Information collection template for water year 2023–24 – Basin State

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The Department of Energy, Environment and Climate Action (Victoria) 2023–24 report to satisfy annual reporting obligations for Basin Plan Schedule 12.

Reporting context

The matters listed in Schedule 12 of the Basin Plan relate to the objectives and outcomes against which the effectiveness of the Basin Plan will be evaluated (see section 13.05). The matters are also matters on which the MDBA, the Basin States, the Commonwealth Environmental Water Holder, and the Australian Government Department of Climate Change, Energy, Environment and Water are required to report. Schedule 12 includes Category A matters which are subject to 5 yearly reporting and Category B matters (see Table 1) which are subject to annual reporting.

This template covers Basin State 2023-24 reporting obligations in relation to Matters 6, 10, 13, 14, 16 and 21. Please refer to the notes for an explanation of why some Matters are not included in this template. The reporting period is the water year, 1 July to 30 June. The Basin Plan sets the reporting day as 31 October in the calendar year that reporting period ends.

Table 1. Schedule 12, Category B matters, annual reporting

| # | Schedule 12 Annual Matters | | ı | Reporter | |
|----|--|------|--------------|----------|--|
| 4 | The effectiveness of the management of risks to Basin water resources. | MDBA | Basin States | | |
| 5 | The transition to long term average sustainable diversion limits. | | | | Department of Climate Change, Energy, the Environment, and Water |
| 6 | The extent to which local knowledge and solutions inform the implementation of the Basin Plan. | MDBA | Basin States | CEWH | |
| 9 | The identification of environmental water and the monitoring of its use. | MDBA | Basin States | CEWH | |
| 10 | The implementation of the environmental management framework (Part 4 of Chapter 8). | MDBA | Basin States | CEWH | |
| 13 | The implementation, where necessary, of the emergency response process for critical human water needs. | MDBA | Basin States | | Department of Climate Change, Energy, the Environment, and Water |
| 14 | The implementation of the 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. | MDBA | Basin States | CEWH | |
| 16 | The implementation of water trading rules. | MDBA | Basin States | | |
| 19 | Compliance with water resource plans. | | Basin States | | |
| 20 | The prioritisation of critical human water needs. | | Basin States | | |
| 21 | The accountability and transparency of arrangements for water sharing. | | Basin States | | |

Notes:

- 1. Reporting for Matter 5 is reported separately by the Department of Climate Change, Energy, the Environment and Water.
- 2. Reporting for Matter 4 by Basin States is reported through Matter 10, and through the process of water resource plan accreditation.
- 3. Reporting for Matter 9 is reported separately by Basin States, Commonwealth Environmental Water Holder and the MDBA, through Water Act s71 reporting, and through the Matter 9.3 reporting template.
- 4. No reporting by the Department of Climate Change, Energy, the Environment and Water is required for Matter 13, as BOC undertakes this reporting when Tier 2 and 3 water sharing arrangements are in place.
- 5. Reporting for Matter 19 (Compliance with water resource plans) is reported separately by Basin States.
- 6. No reporting by Basin States is required for Matter 20, as confirmation that this Basin Plan requirement has been met will be via the process of water resource plan accreditation.
- 7. Schedule 12 reporting requirements in this template have been informed by the Basin Plan Schedule 12 Reporting Guidelines developed in 2015. The Basin Plan Schedule 12 Reporting Guidelines include reporting indicators which are nested under relevant Schedule 12 matters.
- 8. New guidance can be updated annually to help reporters meet reporting obligations and ensure the reporting requirements are up to date.
- 9. The MDBA assumes everything provided in this template is public, and licensing would allow the information's re-use unless specifically notified.

The Basin Plan Schedule 12 Guidelines and this information collection template are inconsistent. This template sets out the current reporting requirements.

Matter 6: The extent to which local knowledge and solutions inform the implementation of the Basin Plan

| Reporting Matter | Reporting Requirement (Supporting evidence to be provided by Basin States) | Response |
|---------------------------|--|--|
| Matter 6 | Reporting requirement: | Met ⊠ |
| The extent to | Provide a summary of how local | Partially met □ |
| which local knowledge and | knowledge and solutions informed implementation of the | Not met □ |
| solutions | Basin Plan. This may include: | |
| inform the | how local knowledge | Environmental Watering |
| implementation | and solutions were | Victoria's catchment management authorities (CMAs) have an established network of stakeholders from local communities and peak bodies that are engaged on a range of |
| of the Basin Plan. | used by the reporter how involving | issues, including the development and implementation of regional waterway strategies, environmental water management plans, technical environmental flows studies and |
| Applicable to: | communities made a | annual seasonal watering proposals |
| Basin Plan | difference to Basin Plan | Environmental Water Advisory Groups (EWAGs) are a proven and effective mechanism to engage with local communities. As the environmental water portfolio has expanded, CMAs have expanded the membership of EWAGs or established new/similar groups where needed, via public advertisements, nominations and/or recommendations. Additional |
| Chapters 6, 8 & 10 | implementationhow decisions changed as a result of | stakeholders have also been identified and engaged during the planning and delivery of environmental watering events, as required. There are a range of strategies, plans and technical reports that collectively describe environmental, cultural, economic, social values and Traditional Owner perspectives and longer-term integrated catchment and |
| | community | waterway management objectives that influence environmental watering actions and priorities. |
| | involvement. | The Victorian Environmental Water Holder (VEWH) and its program partners also consider Aboriginal cultural, social, and recreational values and uses of waterways when |
| | This may include engagement | planning for and delivering environmental watering activities. Waterway managers engage with Traditional Owners and community representatives to determine how cultural and societal benefits from environmental flows can be provided while optimising delivery of environmental priorities for the year ahead. Aboriginal cultural, social, and recreational |
| | activities related to water | values and uses are considered for each system. During 2023-24, our program partners consulted on average 20 organisations and individuals for each system section as part of |
| | resource planning, First Nations participation in environmental | their planning for the 2024-25 watering year. |
| | watering, and the SDL | |
| | Adjustment Mechanism. | Traditional Owner involvement during 2023–24 |
| | Holders of held environmental | The VEWH's Seasonal Watering Plan 2023-24 describes how Catchment Management Authorities and Melbourne Water involved Traditional Owners in environmental water planning and delivery of environmental water, in each region of Victoria. |
| | should provide relevant examples of how they involved | The VEWH's annual publication "Reflections" (due to be released in October 2024) contains examples of engagement with Traditional Owners in Seasonal Water Planning. This is available on the VEWH website. |
| | Indigenous people and considered Indigenous values and Indigenous uses when planning for environmental | In 2023-24, Victorian government agencies partnered with several Traditional Owner groups to strengthen their role in environmental water management (see further in section below on <i>Water is Life: Traditional Owner Access to Water Roadmap</i>), to start the process to develop Traditional Owner-led seasonal watering proposals for five sites in northern Victoria. This will inform the development of draft guidelines for future Traditional Owner-led proposals, by the end of 2024. |
| | watering, including how: • Environmental water planning and/or delivery has been influenced by the | A specific example of collaboration is the work by the First Peoples of the Millewa-Mallee Aboriginal Corporation with Mallee CMA, VEWH and DEECA which led to delivery of about 100ML of environmental water in May 2024 to Musk Duck Wetland in north-western Victoria. This water supported native vegetation important to Traditional Owners at this site. Further information is available from Mallee CMA here: https://malleecma.com.au/wp-content/uploads/2024/06/MCMA-Musk-Duck-Case-Study-A4-0624-FA-02-WEB.pdf . |
| | outcomes desired by | Efficiency measures engagement activities during 2023–24 |
| | First Nations people. | On 30 April 2024, the \$177.5 million Goulburn-Murray Water (GMW) Water Efficiency Project completed 254km of irrigation modernisation and rationalisation across the |
| | First Nations people have been engaged in | Goulburn Murray Irrigation District to achieve 15.9 GL (LTAAY) in water savings issued to the Commonwealth Environmental Water Holder as water recovery towards the |
| | environmental watering | efficiency measures component of the SDL adjustment mechanism. In doing so, the project met its Commonwealth-State contractual obligations on time and within budget – a |
| | activities in an appropriate and empowering way using | significant success for Victoria in delivering on its Murray Darling Basin Plan commitments. The project delivered an estimated 1,210 regional jobs during the life of the project and an estimated GDP increase of \$148 million to the region – a significant economic stimulus during a period of Covid-19 impacts and extreme weather that affected northern Victoria. |
| | free, prior, and | Further, the Lower Murray Water (LMW) continued its delivery of works on the Sunraysia Water Efficiency Project to keep the project on track for its target delivery of |
| | informed consent. | modernising/removing outdated water infrastructure, including 27 km of irrigation channel in the Mildura, Red Cliffs, and Merbein irrigation districts. These works will generate 1.8 |
| | Outcomes desired by First Nations people | GL/year Long Term Average Annual Yield (LTAAY) of water recovery that will contribute towards the efficiency measures component of the SDL adjustment mechanism. Any |
| | First Nations people have been achieved | water savings above the 1.8GL LTAAY will be shared equally between Traditional Owners and urban water security for Mallee towns. In May 2024, the State issued the first 0.3 GL of the contracted 1.8 GL water recovery to the Commonwealth Environment Water Holder. The commencement of the Sunraysia Water Efficiency Project (WEP) followed the |
| | | 22 of the confidence 1.5 of water receiving to the commentation from the commence of the commence of the commence of the comment of the commence of the commen |

