BN20/6237

Mr Phillip Glyde
Chief Executive
Murray Darling Basin Authority
GPO Box 1801
CANBERRA CITY ACT 2601
Email: phillip.glyde@mdba.gov.au

Dear Mr Glyde

New South Wales Basin Plan Annual Report for 2019/20

I am pleased to provide our report for the implementation of the Basin Plan, which includes Schedule 12 and Basin Plan Implementation Agreement requirements.

Should you wish to discuss any of the information that has been provided, please don't hesitate to contact Monika Muschal, Manager, Water Programs on 0411 154 381 or at monika.muschal@dpie.nsw.gov.au

Yours sincerely

Mitchell Isaacs
Chief Knowledge Officer
Water Group

4 December 2020

Att.

CC: MEWG Secretariat MEWGSecretariat@mdba.gov.au
CC: Lisa Blanch, Senior Policy Officer, MER Section, MDBA lisa.blanch@mdba.gov.au
CC: Katrina Willis, Assistant Director, Riverine Ecology, MDBA katrina.willis@mdba.gov.au

Information collection template for water year 2019 - 20

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The New South Wales 2019–20 annual report to satisfy annual reporting obligations for:

- Basin Plan Schedule 12 responses (except Matter 9 – use of environmental water)

Reporting context

This template provides a information collection point that covers Basin State 2019-20 annual reporting obligations in relation to the Murray-Darling Basin Plan for:

- Basin Plan Schedule 12
- the Basin Plan Implementation Agreement (BPIA) compliance requirements

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.

Matter 6: Local Knowledge & Solutions

Reporting Matter	Reporting Requirement (Supporting evidence to be provided by Basin States)	Response (response/milestone achievement/compliance status)
M6 The extent to which local knowledge and solutions inform the implementation of the Basin Plan. [Chapter 6, 8 & 10]	Please describe the process and outcomes of local engagement contributing to key BP implementation activities in 2019-20 as follows: **M6a) Water Resource Plans:** • The engagement process and how local knowledge and views influenced the development of WRPs. • 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).	**M6a) Water Resource Plans:** In 2019-20 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 were in place for 19 of the 20 WRPs, including 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 and on the final draft WRPs prior to submission. 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), 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. Through this process NSW obtained feedback from First Nations people regarding their values and uses, objectives and outcomes for water management within their nation area and is 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. First Nation Reports were finalised for all but 3 Nation groups and submitted as part of the NSW WRPs. The Department is progressing further work with peak Aboriginal stakeholders to develop an Aboriginal Water Strategy and build on the consultation outcomes from the First Nations work.
	M6b) Environmental watering: • 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: ○ the views of local communities and persons materially affected by the management of environmental water (BP8.39) ○ indigenous values (BP8.35).	**M6b) Environmental watering** 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. 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 are also currently being established in the Border Rivers, Intersecting Streams, Barwon-Darling and Namoi, to bring together knowledge and experience to advise on environmental water use. 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. 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). In addition to EWAGs, the Department of Planning, Industry and Environment's Energy, Environment and Science Group has updated the Environmental Water Program webpage and untaken a variety of specific stakeholder engagement activities to better inform communities and allow effective contributions to future management of water for the environment.
	M6c) Other Basin Plan implementation activities, namely SDL adjustment: 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). 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.	**M6c) Basin Plan Implementation activities** **SDL adjustment** The NSW Sustainable Diversion Limit Adjustment Mechanisms (SDLAM) governance structure includes the establishment of stakeholder, Aboriginal and Technical Advisory groups at a project level. At these forums, local knowledge is used to inform decision making processes. Each SDLAM project has developed a project specific stakeholder engagement strategy and communications plan, identifying pathways for collaboration in identifying solutions to project specific concerns. Through these plans, mechanisms for wider community involvement (outside of the advisory groups) is identified, planned and executed. Multiple engagement forums were held during the reporting period. Please find more information here. In keeping with a transparent, open and consistent process for collaborative project decision making with stakeholders, the NSW SDLAM team developed an options evaluation framework during the reporting period. This framework is a process by which stakeholders can shortlist project options using quadruple bottom line criteria in conjunction with the desired project outcomes. Through this framework, conversations regarding the viability of a project to meet the project outcomes can be discussed thoroughly. During the reporting period, the Yanco Creek projects worked with their stakeholders to settle on the project options resulting in over 50 projects requiring initial consideration within the framework. The Menindee Lakes Water Saving Project also used the framework to showcase the various project options during the reporting period with just under 20 being highlighted for consideration. The NSW SDLAM team has ensured cultural considerations are a distinct criteria for the options evaluation framework. Workshops with leaders in the Aboriginal Community were held during the reporting period to finalise the broad cultural criteria to be used within conversations with stakeholders across

Reporting Matter	Reporting Requirement (Supporting evidence to be provided by Basin States)	Response (response/milestone achievement/compliance status)
		the projects. To support this process, the SDLAM team is working to develop a cultural values assessment guide that will be undertaken by cultural knowledge holders within project footprints to inform the project options evaluation process. This will be completed in the next reporting period. More information on the options evaluation framework can be found online at www.industry.nsw.gov.au/water/plans-programs/water-recovery-programs/sustainable-diversion-limits.

