

Water Sharing Plan for the Macquarie Bogan Unregulated Rivers Water Sources 2012

May 2022



**CENTRAL NSW
JOINT ORGANISATION**

- Bathurst
- Blayney
- Cabonne
- Cowra
- Forbes
- Lachlan
- Oberon
- Orange
- Parkes
- Weddin



Central NSW
Joint Organisation

PO Box 333

Forbes NSW 2871

Phone: 0428 690 935

Email: jenny.bennett@centraljo.nsw.gov.au

Website: www.centraljo.nsw.gov.au

Chair Cr Kevin Beatty, Mayor, Cabonne Council

23 May 2022

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Enquiries: Ms J Bennett: 0428 690 935

Professor Hugh Durrant-Whyte
Natural Resources Commission
Water Review Team
GPO Box 5341
Sydney NSW 2001

nrc@nrc.nsw.gov.au

Dear Professor Durrant-Whyte,

Re: Macquarie Bogan Unregulated Rivers Water Sources 2012

Local Government Regional Joint Organisations (JOs) were proclaimed in May 2018 under the NSW Local Government Act 1993. The Central NSW Joint Organisation (CNSWJO) represents over 200,000 people covering an area of more than 50,000sq kms comprising the Local Government Areas of Bathurst, Blayney, Cabonne, Cowra, Forbes, Lachlan, Oberon, Orange, Parkes, Weddin, and Central Tablelands Water.

Tasked with intergovernmental cooperation, leadership and prioritisation, JOs have consulted with their stakeholders to identify key strategic regional priorities. The CNSWJO Strategic Plan can be found here: https://docs.wixstatic.com/ugd/51b46b_31886650ecf546bc916f15e99a733b3e.pdf

The Central NSW Joint Organisation has worked closely with the Department of Planning and the Environment (DPE) Water through the development of the Macquarie-Castlereagh and Lachlan Regional Water Strategies. We welcome this opportunity to provide feedback on the need to review, as opposed to extend, the Water Sharing Plan for the Macquarie Bogan Unregulated Rivers Water Sources 2012 to improve environmental, social and economic outcomes.

This is further to the advice already provided to DPE and the NSW Government in the following submissions:

- Macquarie Regional Water Strategy Consultation (Response updated from 6 April)
- Marsden Jacob report on Regional water value functions Valuing different hydrological outcomes under Regional Water Strategies – Revised Draft dated 12 August 2020 (14 September 2020)

The Central NSW JO speaks for over 157,000 people covering an area of more than 47,000sq kms comprising of Bathurst, Blayney, Cabonne, Cowra, Forbes, Lachlan, Oberon, Orange, Parkes, and Weddin.

- Macquarie-Castlereagh Regional Water Strategy Consultation- September 2020- Supplementary Submission (10 December 2020)
- NSW Legislative Assembly Committee on Investment, Industry and Regional Development inquiry into support for drought affected communities in NSW (November 2019)
- Continuing the Productivity Conversation - GREEN PAPER (September 2020)
- Legislative Assembly Portfolio Committee No. 7 -Inquiry into the rational for and impacts of, new dams and other water infrastructure in NSW (October 2020)

A great deal of change has occurred over the past decade which directly relates to NSW Water Sharing Plans. CNSWJO believes that a thorough review is needed. This region seeks to codesign the approach to the review ensuring that the needs and aspirations of urban communities are well considered and the opportunities to do business differently, particularly in the Lachlan, is enabled. It is the view of this region that this has not been the case in the current Plans.

Arguably, the inception of Water Sharing Plans was at a time where rural and regional NSW was perceived as experiencing both population and production decline. Indeed, the current NSW Treasury Common Planning Assumptions are a testament to this wildly outdated and frankly wrong thinking and data.

In fact, Central NSW is struggling with housing and skills shortages for its growing contribution to the state and national economies.