| Reporting Matter | Reporting Requirement (Supporting evidence to be provided by Basin States) | Response |
|---------------------|--|--|
| | through environmental watering actions. Capacity to participate in planning and influence outcomes in water management has been built among First Nations people. Notes: Please provide links where appropriate to existing public information. Reporting on the involvement of involvement of First Nations in environmental water planning and delivery may be included in the Basin Plan Annual Report and/or the report on First Nations participation in environmental watering. Case studies are not required, but may be a useful way to describe how local knowledge and solutions inform implementation of the Basin Plan. | Victorian Minister for Water's determination in December 2021 that the project proposal was compliant with the agreed socio-economic criteria and would achieve neutral or positive socio-economic outcomes as required by the Basin Plan. During 2023–24, engagement with community and stakeholders on these projects has occurred primarily through the efficiency project proponents (LMW and GMW), including the use of local knowledge to develop reconfiguration plans, identify additional activities to be delivered and to get a local perspective on what the project should consider as it proceeds to later stages. Through delivery of the LMW Sunraysia Water Efficiency Project and GMW Water Efficiency Project, Victoria is expected to achieve 17.7 GL of water recovery towards the additional 450 GL, more than any other state. Victoria will continue to support opportunities for investment in efficiency measures that are supported by the community and achieve neutral or positive socio-economic outcomes, including regional job creation and improved agricultural productivity, whilst contributing to the environmental objectives of the Basin Plan. Other Projects Victorian Murray Floodplain Restoration Project (VMFRP) The VMFRP is well underway and being delivered over two stages: Stage 1 (planning approvals and pre-construction) and Stage 2 (construction). The VMFRP was severely impacted by the unprecedented challenges of COVID-19 and the October 2022 floods. These challenges had a significant time and cost impact to the project. Consequently, Victoria refocused its work program to the five central sites and paused the remaining work for the four east and west sites. During 2023–24, the project made significant progress towards Stage 1 activities in gaining the necessary State and Commonwealth regulatory approvals for four sites (Hattah Lakes North, Belsar-Yungera, Nyah and Vinifera) following an extensive and robust environmental assessment process under the Victorian Planning and Environment Act and Environment Effects Act a |
| | | Victorian Constraints Measures Program Since early 2022, Victoria has been investigating restoring up to minor flooding in the Murray and Goulburn rivers to achieve localised and system-wide benefits for the environment. The completed study on the feasibility of relaxing constraints in Northern Victoria was published in June 2024, consistent with Victoria's funding agreement with the Australian Government. In completing the study, Victoria now has addressed significant technical data gaps and enabled informed analysis and Committee discussions about the benefits, risks and issue that need to be resolved prior to implementation, should the project proceed. Investigations are focused below the minor flood level, as moderate and major floods would requivast amounts of water and would severely impact communities. The Study explores how enhanced natural river flows could be delivered while managing risks and impacts to public and private land, infrastructure, stock, crops, and people. To achieve the community-centred objectives of Stage 1A, a Consultative Committee was established. The Consultative Committee, chaired by the Hon Patrick McNamara AM, me on 12 occasions with a focus on discussing key policy issues, guiding key technical work, and providing diverse views. Comprised of members from Registered Aboriginal Parties, landholders, representative bodies, community, local council, and agencies, the Committee provided advice on what is practical to deliver, what are the benefits and risk under climate change, and whether there is likely community and Traditional Owner support for implementation. Through the Consultative Committee, Victoria has used local knowledge to refine scope, identifying additional activities to be delivered, and to get a local perspective on what the project should consider if it proceeds to later stages. Community co-design is a key part of delivering projects that potentially affect thousands of individuals across the Southern Connected Basin and committee entities and in turn express |

| Reporting Matter | Reporting Requirement (Supporting evidence to be provided by Basin States) | Response |
|---------------------|--|--|
| | | drone survey footage to capture areas of interest during the 2022 flood event "Kitchen table" meetings held in each river reach with Consultative Committee members and local landowners conducting targeted discussions with interest groups |
| | | using local knowledge to inform the location of hydrometric network upgrades, leading to the upgrade or new installation of 13 gauges at 11 locations in the mid-Goulburn catchment |
| | | refining the work program to include greater consideration of geomorphological impacts and socioeconomic risks |
| | | Traditional Owner partnership has been a core part of Stage 1A. Three Registered Aboriginal Parties are on the Consultative Committee and have advised on the need for further involvement of Traditional Owners in future stages should the program proceed. The project team also conducted multiple On Country visits to Traditional Owners of northern Victoria, throughout the Goulburn and Murray catchment. The potential benefits and risks to Traditional Owners' cultural and spiritual wellbeing has been documents as part of the Study through a series of 'what we heard' reports. |
| | | Broken Reconfiguration Feasibility Study |
| | | The Broken Reconfiguration Feasibility Study (BRFS) has recently concluded and been released publicly by the Minister for Water. The BRFS commenced in early 2023, as a result of the recommendations from the Broken Review. The BRFS was a community-led initiative to explore system reconfiguration options to support the community to plan for the challenges of reduced water availability in the future. |
| | | The study was overseen by a consultative committee; seven members of which were community members who were selected via an EOI process. The consultative committee met six times over the course of the project to provide community perspectives on the study. The study team also used a variety of online and face-to-face engagement to gather broader community insights on the Broken System to inform the study. From late-2023 to mid-2024, the team hosted more than 50 activities including briefings, drop-in sessions, kitchen table visits and invited workshops. Across the life of the study, the team heard the views of more than 10 per cent of water users who cumulatively hold 60 per cent of water entitlement in the Broken System. |
| | | The BRFS provides a strong case for progressing this community-led initiative into the next phase of Business Case development, marking a significant step towards realising a more resilient and sustainable Broken system. |
| | | The full reports for the BRFS are available at https://www.water.vic.gov.au/for-agriculture-and-industry/irrigation/broken-reconfiguration-feasibility-study |
| | | Planning our Basin future together prospectus |
| | | DEECA developed the <i>Planning our Basin future together</i> prospectus in response to the legislative changes made to the Basin Plan by the Commonwealth in 2023. The prospectus proposes alternative ways that more water can be recovered in Victoria to deliver greater environmental benefits, while minimising the negative socio-economic impacts that would otherwise result from an open-tender water purchase program. The principles for further water recovery outlined in the prospectus were developed based on lessons learned from working with communities since the Basin Plan was introduced in 2012 and in previous programs. These programs include the GMW Connections Project, and the Broken Reconfiguration Feasibility Study completed in 2024. |
| | | The prospectus was published for public consultation via the Engage Victoria website on the 14 May 2024. Consultation closed on 23 June 2024. During the consultation period, individuals, organisations, or businesses could complete a survey and/or make a submission about Victoria's approach through the Engage Victoria platform. DEECA also partnered with water corporations and catchment management authorities to engage in 49 consultation sessions with communities across northern Victoria during this period. The sessions included two public webinars, briefings and information sessions held online, in-person or in hybrid formats with delivery partners and stakeholders. |
| | | During the consultation period, the Engage Victoria website was viewed 5,037 times by 1,723 unique visitors. The prospectus was downloaded 480 times, and 139 supporting fact sheets were downloaded. Over 100 submissions were made to the website, with respondents representing a range of different interest groups and parts of the community. |
| | | DEECA prepared a <i>Closing the Loop</i> report in response to the feedback received that was published on the <u>Engage Victoria</u> website in September 2024. The report summarises findings and key themes that emerged from the survey responses and submissions, and changes made in response to community feedback. These changes consisted of minor adjustments to the prospectus principles for water recovery, and actions that address community concerns, such as the use of reconfiguration powers. Several actions also focus on working more closely with communities, including partnering with Traditional Owners. Methods to be used for future engagement are also considered based on community feedback. |
| | | DEECA has applied for Commonwealth funding to develop feasibility studies and business cases for potential water recovery initiatives across northern Victoria. If successful, DEECA and its delivery partners will work with local stakeholders and Traditional Owners in each Basin catchment and irrigation district in Victoria to develop options and build in local knowledge. Potential initiatives have been outlined in a Next Steps report, available on the Engage Victoria website. |
| | | Water is Life: Traditional Owner Access to Water Roadmap (Water is Life) |
| L | | Water is Life, launched by the Victorian Minister for Water in September 2022, provides an important pathway to genuine, meaningful outcomes for Traditional Owners in Victoria, |