Matter 10: Environmental Watering

Reporting Matter	Reporting Requirement (Supporting evidence to be provided by Basin States)	Response (response/milestone achievement/compliance status)
[Chapter 8, Part 4]	**M10d)** Provide at least one case study that demonstrates how environmental watering principles were embedded in the decision-making process and identify the relevant principles.	**M10d) Case Study** 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. Priorities, consistent with the Basin Annual Environmental Water Priorities and Long Term Watering Plan objectives, were identified for each valley where environmental water is managed by NSW (8.33 and 8.34). For the Murrumbidgee, 2019-20 priorities included the provisioning and maintenance of refuge habitat especially for waterbirds, but also for native fish and for frogs including the threatened southern bell frog. Other priorities included the improved connectivity in the Lowbidgee. To meet these priorities, a watering event was planned for the Lowbidgee to maintain critical refuge habitats for waterbirds, frogs and native fish in support of maintaining abundance and species diversity, maximising multiple environmental benefits of the environmental watering. (8.35). Risks were also identified during the event planning phase to ensure there were no adverse impacts on the local community or ecological components (8.36). Water was delivered into core Gayini Nimmie-Caira wetlands to maintain the condition of important waterbird breeding habitats. Some wetland sites are also known to support threatened southern bell frog populations and annual watering is required to ensure the maintenance and recovery of this threatened species (8.35). This event demonstrated efficient use of environmental water (41,313 ML) to create the only inundated habitat in the landscape so as to to achieve beneficial outcomes for waterbirds, frog and native fish (8.37). A nesting site with active waterbird breeding was supported with further environmental water. The multiple environmental benefits were achieved through collaboration among NSW, the Commonwealth Environmental Water Office and the Gayini Nimmie-Caira managers (The Nature Conservancy and the Nari Nari Tribal Council) (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). The Lowbidgee, including Gayini Nimmie-Caira and Yanga National Parks, has sites jointly monitored by NSW and the Commonwealth. Monitoring indicated that there were increases in waterbird abundance and species richness in some of the core wetland areas of the Gayini Nimmie-Caira from environmental water delivery. There was a small breeding event of spoonbills and wetland sites supported NSW listed threatened species of freckled duck and blue-billed duck. The threatened southern bell frog was detected at all refuge sites and was in high abundance at one site These monitoring activities have assisted the adaptive management process and enabled the evaluation of success of watering activities.
	M10e) 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.	**M10e)** All events were in accordance with Basin annual watering priorities.
	M10f) Confirmation that the management and delivery of planned and held environmental water was consistent with the Basin Plan, including the environmental watering plan's *Principles to be applied to environmental watering*. If confirming, please provide evidence and examples. If unable to confirm, please describe what actions are underway to enable confirmation in the future.	**M10f)** 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. Environmental water event planning includes consideration of risks to downstream users and water quality, as well as risks arising from impediments to the delivery of water to water dependent ecosystems, including risks of extraction of that water for other uses, and inadequate accounting of water flows. The OEH Environmental Water Management Manual 2018 guides environmental water managers on how to identify, assess and mitigate risks associated with water delivery. 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. In 2019/20 parts of NSW were in a drought stage 4 (critical drought), for example in the regulated Macquarie River since 1 July 2019. NSW and CEWH utilised access to supplementary water to the Macquarie Marshes to avoid the high likelihood of undesirable ecological consequences as a result of the combined impacts of not delivering water during after an extended dry period and a significant wildfire within the core wetland.