Further, through the development of the Regional Water Strategies in this region for both the Lachlan and the Macquarie it has become abundantly clear that the assumptions being made by agencies about both the social and productive value of urban water are not in line with the lived experience in the region. More detail can be provided on request where just the challenges through the past drought are a testimony to the failure of existing systems including the Water Sharing Plans.

It is the view of the Central NSWJO Board that there is plenty of water in this region and the opportunity is for more efficient and effective use of available water to modernise and sustain the region's economy and livability.

The Water Sharing Plan for the Macquarie Bogan Unregulated Rivers Water Sources 2012 requires review for the following reasons:

- Learnings from the drought of record including:
 - the need for better linkages between town water restrictions and access to water for human consumption within the Plans;
 - recognition of the existing extent and potential for urban communities to share water including through existing and planned infrastructure;
 - the need for a Critical Water Needs Act as existing systems were not able to cope; and
 - the enablement of storm water harvesting and other contemporary approaches to water security for urban communities.
- Incorporation of the learnings from the Regional Water Strategies including the value of productive water and the potential for regional solutions for urban water security.
- Alignment with other key State and Federal aspirations particularly the water needs of:
 - The Parkes Special Activation Precinct
 - Critical minerals
 - Contemporary developments in alternative energy relating to water e.g. hydrogen and pumped hydro
 - Modern, including protected, agriculture
 - Regional Water Strategies
 - Manufacturing and food independence as a result of Covid and international instability

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- Alignment with the priority in the Water Management Act 2000 where water for human consumption is not sufficiently enabled in the Plans.
- Greater knowledge of the impacts of climate change where we now know that there will be increasingly serious droughts **and** floods and water sharing needs to optimise outcomes from both.
- Good practice where the data sources and other information relied on in the current plan are a decade out of date; and
- The opportunities afforded for using water differently.

The following advice is provided at a regional level where Councils and other stakeholders will be providing greater detail at the local level. However, there are a few salient examples that need change.

Change to enable Bathurst water security

Recent modelling underway by the Department of Planning and Environment-Water as part of the Macquarie Regional Water Strategy, demonstrates that the Bathurst Regional Council water supply system is at some risk under future climate conditions.

For Bathurst, it has lived experience with a multi-year drought that highlighted several areas where permanent adjustments are required. Specifically, regarding the Water Sharing Plan's rules summary sheet for the Campbells River and the Macquarie River above Burrendong Dam, these contain access rules on cease to pump which require significant change (22% is far too low; website link needs updating), and that work will require discussion with relevant agencies to identify the way forward. As it currently stands, irrigation is a greater water user in droughts than the city of Bathurst, even though Chifley Dam is primarily a town water supply dam. Bathurst Regional Council's submission will have further details on this issue.

Change to enable Orange water security

Like Bathurst, recent modelling completed by the Department of Planning and Environment- Water as part of the Macquarie Regional Water Strategy, demonstrates that the Orange City Council water supply system is at some risk under future climate conditions. Orange City Council's efforts to improve water security are being prevented or inhibited by the current Water Sharing Plan as follows:

- Prohibition of a new in-river dam which effectively prevent the implementation of innovative stormwater harvesting systems;
- Access to additional entitlement and conversion of this entitlement to town water supply use;
- Water trading restriction into the Summer Hill Creek water source; and
- The need to seek additional approvals during times of critical drought.

Change to enable stormwater harvesting and other innovations

Given the 10 year duration of the plan and once in 10 year opportunity to make submissions on changes, the Water Sharing Plan needs to allow for innovations such as stormwater harvesting and other water security improvements to be specifically recognised and enabled.

Orange City Council is renowned for its innovative award winning stormwater harvesting systems. Council's current efforts to expand its stormwater harvesting system are being prevented by Clause 57(2) of the Water Sharing Plan which prohibits the construction of an in-river dam for the taking of water which would, in most instances, be a key component of a stormwater harvesting scheme.