| Reporting Matter | Reporting Requirement (Supporting evidence to be provided by Basin States) | Response |
|---------------------|--|--|
| | | increasing their self-determination and decision-making in water management. The Victorian Government continues to work alongside Traditional Owners to deliver the twelve targeted outcomes. Earlier this year, a first report on the progress of Water is Life was delivered. A copy can be found here: Water is Life Progress Report April 2024. |
| | | Aboriginal Water Officers Aboriginal Water Officers continue to play a significant role in leading Traditional Owner water priorities and projects across Victoria. They: |
| | | contribute to the delivery of environmental, cultural, spiritual and economic outcomes for Traditional Owners and Aboriginal Victorians strengthen capacity of Traditional Owners to participate in water management support increased Aboriginal access to water, and work collaboratively with water managers to include Aboriginal values and ecological knowledge in waterway management and planning |
| | | In 2023-2024, there were 14 Aboriginal Water Officer roles funded in the Victorian Murray-Darling Basin through the Victorian Aboriginal Water Program to lead and support water priorities of Traditional Owners. |
| | | Traditional Owner Flood Recovery Grants Program The Victorian Government (DEECA) established an emergency recovery program supporting 15 Traditional Owner groups in the Murray-Darling Basin who were affected by the 2022 floods. The program has supported Traditional Owners to undertake priority recovery activities on Country over the past 18 months. The program is now in the final year of delivery, with activities finishing in mid-2025. |

Matter 10: The implementation of the environmental management framework (Part 4 of Chapter 8)

| Reporting Matter | Reporting Requirement (Supporting evidence to be provided by Basin States) | Response |
|--|--|---|
| Indicator 10.1 Basin-wide environmental watering strategy, long- term watering plans and annual priorities were prepared, with the required content, published, reviewed and updated as obligated under Part 4 of Chapter 8, Divisions 2-5 Applicable to: Basin Plan Chapter 8, Part 4 | Context: Under Part 4 of Chapter 8, Division 2 Basin States are obligated to prepare, review and update long-term watering plans. Under Part 4 of Chapter, Division 3 Basin States are obligated to identify annual watering priorities and provide the annual watering priorities to the MDBA. Reporting requirement: Confirm that long-term watering plans and annual watering priorities were prepared, with the required content, published, reviewed and updated as obligated under Part 4 of Chapter 8, Divisions 2-4. If unable to confirm, please provide a statement of reasons. | Met Partially met Not met |
| | | environmental watering outlined in sections 4 (western region) and 5 (northern region) of the Seasonal Watering Plan 2024-25 fulfil Victoria's obligations to identify annual |

| | | environmental watering priorities for victoria's water resource areas under section 8.26 of the Basin Plan 2012. |
|---|---|---|
| | | The seasonal watering plan is based on seasonal watering proposals that local waterway managers prepare to document the annual priorities they have identified for their systems. In 2023-24 Wimmera CMA, North Central CMA, Goulburn Broken CMA, North East CMA and Mallee CMA developed seasonal watering proposals (for the 2024-25 water year) in collaboration with Traditional Owners, local communities, aquatic ecologists and other agencies. These proposals outline site values, environmental objectives and flow objectives for the sites considered for environmental watering in 2024-25. They are informed by technical flows studies and long-term planning documents (Environmental Water Management Plans, further described above) but are developed within the context of the recent climatic and hydrological conditions for the system (including recent achievement of environmental flow objectives) and forecast water availability in the coming year. |
| Indicator 10.2 | Context: Part 4 of Chapter 8 | Met ⊠ |
| Watering | places obligations on Basin | Partially met □ |
| strategies, plans and priorities | States that relate to consultation, and other matters (including the Basin-wide watering strategy, consistency with international agreements, identification of | Not met □ |
| are prepared | | |
| consistently with Part 4 of Chapter 8, in | | Where obligations have not been met with or partially met, provide a statement of reasons. |
| relation to coordinating, | possible cooperative arrangements) to which Basin | Long-term planning |
| consulting and cooperating with other reporters and the matters | States must have regard to when preparing long-term watering plans and annual watering | Updates to Victoria's long-term watering plans were not required in 2023–24. Previous updates were prepared consistently with Part 4 of Chapter 8 as reported in relevant annual reporting. In 2023-24 Victoria contributed jurisdictional input to the next edition of the Basin-wide Environmental Watering Strategy that will shape the next updates. The next updates are planned for 2024-25 and 2025-26, five years after the last updates. |
| to which regard | priorities. | Annual watering priorities |
| must be had (Chapter 8, Part 4) | Reporting requirement: Confirm that watering strategies, plans and priorities are prepared | The VEWH's <u>Seasonal Watering Plan 2024-25</u> was developed during late 2023-24, in consultation with waterway managers, storage managers, environmental water holders, land managers, Traditional Owners, and community representatives. |
| Applicable to: | consistently with Part 4 of | Rivers, creeks, and floodplains in northern Victoria form part of the southern connected Murray-Darling Basin. Water flows directly from Victorian rivers and floodplains into the |
| Basin Plan Chapter 8, Part | Chapter 8, in relation to coordinating, consulting and | Murray River, which means that environmental flows delivered in northern Victorian systems can achieve ecological objectives at multiple sites throughout the Murray-Darling |
| 4 | cooperating with other reporters, | Basin. For example, water for the environment delivered in the Goulburn River flows into the Murray River and can be managed to ensure it flows all the way to the Lower Lakes and Coorong in South Australia, providing environmental outcomes at Gunbower Forest, Hattah Lakes, Lindsay Island, and the Chowilla floodplain along the way. |
| | and the matters to which regard must be had. If unable to confirm, provide a statement of reasons. | Potential watering actions planned for each site in the Seasonal Watering Plan aim to support the environmental objectives set for individual sites. The objectives are developed based on technical studies and Environmental Water Management Plans that assess the ecological priorities and requirements for each site. Some sites are recognised as Ramsar wetlands of international significance, and where relevant, environmental objectives for those sites reflect obligations under international agreements to maintain the ecological and hydrological conditions within defined Limits of Acceptable Change. Environmental objectives for individual sites align with objectives outlined in the Basin-wide watering strategy where possible and environmental watering actions across multiple sites collectively contribute to the environmental objectives specified in Chapter 8 of the Basin Plan. |
| | | Coordination in planning environmental watering across the southern connected Murray-Darling Basin |
| | | The VEWH coordinates its activities with other environmental water holders in northern Victoria, NSW and South Australia to achieve environmental outcomes at the southern connected Murray-Darling Basin scale. Collaborative planning focuses on how upstream and downstream objectives align, and how the broader operation of the Murray River system can help support environmental outcomes, as well as complementary outcomes for Traditional Owners and local communities. |
| | | Seasonal watering proposals in the northern region within the Murray-Darling Basin that have multiple entitlement holders – including, but not limited to the Living Murray program icon sites, are reviewed by both VEWH and the Commonwealth Environmental Water Office, and the Southern Connected Basin Environmental Watering Committee (SCBEWC) where relevant. The Living Murray icon sites within Victoria include Barmah Forest, Gunbower Forest, Hattah Lakes and the Lindsay, Mulcra and Wallpolla Islands. SCBEWC includes representatives from water holders and jurisdictions across the southern basin. |
| | | In Victoria, all water for the environment must be delivered in line with the VEWH's Seasonal Watering Plan, meaning coordination during the annual planning phase (which occurred in late 2023-24 for the 2024-25 water year) is fundamental to successful basin-scale outcomes. |
| Indicator 10.3 | Context: Section 8.44 of the | Met ⊠ |
| Environmental | Basin Plan requires reporting | Partially met □ |
| watering accordance with | where annual watering priorities are not followed. This includes | Not met □ |
| Basin annual | providing the MDBA a statement | |
| watering priorities | of reasons why environmental | Where environmental watering was not in accordance with Basin annual watering priorities, provide a statement of reasons |
| Applicable to: | watering has not been undertaken in accordance with | |