		In September 2019, as part of the drought response to secure water for critical human needs, flow in the Macquarie River was stopped at Warren. Consequently the 158 refugia pools that support water dependant native fauna below Warren dried. It had been 12 months since the Macquarie Marshes received inflow, with the last being the 2018-19 environmental water delivery and so antecedent conditions were very dry by spring 2019. After a lightning strike in early November 2019, approximately 3,800ha of the common reed in the North Marsh was also burnt from fire. The combination of dry antecedent condition and fire generated a very high water requirement to support the recovery of the common reeds, and important waterbird, frog and fish habitat, in the North Marsh region of the Macquarie Marshes. Use of supplementary account water by NSW and the CEWO is strongly dependent upon when a supplementary event is declared which is based on a specific set of conditions that varies from valley to valley. For the Macquarie, the CEWO recently prepared a Watering Schedule - Macquarie Supplementary Water User 2019-22 - in consultation with DPIE-EES which outlines a three-year plan for use including an adaptive decision-making strategy to guide the use of supplementary entitlements in the Macquarie catchment. In 2019-20, DPIE-EES and CEWO will consider placing an order for the licensed share of all such events with a view to directing water to key environmental targets. When placing an order considerations include the likely servicing of critical human water and stock and domestic water needs, environmental demand, potential third-party impact and available account balances. The approval sought allows readiness to access potential Supplementary Water events during the 2019-20 water year within short timeframes. Supplementary flow events can also provide a valuable opportunity to create latitudinal connectivity to assets that are located on the higher floodplain which are not able to be inundated with active planned or held environmental water holdings due to potential third-party impacts.

Matter 13: Critical Human Water Needs

Reporting Matter	Reporting Requirement (Supporting evidence to be provided by Basin States)	Response (response/milestone achievement/compliance status)
M13 **The implementation, where necessary, of the emergency response process for critical human water needs.** [Chapter 11] [*BPIA 26.1*]	*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.* **M13a)** Please indicate if a water quality trigger (as per s11.05) was reached and if so, what action was taken.	**M13a) Critical Human Water Needs** No water quality (salinity) trigger was reached in the Murray in 2019/20.
Chapter 11] [*BPIA 27.1, 27.2, 28.1*]	*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.* *(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.* *(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)).* *(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.* **M13b)** Please indicate if a trigger was reached and what action was taken to implement water sharing arrangements.	**M13b) (i)** Timely resource assessment information for the Murray provided by MDBA River Murray Operations (RMO) ensured timely decisions about allocations and identified water available for critical human needs if required. Despite a lack of irrigation water (zero general security allocation) and some irrigation districts were provided special licences for conveyance water to deliver domestic and stock water needs, no critical water shortage situations materialised in the Murray in 2019/20. Critical (drinking) 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. **M13b) (ii)** There were no periods of T3 water sharing arrangements in the Murray during 2019/20. **M13b) (iii)** 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 2019/20 in accordance with NSW water sharing plan arrangements. **M13b) (iv)** No subject triggers reached in 2019/20.

Matter 14: Water Quality and Salinity

Reporting Matter	Reporting Requirement (Supporting evidence to be provided by Basin States)	Response (response/milestone achievement/compliance status)
M14 **Progress the implementation of water quality and salinity**	*Context: BP Ch9.14 recognises that flow management, in some circumstances, can assist with the management of water quality issues,*	**M14a) Water Quality and Salinity** During 2019/20, when delivering environmental water, managers assessed delivery risks, including those associated with water quality. These risks are

management plan, including the extent to which regard is had to the targets in Chapter 9 when making flow management decisions. [Chapter 9] [BPIA 21.1]	*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.* **M14a)** 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.	identified in Form A (request to deliver environmental water) prior to delivery, with the level of risk calculated using a risk classification assessment table, and with an accompanying mitigation strategy proposed. 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. Environmental water may provide fish refuges from natural hypoxic events and maintain water quality in refuge pools under low flow conditions. Other current procedures and tools to enable meeting water quality targets for dissolved oxygen, recreational water quality and salinity are: s9.14 a) to maintain dissolved oxygen at a target value of at least 50% saturation: • During 2019/20, NSW operated a network of dissolved oxygen early warning sensors in the Murray, Murrumbidgee, Lachlan and Barwon-Darling 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. • Physical monitoring of dissolved oxygen occurred routinely in all NSW Murray-Darling Basin catchments during 2019/20, with the potential to monitor key water flow events as required during high-risk times. s9.14 b) the targets for recreational water quality in s9.18: • During 2019/20 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. 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. • During 2019/20, NSW continuously monitored river salinity at a number of key locations within the Murray-Darling Basin. • 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. • 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. • 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. The large inflow of water to Menindee Lakes in March 2020 provided opportunities for the government to adaptively manage the release into the lower Darling River. A monitoring program was implemented to enable a good understanding of water quality prior to and during the release. The release was designed and managed by an interagency group to minimise potential water quality issues associated with the restart of the river. This approach was successful in minimising ecological impacts and maintaining Basin Plan water quality targets during the release. The Lachlan water quality allowance was used to maintain flows >50 ML/day at Booligal in the lower Lachlan in February and March 2020. This was carried out as a preventative measure to maintain dissolved oxygen levels in the lower part of the river. Flow management advice was provided by the Lachlan Technical Advisory Group consisting of relevant NSW Government agencies based on data from DO sensors that had been installed in 2019.
[Chapter 9] [BPIA 23.1]	*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).* **M14b)** 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).*	**M14b)** 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. In addition to reporting, Core Salinity Monitoring have been submitted 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). A review of Target Sites has commenced with Mid Valley, Sub-catchment and the relevance of end of valley target sites being assessed for all NSW MDB river basins. A project (Profiling Catchment Salinity Risk) to assess the salinity risk of sub- catchments has been initiated to provide information similar to the former NSW Salinity Audit of Upland Catchments.