Further, under the existing Water Sharing Plans not enough use is made of water credits. Stormwater harvesting and other recycling and reuse innovations provide an opportunity for the additional flow volume created by urban development, in a local sense, to be treated like a water credit with the excess water above natural flow available for capture and reuse. This is a concept that should be reflected in the review of the Water Sharing Plan, like treated effluent discharge.

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Bathurst Regional Council returns in the order of 3GL/a of water back into the Macquarie River under a NSW EPA Environment Protection Licence, and receives no credit for returned water, as the approach has been that when water is put back into the system, it becomes the state's water again and can be extracted again under a different licence or the same licence. A return flows policy has been investigated by the NSW Department of Planning and Environment–Water for some time and needs to be progressed. The Water Sharing Plan should cater for water credits when water is returned to the river.

Recognition of the needs of Oberon

As detailed earlier there is a need to embed the lessons learned from the drought into water resource plans and strategies. This has been demonstrated not only for the communities of Bathurst and Orange on the unregulated Macquarie River, but also for Oberon who rely on a state regulated dam.

From the Oberon perspective the delivery of water is constrained to only one option. That is the purchase of raw water from Water NSW. No other feasible (and economical) opportunities exist to supply this critical need. Over the past two droughts the dam levels have dropped to as low as 8%. This has a substantial impact on the Oberon community socially, environmentally and politically. The need to provide appropriate quality (and quantity) of water to meet the critical needs of the community is paramount.

Currently there is significant volatility in the dam and the raw water supply from the dam is having significant impacts on Council's water infrastructure and the need to excessively treat that water is affecting the quality.

While water for human consumption is recognised as of the highest priority for the WaterNSW dam network, there continue to be challenges in delivering water to towns and communities in times of drought. While progress is being made in identifying options to secure town water supplies in the drafting of the Macquarie Regional Water Strategy, the big issues around water sharing and dam management need to be addressed including in the Water Sharing Plans.

Recognition of the needs of Cabonne Shire Council -Molong

Cabonne Council submits that it is critical that the existing Town Water Entitlement under the plan for the Molong water supply, of 502ML/a, is preserved in any future Water Sharing Plan. This allocation is necessary to allow for future growth expected to occur in Molong in the next 10 years. This growth is triggered by the rapid residential growth in Orange will accelerate the development of more affordable residential estates in Molong for residents seeking to commute to Orange for work.

Changes that enable a swifter response during drought in recognition of water for critical human needs under the Water Management Act including linking urban water restrictions to the environment and other users

There is a need for better policy and protocols to underpin the Water Management Act 2000 in a new climate future to ensure water for critical human needs are met as the highest priority.

Key questions that need to be addressed through a review of the Water Sharing Plan are:

- What's the definition of critical human needs?
- When there isn't any water how is a high security allocation for a town supply implemented on the ground?
 - o What are the triggers and policy settings to ensure the basic human right for drinking water are met?
 - o What are the implications of secure yield modelling for Water Sharing Plans and environmental flows on town water supplies?

Water for critical human needs should have the highest priority in the Water Sharing Plan. Currently Councils including Orange and Bathurst are required to seek additional or special approvals (such as through the Critical Needs Act) to access additional water, if approved. This was experienced during the recent severe drought and critical time frames could be reduced if suitable mechanisms existed in the Water Sharing Plan to prioritise town water supply.

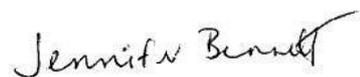
There needs to be significant changes to the way water is managed for inland regional towns not only in times of emergency.

In summary, this region does not seek to provide answers to the challenges. Instead, it is seeking for there to be a complete review of the Plan where the CNSWJO offers to provide support in coordination in a codesigned process.

We welcome the opportunity to continue the conversation about how water is valued for our urban communities and to add rigor and confidence to the great work that has been done in this space so far.

For further advice or to discuss any matters raised in this response please do not hesitate to contact me on 0428 690 935 or email me on jenny.bennett@centraljo.nsw.gov.au

Yours sincerely,



Jennifer Bennett
Executive Officer
Central NSW Joint Organisation (CNSWJO)