| Basin Plan s8.44 | the priorities. Reporting requirement: Confirm that environmental watering was in accordance with Basin annual watering priorities. Where environmental watering was not in accordance with Basin annual watering priorities, provide a statement of reasons in accordance with s8.44 of the | Environmental watering in 2023–24 within northern Victoria was delivered in accordance with the Basin Annual Watering Priorities 2023–24 – published by the MDBA in June 2023, including (where applicable) First Nations' environmental priorities. The VEWH works with the MDBA during the annual water planning phase to ensure alignment between the Seasonal Watering Plan and the Basin Annual 8 Watering Priorities. Seasonal watering proposals developed by CMAs are a key input to this process as they inform both the seasonal watering plan and the Basin annual watering priorities. The seasonal watering plan and the Basin annual watering priorities document both indicate how priorities may change during the year depending on the climatic conditions. Watering actions within northern Victorian systems delivered in 2023–24 were consistent with the MDBA's annual priorities identified for the southern connected Basin in 2023–24. Most major water storages in northern Victoria spilled early in the water year and associated unregulated flows met or exceeded planned watering actions. Further spills occurred in the Goulburn in October 2023 and January 2024, and in the Murray, Broken, Campaspe and Loddon in December/January. Environmental watering actions were delivered in line with the average scenario described in the VEWH's Seasonal Watering Plan. Once dams had stopped spilling and flow returned to regulated conditions, autumn environmental flows were delivered as usual. Most wetlands were still holding water so there was little floodplain watering through autumn. |
|--|---|--|
| | Basin Plan and Principle 1 of Division 6. | A separate report that documents the specific watering priorities for environmental watering actions in 2023–24 – including the contribution to multi-year rolling targets from individual sites – has been provided to the MDBA through Matter 9.3 reporting. This report reflects the actual priorities targeted through watering that occurred under the observed climate scenario and what was able to be delivered in 2023–24. |
| Indicator 10.4 | Optional reporting requirement: | |
| Demonstration of how the Basin Plan and/or the Environmental Watering Plan has influenced environmental watering outcomes. | Provide one or more case studies that demonstrate how the Basin Plan and/or the Environmental Watering Plan (Chapter 8) has influenced environmental watering outcomes. If appropriate, the case study may reference: | |
| Applicable to: Basin Plan Chapter 8 | a) the outcomes achieved b) how environmental watering principles were applied and identify the relevant principles | |
| | c) environmental watering coordination and consultation process related to the Basin Plan | |
| | d) opportunities or options to improve the Basin Plan and/or the Environmental Watering Plan (Chapter 8). | |

Matter 13: The implementation, where necessary, of the emergency response process for critical human water needs.

| Reporting Matter | Reporting Requirement (Supporting evidence to be provided by Basin States) | Response |
|---|--|--|
| Matter 13 | 13a | Yes □ |
| Applicable to: Basin Plan s11.05, s11.08(3) | Context: Under s11.05 of the Basin Plan BOC members have a role in advising the MDBA if a salinity and water quality trigger is reached | Not applicable ⊠ Note: Please indicate if a water quality trigger was reached, and what action was taken |
| | Reporting requirement: Indicate if a water quality trigger (as per s11.05 of the Basin Plan) was reached and if so, what action was taken. | There has been no notification to MDBA from Vic's BOC member regarding reaching a salinity and/or water quality trigger. In 2023-24, water quality and salinity levels in the River Murray did not exceed the trigger levels as identified in s11.05 that would require the Victorian Basin Officials Committee member to advise the MDBA. Minor flooding events during 2023-24 did not trigger a repeat of the water quality impacts in Victorian tributaries to the River Murray observed during 2022-23. Goulburn-Murray Water, together with other regional authorities, coordinated the response to a regional blue-green algae bloom in the Broken River during February and March |

| | 2024. The bloom did not affect the River Murray. |
|--|--|
| 13b | Have the agreed agreements for Tier 2 and Tier 3 water sharing have been implemented. |
| Context: | Yes□ |
| a) The MDBA will provide New South | No □ |
| Wales, Victoria and South Australia | |
| with Water Resource Assessments, | Not applicable ⊠ |
| from which the States make decisions | |
| about allocations. Assessments will | If yes provide evidence of process and action/s taken in response to a Tier 2 or 3 event. This may include links to information on websites. |
| be provided at least monthly, and more frequently if conditions warrant. | |
| | If no, provide a statement of reasons. |
| (b) During periods of Tier 3 water sharing arrangements, the MDBA will | |
| provide the Ministerial Council with | Normal accounting arrangements were in place throughout 2023/24. |
| 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. | |
| c) 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)). | |
| d) 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, 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. | |
| Reporting requirement: | |
| Indicate if a trigger was reached and | |
| what action was taken to implement | |
| water sharing arrangements. | |
| | |

Matter 14: The implementation of the 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

| Reporting Matter (Supporting evidence to be provided by Basin States) Response | |
|--|--|
| Indicator 14.1 Regret had to the targets in still 4 when management in some still 4 when management in the targets in still 4 when management in the targets in still 4 when management in the search of the management in the use of experimental states and apportunities becomes part of the search o | porations in assessed, orting on any blue ith a number of WMWater, attaries, as particularly for water is fit for ges gnage frastructure that own of Kerang. |

GMW had regard to the **recreational targets** of s9.14(5)(b) by:

- fulfilling the responsibilities of delegated Regional Coordinator for BGA across northern Victorian systems and representing Victoria on the NSW Murray Regional Algal Coordinating Committee
- maintaining and enacting when required BGA management plans for GMW storages and irrigation areas
- funding and supporting BGA monitoring in the Victorian tributaries to the River Murray
- regularly reporting BGA concentrations at strategic locations and issuing warnings when concentrations reached warning trigger levels set by Victoria's BGA circular
- making available and using the 30 GL reserve in the Goulburn system for the mitigation of poor water quality, and
- maintaining a risk management plan and operating to maximise water quality as required by the Victorian Safe Drinking Water Act 2003

GMW had regard to the **salinity targets** of s9.14(5)(c) by:

- complying with the bulk entitlements for the Ovens, Broken, Goulburn, Campaspe and Loddon systems, including the availability and use of the 30 GL water quality reserve in the Goulburn system
- funding and supporting real-time and spot measurement of salinity concentrations in the Victorian tributaries to the River Murray
- delivering environmental watering actions for the Victorian Environmental Water Holder and local delivery partners
- maintaining a risk management plan and operating to maximise water quality as required by the Victorian Safe Drinking Water Act 2003

Indicator 14.2 Environmental water management

Met ⊠

Partially met □

Not met □

Environmental watering

In Victorian systems, there are three main processes for informing decisions about flows and the use of water for the environment to assist management of water quality. These processes are long-term and annual environmental flows planning, risk management processes and authorising emergency watering actions to mitigate water quality risks. These processes are described under the sub-headings below.