Matter 16: Water Trading

Reporting Matter	Reporting Requirement (Supporting evidence to be provided by Basin States)	Response (response/milestone achievement/compliance status)
M16 **The implementation of water trading rules.** [Chapter 12]	**M16a)** Provide website links to the publication of information regarding an Approval Authority's interest in a trade (s12.38 (2)).	**M16a) s12.38(2)** Information on any trades undertaken by NSW Government are published on the NSW Water Register, consistent with published information on all trades https://waterregister.waternsw.com.au/water-register-frame

[BPIA 29.1 – 31.1]	**M16b)** Provide documentation to support compliance with s12.37 (notice of disclosure) **M16c)** Describe how you have notified affected parties with the decision to restrict a trade and reasons for the restriction consistent with s12.39. **M16d)** How has your State undertaken best endeavours to ensure water announcements have been made generally available? **M16e)** Provide documentation that supports a compliance with s12.50 (water announcements to be made generally available).	**M16b) s12.37** Trades in NSW are approved by WaterNSW. WaterNSW has not undertaken trades that are subject to the requirements of Basin Plan Cl. s12.37. **M16c) s12.39** When a trade application is restricted, WaterNSW gives notice of the decision as well as reasoning for the decision at the same time. **M16d) Announcements made generally available:** NSW has been working and will continue to work to ensure compliance with Basin Plan Cl 12.50. A Market Sensitive Information Policy is being finalised along with guidelines on the 'Communication of Market Sensitive Information'. **M16e) s12.50** Information about water announcements are made generally available and can be accessed via the DPIE Water and WaterNSW websites: https://www.industry.nsw.gov.au/water/allocations-availability/allocations/determinations https://waterregister.waternsw.com.au/water-register-frame https://www.waternsw.com.au/customer-service/news/availability
Information and reporting requirements		
[Chapter 12.43, 12.46] *[BPIA 31.1]*	**M16f)** 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? **M16g)** 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?	**M16f)** No changes have been made to the water market access rights displayed on the MDBA's water markets products page, which covers regulated. NSW is currently reviewing the information on the MDBA's water markets page to ensure all links to NSW information are up-to-date. **M16g)** NSW has implemented the assignment of individual daily extraction components (IDECs) in the Barwon Darling under 71QA of the *NSW Water Management Act 2000.* The conversion factor for permanent trade (71Q and 71R) from the Peel regulated water source to the Lower Namoi regulated water source has been amended from 0.4 to 0.5. This is reflected in the Water Sharing Plan for the Peel Regulated Water Source 2010 https://www.legislation.nsw.gov.au/file/Peel-Regulated-River-WSP.pdf. The rules are within the NSW Water Sharing Plans, which have been provided to the MDBA. NSW is currently reviewing the information on MDBA's webpages to ensures all links to NSW information are up-to-date.
[Chapter 12] *[BPIA 31.2]*	**M16h)** 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?	**M16h)** NSW has sold water within the past year specifically DPIE - ESS (formerly OEH) traded licensed environmental water allocation in 2019/20. 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. All trade information is currently available online via the NSW Water register.

Matter 19: Water Resource Plan Compliance

Reporting Matter	Reporting Requirement (Supporting evidence to be provided by Basin States)	Response (response/milestone achievement/compliance status)
M19 **Compliance with water resource plans**	**M19a)** The MDBA will provide Matter 19 reporting questions directly to jurisdictions which had accredited WRPs prior to 1 July 2019 through a separate process.	Noted.

