protected from extraction. The management of these environmental rules relied on the installation of gauges at the end of 5 zones within the water source.

The NSW Government failed to protect PEW in the implementation of the current water sharing plan because it failed to install the necessary gauges needed to regulate cease-to-pump rules.

The proposal to adopt current operational practices rather than to protect environmental water as gazetted in the 2004 plan will cause a net reduction in the protection of PEW.

The draft WRP should be supporting the installation of the necessary gauges to protect low flows and A class flows over the full length of the Castlereagh River. This will protect PEW and insure that better connecting flows to the Barwon-Darling are achieved in periods of low flow.

4. Active sharing of water in unregulated water sources

IRN is concerned about the uncertainty on whether a clear set of rules for protecting held environmental water through unregulated water sources will be included in WRPs.

This is another body of work still under consideration and not available in the draft WRP for comment.

The issues identified in the associated fact sheet do not specify that held environmental licenced water will be protected by the proposed rules.

We note that a process of considering rule options was intended to be conducted in November 2018 with further consultation on preferred options to be conducted in 2019. IRN has not been contacted about this proposed consultation process.

It is imperative that held environmental water is protected throughout the length of the Murray-Darling system until it reaches its intended asset or fulfils a required ecological function.

The original concept of shepherding rules was fully supported by IRN. These must be included in all WRP for the Basin Plan to achieve its environmental objectives.

5. Mandatory requirement for EWAG

CI 75 should include the mandatory requirement to establish an EWAG in the Macquarie-Castlereagh WRP area with a clear list of community and government agency representation. This should include a sub-group in the Cudgegong.

6. Consideration of upstream trading

IRN strongly objects to the consideration under Part 10 of the draft regulated and unregulated water sharing plans to allow trades of regulated high security licences to upstream unregulated water sources. This is a high risk approach to water management and may have considerable impact on storage inflows and environmental shares.

7. Risk Assessment

IRN does not support the conclusion of the risk assessment in the draft WRP that a very large number of high risks to meet environmental water requirements are tolerable.

The proposed water sharing rule changes will not improve the ongoing decline of the health of the significant assets in the Macquarie-Castlereagh system. It is not tolerable to have a high risk of meeting environmental watering requirements to the Ramsar listed Macquarie Marshes and the impact of climate change not being mitigated.

The strategies outlined in the risk assessment are inadequate and need to be strengthened.

8. Water Quality

We note a considerable number of knowledge gaps in the risk assessment for poor water quality.

The proposed water sharing rules and risk management strategies in the draft WRP will not improve areas of poor water quality over time.

9. Consultation

IRN considers it highly inadequate to place this draft WRP on exhibition without finalising consultation with a number of indigenous nation groups that have country in the draft WRP area.

Conclusion

Because of the incomplete information provided in the draft Macquarie-Castlereagh WRP it is very difficult to assess the full impact of the proposed rules and management of the water source.

The direction of the draft WRP provides no confidence that the significant environmental assets in the Macquarie system will benefit over time.

The objectives and performance indicators in the draft regulated water sharing plan are an inadequate measure of the value of the international significance of the Macquarie environmental assets.

The risk assessment has identified a high risk of inadequate water for the environment and a high risk of drier scenarios due to climate change.

IRN considers that the draft Macquarie-Castlereagh Surface WRP will not meet the objectives of the Basin Plan.

For more information please contact:

Anne Reeves
Secretary
Inland Rivers Network
inlandriversnetwork@gmail.com