Long-term and annual planning

Victorian catchment management authorities (CMAs) in northern Victoria, in collaboration with local communities, aquatic ecologists and other agencies, have developed environmental flows studies, long-term environmental water management plans (EWMPs) and icon site operating plans to guide environmental watering activities at rivers, wetlands and floodplains. These plans outline site values, environmental objectives and flow objectives for the sites. Objectives and flow recommendations to manage water quality issues, such as high salinity and hypoxic blackwater are established through this planning, where they are a priority for environmental objectives.

Water quality objectives were identified for planned flows in 2023-24 in 10 of the 17 systems where VEWH delivers water within the Murray-Darling Basin.

Risk management

In collaboration with its program partners, VEWH has developed a risk management framework to support partner agencies in managing shared risks associated with delivery of environmental flows. The framework describes how partners work together to manage risks associated with environmental watering and sets out a clear process for identifying and assessing risks, and assigning accountability for mitigating, monitoring, and reviewing the risks.

Delivery risks relating to water quality (for example mobilising blue-green algae blooms or causing low dissolved oxygen) were identified in risk assessments for the Murray, Goulburn, Campaspe, Broken and Loddon systems at the risk workshops. Risks and mitigation actions were reviewed by program partners in delivery plans or at operational advisory groups before deliveries commenced.

Authorising emergency watering actions to mitigate water quality risks.

To be effective, decisions to use environmental water to mitigate a water quality threat often need to be made quickly. In March 2020, VEWH introduced an emergency environmental watering procedure to enable environmental water to be used for an unplanned delivery to prevent, mitigate or respond to an acute environmental threat, such as deteriorating water quality. In 2023-24, no emergency watering was required in Victorian systems.

Passing flows, high flows and seasonal fresh flow components were all targeted during 2023-24 within the annual flow regime of the Loddon, Campaspe, and Goulburn Rivers and Lower Broken Creek to contribute to business-as-usual water quality management. Most major storages in the northern region spilled early in the water year and associated unregulated flows met or exceeded planned watering actions and significantly reduced the risk of poor water quality. Further spills occurred in the Goulburn in October 2023 and January 2024, and in the Murray, Broken, Campaspe and Loddon in December/January.

The risk of hypoxic blackwater in some systems across northern Victoria persists and while managed water releases cannot eliminate these events, small volumes of water were able to be delivered in 2023-24 via irrigation outlets (without increasing flood risk) to mitigate some impacts of hypoxic blackwater. These releases help create local refuges of higher oxygen concentration water where fish can survive while the risk of hypoxic blackwater events dissipates. Environmental water was used for this purpose in

Matter 16: The implementation of water trading rules

| Matter 16: The implementation of water trading rules | | | |
|--|---|--|--|
| Reporting Matter | Reporting Requirement (Supporting evidence to be provided by Basin States) | Response | |
| Matter 16 | 16a | Victoria consistently meets Basin Plan water trade obligations and has continued to work constructively with the MDBA during 2023–24. | |
| The implementation of water trading rules. Applicable to: Basin Plan s12.37, | Context: Basin Plan s12.38 requires an approval authority to disclose if it has been party to a trade and publish information about the trade on its website. | Victoria is committed to ensuring regulatory arrangements relating to trade in northern Victoria account for the physical and operational constraints of water delivery systems, and as such Victoria worked with the MDBA to develop an interim Goulburn Operating Plan for 2023–24, which included guiding principles about how the delivery of water from the Goulburn Inter-Valley Trade (IVT) Account to the Murray would be made during 2023–24. | |
| | Reporting requirement: Provide website links to the | Victoria is also committed to increasing water market transparency and information sharing, critical to the efficient operation of water markets. A number of key Victorian projects have successfully made available important water market information that helps people to better understand water markets and Victorian water management in general, so they can make better informed decisions on how to manage their water and their businesses. | |
| s12.38, s12.39, | publication of information regarding an approval | Matter 4C a) Dublication of information regarding on approval authority's interest in a trade | |
| s12.43, | authority's interest in a trade | Matter 16 a) – Publication of information regarding an approval authority's interest in a trade | |
| s12.46, s12.48 s12.50 | (s12.38 (2)). | In accordance with Basin Plan s12.38, the Victorian Water Register website provides publicly available reports on all approved trades where an approval authority has an interest in the trade. This information is available for all such trades conducted by each approval authority since 1 July 2014 (including water trades in 2023–24). Please refer to: http://waterregister.vic.gov.au/watertrading/status-of-trading-applications (see section titled "Trades where the approval authority is also the buyer or seller"). | |
| | 16b | | |
| | Context: Basin Plan s12.37 | Matter 16 b) – Compliance with s12.37 (notice of disclosure) | |
| | requires an approval authority to disclose interest before a trade | In Victoria, there are four water corporations that are approval authorities subject to Basin Plan water trading rules. These are Coliban Water, GMW, GWMWater and LMW. | |
| | occurs. | Each water corporation implements different policies and procedures to ensure that relevant parties are notified of the interests of the approval authority prior to the trade being | |
| | Reporting requirement: | approved. Coliban Water, Grampians Wimmera Mallee Water, Lower Murray Water and Goulburn Murray Water provide assurance to DEECA each year confirming compliance with s12.37 | |
| | Provide documentation to support compliance with s12.37 (notice of disclosure). | Coliban Water and GWMWater are only market participants in situations where the trade is initiated by their customers. In such situations, disclosure that the customer is dealing with the water corporation is embedded in the application process. GMW and LMW are market participants in a wider range of scenarios; to account for this, both water corporations have put in place additional measures to ensure functional separation between their decisions to trade and their trade approvals. These measures include use of a third party to broker any trades and a requirement that brokers must disclose when the water corporation is a party to or has an interest in any trade, prior to submission of the | |
| | 16c Context: If an approval | trade. | |
| | authority decides to restrict a trade proposed trade, it must give notice of the decision and the reason for the decision to each party (Basin Plan s12.39). | Matter 16 c) – Notification of decision and reason to restrict trades Pursuant to Basin Plan s12.39, the Victorian Water Register has an in-built system that issues automatic written notifications to trading parties that have had their trade applications refused. The Victorian Water Register generates letters that Victorian approval authorities send to applicants to notify them that the trade has been refused and the reason(s) for refusal. Victoria has implemented functionality through the Victorian Water Register to provide clear and consistent reasons for refusal in all trade notifications including email notifications from trades submitted online. All notifications provide information (where relevant) on all trading rules applicable to the refused trade and the specific trading rule(s) that resulted in the refusal. This information also helps market participants to improve their understanding of trade rules in Victoria and between states. | |
| | | The Victorian Water Register also notifies processing officers at Victorian approval authorities of the specific trading rules that contributed to the trade application refusal, so they can provide applicants with more specific information in their written notifications, or upon request. | |
| | Reporting requirement: | When an application is submitted online through the Broker Portal within the Victorian Water Register, an automated written notification of the outcome of the trade application is | |
| | Describe how affected parties were notified with the decision to restrict a trade and reasons for the restriction consistent with | provided to the broker at the time the application is processed. As part of the conditions of use of the Broker Portal, the broker is obliged to provide a copy of this notification to the applicant(s) by the next business day. DEECA monitors broker compliance with this notification process as part of an annual independent audit, the results of which are reported on the Victorian Water Register website. | |
| | s12.39. | Since 2018–19, water market participants have had access to a 'Where can I trade?' visual tool (https://www.waterregister.vic.gov.au/TradingRules2019/) on the Victorian Water Register website that helps them to better understand and visualise trading limits and the available trade opportunities in northern Victoria, and to investigate the factors that influence available trade opportunity. Trade applicants can also use this tool to validate and explain why their individual trade application was approved or refused. | |

16d

Context: A person that makes water announcements must ensure that it is made in a manner that is generally available (Basin Plan s12.50).