Other: SDL Adjustment & Constraints Management

Reporting Matter	Reporting Requirement (Supporting evidence to be provided by Basin States)	Response (response/milestone achievement/compliance status)
[BPIA 14.2]	**Ob)** 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.	**Ob)** NSW is progressing 21 notified SDLAM projects; 6 are complete, 6 are nearing completion and 7 are funded and underway. Two projects remain unfunded for which NSW is a co-proponent (Enhanced Environmental Water Delivery and Hume to Yarrawonga Constraints) but NSW continues to

		demonstrate good faith in progressing these projects while funding is negotiated. NSW successfully achieved payment for, or submitted required Milestone report respectively under the Stage 1. Project Agreement Schedule for Milestones 2 and 3 in October 2019 and March 2020. The combined total for M2 and M3 is $11.05M. These milestones were delivered both in full and on time. Addressing issues identified in the phased assessment process is reported on in all NSW milestone reports to the Commonwealth. NSW does however have concerns about its ability to meet future milestones and this has been raised at interjurisdictional forums including the Basin Officials Committee and the Murray–Darling Basin Ministerial Council. The MDBA and the Commonwealth are observers of the SDLAM Program's Interagency Steering Committee which oversees program delivery. The Commonwealth are also observers of the Program's independently chaired Program Assurance Board. The NSW Government remains committed to the delivery of the SDLAM Program with significant progress and achievements over the last 12 months including: • Establishment of a Program Delivery Framework (PDF) for robust governance and program/project management of the SDLAM program including: o A delivery focussed and (permanent) independently chaired Program Assurance Board o A functional operating Project Management Office (PMO) to support consistent and accountable project delivery o An executive level NSW Interagency o Steering Committee (ISC) o Operational project level governance groups including Technical Advisory groups (TAGs) and Stakeholder Advisory Groups (SAGs) • Development of Program level strategies to inform the delivery approach for stakeholder engagement, partnership delivery, procurement and contract management. • Scoping and commencement of significant procurements including Engineering and Professional Services Partners. • Establishment of delivery partnership agreements with cluster and other NSW agency partners. • Clearance through Infrastructure NSW (INSW) Gate 0 and an Options Evaluation Framework is in development to support options investigation and evaluation to support INSW Gate1 or equivalent reporting for each project. • Commencement of constraints projects' risk management, impact management approaches, landholder negotiation framework regulation and program monitoring and evaluation planning. • Completion of Program Geographic Information System (GIS) mapping strategy. • Development of a Program modelling workplan via an interagency modelling working group. • Incorporation of project learnings into ongoing schedule revisions to increase confidence in the delivery and budget profiles and inform the variation to the project agreement. • Recruitment and induction of staff to fill final positions in the organisational chart. • Implementation and embedding of a Program wide Project Management tool supported by processes and procedural guidance documentation. • Development and implementation of an Operational Risk Management Framework (ORMF). • Progression of detailed project planning for each project. NSW continues to work collaboratively with other Basin states and the Commonwealth to progress a number of policy matters which will need to be agreed by all jurisdictions prior to stage 2 funding for project implementation being provided by the Commonwealth.
	Oc) 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.	**Oc)** NSW continues to attend interjurisdictional forums within the SDLAM governance structure. The Constraints Measures Program is crucial to delivering the environmental benefits of the Basin Plan by allowing water to be delivered where and when it is needed. The NSW Constraints Measures Program consists of four constraints projects in the southern Basin. There are two in the Murray and one each in the Murrumbidgee and Lower Darling. The Constraints Measures Program in NSW is still in the concept design phase, including planning, improving the modelling and other technical work required to support the collaborative design of the program. NSW has reviewed the findings of the Independent Panel Review of Constraints Modelling (the Wilson Review) and is incorporated these findings into their planning work: • improve information products and modelling outputs, • work more closely with community on what the CMP can achieve • Collaborate on how impacts can be managed and mitigated. The department has been working over the last 18 months to improve water modelling, better understand environmental water needs and delivery risks, and to design stakeholder engagement options which deliver on the commitment to working collaboratively with community to develop and implement the projects. The NSW Constraints Measures Program cannot be successfully delivered without working with Victoria and aligning our approaches – communities on both sides of the Murray River expect to governments to be fair, equitable and transparent. NSW has been progressing planning for our Constraints projects as much as we can however the Commonwealth is yet to fund Victoria to deliver projects on its side of the river. Whilst we discuss our progress with Victoria and approaches, we cannot undertake the necessary alignment activities until Victorian funding is secured.

Other: Water Resource Plans

Reporting Matter	Reporting Requirement (Supporting evidence to be provided by Basin States)	Response (response/milestone achievement/compliance status)
[BPIA 24.1]	*Context: Progress with the development of Water Resource Plans for accreditation is currently being reported by the MDBA, through quarterly jurisdictional reports* **Od)** This reporting is optional. 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.	Noted.