Reporting requirement:

Provide documentation that supports a compliance with s12.50 (water announcements to be made generally available).

16e

Reporting requirement: 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?

16f

Reporting requirement: 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 central information point as required under s12.46?

16g

Reporting requirement: Has the Basin State sold water in the previous year? If so, did they notify the approval or registration authority of the price agree for the trade as required under s12.48?

Matter 16 d) – Water announcements must be made generally available

In accordance with Basin Plan s12.50, Victoria has procedures in place to ensure water announcements are made generally available:

- allocation and carryover announcements in northern Victoria are made available on the Northern Victorian Resource Manager's (NVRM) website at http://nvrm.net.au.
- the Victorian Water Register website provides live public reports on current allocation trade opportunities within trade limits at https://www.waterregister.vic.gov.au/water-trading/allocation-trading.
- the NVRM website publishes regular seasonal determination announcements, summary information on trade opportunities and limits, and links to the Victorian Water Register and MDBA websites for further information at http://nvrm.net.au/seasonal-determinations.
- any announcements about changes to Victorian water trading rules are made generally available on the 'News' page of the Victorian Water Register website at http://waterregister.vic.gov.au/about/news.

In addition to ensuring that water announcements are made generally available, Victoria has continued to develop new and improved information products to ensure that a range of market information is publicly available to all water market participants. Since 2018–19, market participants also have access to:

- a free mobile app called 'Water Market Watch' which provides instant access to the latest water allocation announcements, spill determinations, trade limits and market prices from the Victorian Water Register. This app can be customised to provide target alerts based on individual preferences
- a 'Where can I trade?' visual tool (https://waterregister.vic.gov.au/TradingRules2019/) on the Water Register website that helps water market participants to better understand and visualise trading limits and the available trade opportunities in northern Victoria, and to investigate the factors that influence available trade opportunity

Over the past few years, a number of initiatives have been implemented to improve the quality of information available to irrigators and increase their understanding of water markets and Victorian water management, so that irrigators can make informed decisions for their businesses. These include:

- Reason for trade information from August 2020 a reason for trade became required for all online Victorian allocation trade applications, as well as reporting the date the agreed price was reached ('strike date'). This data became available to the public in May 2021, and is available to download at https://www.waterregister.vic.gov.au/water-trading/allocation-trading. This information provides insights to buyers and sellers about the different prices being paid for different water products and allows for improved price trend reporting. Summary reporting of this information will be provided in the near future. Webpage: https://www.waterregister.vic.gov.au/images/documents/Reason-for-trade-fact-sheet.pdf
- **Increased transparency on water ownership** information about ownership in northern Victoria is made available to address community interest. A list of the largest water owners (companies) in the Murray and Goulburn systems is published annually at <u>Large Water Owners Water Register</u>
- Reporting on recent trends and drivers of water market prices for allocation DEECA funded a new independent report released in November 2020 which provides valuable insights on this topic. The report includes modelling that suggests how the northern Victorian water market could evolve in coming years. Webpage: New analysis on trends and drivers of water market prices for allocation Water Register
- Victorian Water Trading Annual Report ongoing enhancements have been made to this report and is the definitive point of reference for Victorian water trade information. It offers summarised information sourced from the Victorian Water Register, covering allocation trades, water shares, and take and use licenses. Webpage: https://www.waterregister.vic.gov.au/water-trading/trade-reports
- Water Market Trends continued improvement of trend reporting for water markets in northern Victoria provides valuable information about changes in water ownership, how water is owned, used and traded, and the factors impacting water market prices. Webpage: https://www.waterregister.vic.gov.au/water-trading/trade-reports.
- The Victorian Water Accounts the Victorian Water Accounts continue to be available digitally, providing a contemporary interactive way to engage Victorian water users with water data and to learn how water resources are managed in Victoria. The website (https://accounts.water.vic.gov.au/), now with 2021-22 accounts and soon to also display 2022-23 accounts, provides detailed reports of water availability and use per river basin and groundwater catchment. The site contains interactive table, chart and map features and provides data downloads for further analysis of long-term trend data. It also explains Victoria's water entitlement and planning frameworks. All previous Victorian Water Accounts can be accessed via the previous Victorian Water Accounts page (https://accounts.water.vic.gov.au/water-explained/previous-accounts/

Victorian water corporations and the VEWH participate in water trading from time to time, and each agency has protocols and procedures in place to ensure that a person who is aware of a relevant water announcement before it is generally available does not trade until that information is generally available. DEECA is further developing refined procedures and policies to strengthen existing business practices to mitigate risks associated with the disclosure and management of water announcements.

The Murray-Darling Basin Plan water trading rules place obligations on government agencies, including environmental water holders, regarding the management of sensitive water market information (known as a 'water announcement' under the trading rules – see Chapter 12, Part 5, Division 5 of the Basin Plan). Under these rules, persons or organisations may be prevented from trading when they have knowledge of sensitive water market information before it is made public.

Some of the decisions and actions the VEWH may take in relation to water allocation trade (including its administrative transfers) may potentially be considered a 'water announcement' within the meaning of the Basin Plan water trading rules. The rules allow that such information is not considered a water announcement if it is consistent with a publicly available trading strategy. The VEWH annually releases an allocation trading strategy which fulfills this requirement to transparently disclose VEWH's trading intentions for the coming water year to potential market participants. The VEHW's water trading strategy for 2023–24 was released in July 2023, and can be found here:

https://www.vewh.vic.gov.au/ data/assets/pdf file/0009/547470/Water-allocation-trade-strategy-2023-24.pdf. The strategy covers both commercial water allocation trade (selling and purchasing water allocation), and administrative water transfers ('internal' transfers of VEWH allocation or transfers between environmental water holders).

In 2023-24 the VEWH sold 35,978 ML of its water allocation in the Victorian Murray and Goulburn systems. This was in in line with VEWH's 2023–24 Trade Strategy, which indicated that if required, VEWH may sell allocation in the Murray (zone 6 and/or zone 7), Goulburn (zone 1A) and/or Campaspe (zone 4A) systems if water availability exceeds the expected environmental demand. The water sold was from the Murray zones 7 below the Barmah Choke to South Australia and from the Goulburn trading zone 1A. The allocation was made available for sale between February and June 2024 following the VEWH's assessment that all priority environmental watering actions in the northern region in 2023–24 were expected to be achieved and there was sufficient carryover to meet 2024–25 requirements. For more information about the sale of water by VEWH please see https://www.vewh.vic.gov.au/news-and-publications/articles/media-release-victorian-environmental-water-holder-to-trade-water-allocation.

Commercial carryover parking trades were made by the VEWH for the first time in 2023-24. Carryover parking refers to a contract under which a party with allocation water (the "buyer") leases carryover space in an entitlement holder's allocation account (the "seller" in this case the VEWH). During 2023-24 VEWH made available up to 30,000 megalitres (ML) of carryover space in high-reliability water entitlements to carryover space buyers in Goulburn and Murray systems. 15,000 ML was leased to carryover space buyers and they subsequently traded 5,969.8 ML of allocation to the VEWH for carryover parking. The water will be returned to buyers' accounts in 2024-25, subject to contractual arrangements. Please see https://vewh.vic.gov.au/news-and-publications/articles/media-release-victorian-environmental-water-holder-to-trade-carryover-space.

Matter 16 e) – Information about water access rights to be made available

There has been no change to any Victorian water access rights displayed on the MDBA's Water Markets Products Information page. As requested by the MDBA, Victoria provided the required information about water access rights in an iterative process during May and June 2014 (refer to Basin Plan s12.43 and s12.44) and continues to advise the MDBA periodically as requested if the volume of water access rights on issue changes as a result of water savings projects. Victoria provided all required information about trading rules (Basin Plan s12.46) to the MDBA in a letter dated 9 July 2014. Since 2014, updates to the Victorian trading rules (which includes related Victorian regulations) pertinent to water access rights have been reported to the MDBA and Inspector-General of Water Compliance as per the description provided below for Matter 16f.

Matter 16 f) – Basin State must make trading rules available

Victoria amended or remade a number of existing trade instruments in 2023-24 and provided these to the MDBA as required under s12.46.

All amendments to Victorian trade instruments in 2023-24 are described in the sections below:

Remaking the Victorian water trading rules (20 November 2023)

A number of trade instruments, including those related to trading rules and tagged trade restrictions, were remade by Victoria on 20 November 2023, replicating the substance of existing trade instruments, to align with new powers under the Victorian *Water Act 1989* in the context of the new 'Place of Take Approvals' framework introduced by the *Water and Catchment Legislation Amendment Act 2021*.

For more information about the 'Place of Take Approvals' framework please see https://www.waterregister.vic.gov.au/water-entitlements/about-entitlements/place-of-take-approvals.

The new trade instruments substantially did not introduce new restrictions on trade, but simply restated restrictions which were already in place in the previous instruments under the Victorian *Water Act 1989* before amendment. However, one new trade rule was introduced to describe how additional water allocation trade can occur from trading zone 1A in the Goulburn to trading zone 4A in the Campaspe where an equivalent volume of water has been pumped from the Goulburn to Lake Eppalock through the Goldfields superpipe (rule 10D – known as the Goldfields superpipe rule).

Victoria notified the MDBA (as required under s12.46) and the Inspector-General of Water Compliance (as required under s12.19 of the Basin Plan) of the making of these new trade instruments by letter when the 'Place of Take Approvals' framework took effect on 20 November 2023.

These instruments include:

- Water Trading Rules for Declared Water Systems 2023, which maintains the operation of the Trading Rules for Declared Water Systems
- Order Declaring Water System Zones in Victoria, under which the existing water trading zones described in Schedule 1 of the Trading Rules for Declared Water Systems become water system zones in line with the amended Victorian Water Act 1989
- Water (Place of Take) Regulations 2023, which maintain the substance of the previous Water (Tagged Water Allocations) Regulations 2021
- Ministerial Prohibition Determination Applicable to Particular Place of Take Approvals that are Tagged, which maintains the operation of the previous Ministerial Determination for Tagged Water Allocations November 2021

Note: The links to these trade instruments are provided at the end of this matter, as some have been further amended as indicated below.

Introduction of a new regulatory instrument for tagged trade (King – Ovens tagging amendment) (8 June 2024)

On 9 June 2024, Victoria transitioned tagged trade rules in northern Victoria to a new regulatory instrument - the Ministerial Prohibition Determination Applicable to Particular Place of Take Approvals that are Tagged - June 2024. This update did not introduce a new restriction on trade, rather it was made to include in the determination the arrangements for tagging water from the King River to the lower Ovens River, which prior to 20 November 2023 were reflected in the Victorian Water Trading Rules.

Victoria notified the MDBA (as required under s12.46) and the Inspector-General of Water Compliance (as required under s12.19) of the making of this new trade instrument by

letter on 7 June 2024.

Note: The link to this trade instrument is provided at the end of this matter, as it has been further amended as indicated below.

Amendments to the trading rules and regulatory instruments (Removal of exemption for grandfathered entitlements) (1 July 2024)

On 1 July 2024, the take of all water under tagged water entitlements previously considered 'grandfathered' under section 12.23(2) of the Murray-Darling Basin Plan became subject to allocation trade restrictions, consistent with all other tagged arrangements. The removal of this exemption occurred on 1 July 2024 as amendments came into effect under Federal legislation through the commencement of the *Water Amendment (Restoring Our Rivers) Act 2023*.

The Victorian Government supported the removal of this exemption across the Murray-Darling Basin in order to provide a level playing field in the water market and ensure that all water users have access to trade opportunities under the same rules.

For more information about the removal of the exemption please see https://www.waterregister.vic.gov.au/about/news/447-removal-of-the-grandfathered-status-exemption-for-tagged-water-entitlements

Subsequent changes were made to align the Victorian regulatory framework with the changes to Commonwealth legislation to make it clear that all water users are subject to the same trade restrictions.

On 1 July 2024, changes were made to the Victorian regulatory instrument for tagged trade in northern Victoria, the *Ministerial Prohibition Determination Applicable to Particular Place of Take Approvals that are Tagged - July 2024*, to remove the 'grandfathered' exemption.

Similarly on 1 July 2024, changes were made to the *Water Trading Rules for Declared Water Systems 2023* to remove reference to the reserve set aside under the Goulburn to Murray trade rule (Rule 12F4) that previously accounted for exempt water use under 'grandfathered' tagged entitlements.

These updates were made to remove the exemption previously granted under the Basin Plan. These changes were necessary to align Victorian tagged use restrictions with the revised section 12.23 of the Basin Plan.

Victoria notified the MDBA (as required under s12.46) and the Inspector-General of Water Compliance (as required under s12.19) of this change by letter on 1 July 2024.

Note: The link to this trade instrument is provided at the end of this matter.

Accessing the amended or remade trade instruments

The amended or remade trade instruments listed in this matter are available online:

- Water Trading Rules for Declared Water Systems 2023
 - on the Victorian Water Register at
 - https://www.waterregister.vic.gov.au/images/documents/Water-Trading-Rules-for-Declared-Water-Systems.pdf
 - on the Victorian Government Gazette at https://www.gazette.vic.gov.au/gazette/Gazettes2024/GG2024S359.pdf
- Water (Place of Take) Regulations 2023
 - on the Victorian Water Register at https://www.waterregister.vic.gov.au/images/documents/Water-Place of Take Regulations 2023.pdf
 - on the Victorian Government Gazette at https://www.legislation.vic.gov.au/in-force/statutory-rules/water-place-take-regulations-2023/002
- Order Declaring Water System Zones in Victoria
 - on the Victorian Water Register at https://www.waterregister.vic.gov.au/images/documents/Order declaring water system zones in Victoria November 2023.pdf
 - on the Victorian parliament website at https://www.gazette.vic.gov.au/gazette/Gazettes2023/GG2023S565.pdf
- Ministerial Prohibition Determination Applicable to Particular Place of Take Approvals that are Tagged
 - on the Victorian Water Register at
 https://www.waterregister.vic.gov.au/images/documents/Ministerial Prohibition Determination for PPoTA that are Tagged July-2024.pdf
 - on the Victorian Government Gazette webpage at https://www.gazette.vic.gov.au/gazette/Gazettes2024/GG2024S359.pdf

Matter 16 g) – Basin State selling water and notifying of the price agreed for the trade

Victorian water corporations and the VEWH participate in water trade from time to time. As with all Victorian water trade applications, their applications require notification of the price (or value) on trade applications, including the forms for water share and allocation trade applications through either paper, digital or MyWater application forms. These forms are available on the Victorian Water Register and are cross linked to water corporation websites at: https://waterregister.vic.gov.au/about/forms-and-fees, or trade applications can also be lodged electronically through MyWater.

The prices for these trades are recorded in the Victorian Water Register and are used to support public price reporting for all individual trades on the Victorian Water Register website as well as summary information on median market prices.

| In 2023-24 the VEWH participated in water trade that was not classified as an administrative transfer, and through the water share and allocation trade application forms, |
|---|
| disclosed the price of each individual trade to the approval or registration authority and on the Victorian Water Register, aligning with the requirement to notify the approval authority of the price agreed for a trade as required under section 12.48 of the Basin Plan. |

Matter 21: The accountability and transparency of water sharing arrangements

| Reporting Matter | Reporting Requirement (Supporting evidence to be provided by Basin States) | Response |
|------------------|--|--|
| Matter 21 | Context: Reporting on the accountability and transparency of water sharing arrangements provides stakeholders with access to both foundational and technical information and supports the building of stakeholder capacity to navigate complex water management arrangements Reporting requirement: Provide website links to information related to water sharing arrangements within the Basin State (e.g. Basin Plan water resource plans that are operational, state water sharing plans and policies, water planning processes, and water management legislation). | Victoria manages water in line with state and federal legislation for an equitable distribution of a scarce resource. Victoria permits water to be used by both authorities and individuals in line with its Entitlement Framework. Victoria's Entitlement Framework can be found online here, and ensures that individual water entitlements are explicit, enforceable and when appropriate, tradeable. Victoria's water resource plans Victoria's water resource plans (WRPs) detail how the state will support a sustainable Basin, and how water resources will be managed and aligned to Basin Plan requirements and obligations. Victoria has two accredited WRPs, covering a total of five WRP areas. In response to the requirements of Chapter 10 of the Basin Plan, each WRP includes: • setting out the quantity of heid environmental water and planned environmental water, and incorporating the rules and management arrangements associated with delivery and use of this water • setting out how much water can be taken annually for consumptive use in a way that meets the SDL • ensuring that environmental watering is consistent with the Basin-wide environmental watering strategy • setting out the circumstances when trade is allowed within and between groundwater SDL resource units and from groundwater to surface water SDL resource units outlining how water will be managed during extreme events • setting out how interception activities will be managed and monitored, including runoff dams, commercial plantations, mining activities and floodplain harvesting • a plan to manage water quality standards • outlining the risks to water resources and strategies to address these risks Victoria developed WRPs to address the authorised forms of take of water (statutory rights, issued entitlements, or another authorisation). Further information on legislation and WRPs is below, and additional information and detail about individual and authority rights to water are available in the state's WRPs. The relevant sections of the WRPs are: Chapter 7 of |
| | | Water held by authorities |
| | | Bulk entitlements are a legal right to water, issued by the Minister for Water and held by specified authorities, such as water corporations. They can be issued by either converting an existing right to water or by granting a new entitlement. All bulk entitlements are recorded by the Victorian Water Register. Information about bulk entitlements is available on the DEECA website , and the Victorian Water Register website. Bulk entitlements can be amended and traded under existing legislation and records are kept up to date on the Victorian Water Register website. |
| | | Environmental entitlements An environmental entitlement is a legal right for an authority to use water to maintain an Environmental Water Reserve, to improve the environmental values and health of water ecosystems. These entitlements can be held by the Victorian Environmental Water Holder (VEWH), the Commonwealth Environmental Water Holder (CEWH), and the |
| | | MDBA. Further information is available on the <u>DEECA website</u> and the <u>VEWH website</u> . VEWH lays out how it manages water for the environment <u>online here</u> . VEWH publishes annual reports, seasonal watering plans, and other information about its activities <u>online here</u> . |
| | | Water held by individuals Water shares |
| | | In Victoria's declared water systems, where the right to water has been separated (unbundled) from the right to land, individuals may hold an individual share to water |

available as a legally recognised and ongoing entitlement.

The water share record details the volume permitted, which water system it is from, and the water corporation responsible for providing the services associated. Water shares are recorded and publicly available on the Victorian Water Register website.

Northern Victorian declared systems include the regulated Murray, Goulburn, Campaspe, Loddon, Broken, and Bullarook systems, as well as the semi-regulated Ovens system.

Take and use licence

In Victoria's non-declared water systems, a take and use licence is an entitlement issued for a fixed term to take and use surface water or groundwater from a specified source, issued under Section 51 of the Victorian Water Act. It may specify the volume, the rate and the times at which water can be taken.

Traditional Owner rights

Traditional Owner groups may be permitted to take and use water for traditional purposes under the <u>Traditional Owner Settlement Act 2010</u> and <u>Section 8A of the Victorian</u> *Water Act 1989*.

Domestic and stock use

Water for domestic and stock use_and private dams does not always require a licence, but it is important to understand the criteria when construction or operation may need a licence, such as a construction licence under Section 67 of the Victorian Water Act. Further information about private dams and water for domestic and stock use is on the DEECA water website.

Water trading

Water rights and licences can be traded in certain conditions, so long as the health of the river system is maintained. Information for water markets and trading is available online on the <u>DEECA water website</u>. The <u>Victorian Water Register website</u> also lays out rules for trading of water shares.

Legislation for water licences

When the relevant Authority considers an application to access water, it considers a range of matters depending on the type of licence requested. The various considerations are laid out in legislation, and include water shares (<u>section 33J)</u>, bulk entitlements (<u>section 40</u>) and take and use licences (<u>section 53</u>) of the Victorian <u>Water Act.</u> The legislation details considerations such as:

- the existing and projected availability of water in the area
- any applicable permissible consumptive volume
- any adverse effect that the allocation or use of water under the entitlement is likely to have on existing uses of water, or a waterway or aquifer
- maintenance of the environmental water reserve
- the need to protect the environment
- the proper management of the waterway and its surrounds or of the aquifer

Provisions on the take and use of water

The take and use of water under a water share is also subject to any other provisions under the Victorian *Water Act*. Such provisions may limit how water may be used on land, the place from which water may be taken, or the times or rate at which water may be taken. The following instruments specify such take and use provisions and are explained on the <u>Victorian Water Register website</u>. In Victorian declared water systems:

- water-use licences or registrations (issued and managed under Part 4B)
- general place of take approvals (issued and managed under Part 4AA)
- works licences (issued under section 67), and
- <u>delivery shares</u> (determined under section 223)

In the rare event of a river restriction, water users will be restricted by their delivery entitlement. A district user's delivery entitlement is their delivery share and a river diverter's delivery entitlement is their extraction share (referred to as 'notional rationing rate' under the Victorian Water Act, though continues to be referred to by the water industry as extraction share). A river diverter's extraction share is held on their general place of take approval.

The 'place of take approvals' framework came into effect on 20 November 2023 in order to strengthen water delivery entitlements in Victoria's declared systems. The new approach transitioned various previous approvals to take water into 'place of take approvals', and moved extraction share off the fixed term works licences and onto enduring general place of take approvals. Further, Ministerial rules have enabled the 'cap and trade' of extraction share in areas like the River Murray below Barmah where delivery

risks are increasing. These changes protect existing water users' rights to take water during river restrictions as well as empower water users to manage their own delivery risks. The new framework does not affect anyone's water shares, it simply clarifies the right (entitlement) to have water delivered. More information of the changes are available on the Victorian Water Register website's place of take approvals webpage.

Murray-Darling Basin Water Information Portal

Victoria is one of the states involved in the development of the Murray-Darling Basin Water Information Portal (WIP), along with the MDBA, the Department of Climate Change, Energy, the Environment and Water, and other Basin states government departments.

The WIP provides transparency and access to information about water availability, allocation volumes, water take, water trade and prices, and weather and climate across the Basin, so users no longer need to visit multiple websites to find what they need. The last of 5 stages of development was released in November 2023, completing the 3-year development of the portal. The portal is available on the <u>Bureau of Meteorology website</u>.