

NSW Govt Policies On Managing Extractions During Drought

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Introduction:

- Drought in general
- Conflicts between parties
- Government processes for resolution
- Legal position
 - **Normal**
 - **Extreme**
- Examples



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Drought!:

- Every day is the start of a new drought.
- The only question is “*when* will it next rain?”.
- Severity depends on when and how much.
- Government’s role is to ensure that sufficient provision is made to deal with drought.



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Example 1:

- 100% supply to High security
- worst conceivable drought
- very high reserves
- Reserves only used one year in a thousand or more.
- This might suit town dwellers until they realise that they have to pay for infrastructure that is rarely, if ever, used.
- It would not suite irrigators who are more about “*making hay while the water’s there*”.



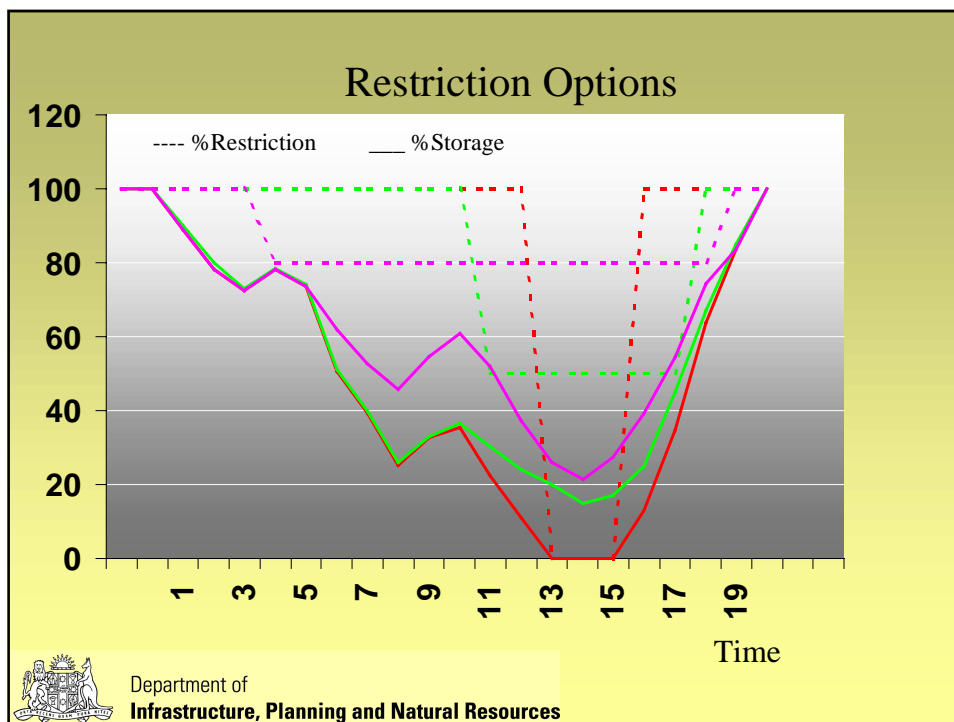
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Example 2:

- restrict every time the storage moves off full
 - constant state if restriction
 - don't use the infrastructure
- or
- delay in restricting
 - more severe later.



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So here is where Government kicks in.

- discuss risk, reliability and severity up front with Community
- water sharing planning process
 - **to have a clear set of rules**
 - **who gets restricted first?**
 - **by how much**
 - **when**



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A model is used.

- simulates 100 years of climatic variation.
- a set of access rules for both the environment and each category of licence holder



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BUT

- just one combination
- Population, technology, climate, ecology, economics and society do **NOT** remain static
- contingency for conditions outside the plan.
- “umpire” to step in.



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The Minister is the umpire

- only in the extreme situations
- “better” outcome for the community.
- only reallocate the available water amongst the stakeholders.



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Our challenge is two fold:

- firstly to agree on the priority of access
- secondly to define the conditions under which intervention is permitted.



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Legal position:

- **Water Act 1912**
- **Water Management Act 2000**
 - Normal conditions
 - Extreme drought



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Section 22 B of the Water Act 1912

- has provision for extreme drought in which water allocations may be altered and licence conditions varied in the event of extreme drought.



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Principles of the WMA 2000.

- The Principles of the Act see the environment as very high priority. Section 5 (3) states:

“In relation to water sharing:

*(a) sharing of water from a water source **must protect the water source and its dependent ecosystems**, and*

*(b) sharing of water from a water source **must protect basic landholder rights**, and*

*(c) sharing or extraction of water under any other right **must not prejudice** the principles set out in paragraphs (a) and (b)”.*



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WMA Normal Conditions:

- **Section 58 Priorities between different categories of licence**

(1) For the purposes of this Act, the following **priorities** are to be observed in relation to access licences:

- (a) **local** water utility access licences, **major** utility access licences and **domestic and stock** access licences have priority over all other access licences,
- (b) regulated river (**high security**) access licences have priority over all other access licences (other than those referred to in paragraph (a)),
- (c) access licences (**other** than those referred to in paragraphs (a), (b) and (d)) have priority between themselves as prescribed by the regulations,



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WMA Normal Conditions:

(d) **supplementary** water access licences have priority below all other licences.

- (2) If one access licence (the "higher priority licence") has priority over another access licence (the "lower priority licence"), then if the water allocations under them have to be diminished, the water allocations of the **higher priority** licence are to be **diminished** at a **lesser rate** than the water allocations of the **lower priority** licence.



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Extreme drought priority:

- human domestic needs have priority even over the environment.
- overrides any provisions of a plan
- *Section 60 Deals with rules of distribution*



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Extreme drought priority:

SECTION 60

- (2) If satisfied that there is a **severe water shortage**, either generally or in relation to a particular water management area or water source or particular class of water management areas or water sources, the Minister may, by order published in the Gazette, suspend the operation of the rules of distribution referred to in subsection (58).
- (3) While an order under subsection (2) is in force, the following rules of distribution apply to the making of an available water determination:



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(a) **first** priority is to be given to:

(i) the needs of **major** utilities, **local** water utilities, irrigation corporations, private irrigation **boards** and private water trusts (in relation to domestic water supplies), and

(ii) the needs of persons exercising **basic landholder rights**,

(b) **second** priority is to be given to the needs of the **environment**,

(c) **third** priority is to be given to:

(i) the needs of major utilities and local water utilities (in relation to commercial water supplies), and

(ii) in the case of regulated rivers, the needs of persons holding regulated river (**high security**) access licences,

(d) **fourth** priority is to be given to:

(i) the needs of persons holding **other** categories of access licences, and

(ii) the needs of major utilities and local water utilities (**otherwise than** in relation to domestic and commercial water supplies).



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What are we currently doing?

- Some examples of areas, where special drought management has been invoked follow:



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Groundwater

- Bore application process shortened.
- Namoi and Macquarie S&D bore-deepening program.
- Moree irrigators near town water supply notified
- General access limited
 - **Murrumbidgee 90%**
 - **Namoi 65%-90%.**



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Lachlan River

- General security set at zero.
- General security carryover water was temporarily reallocated to TWS and loss provision to deliver TWS.
- High security and TWS set at 50% to get through another drought year.



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North Coast Water Supply.

- Wilson River has voluntary irrigation restriction to assist in TWS for Kempsey.



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Barwon/Darling River

- Broken Hill was required to implement its drought strategy.
- Evaporation savings.
- Lower priority upstream irrigation turned off
- Permanent planting severely rationed.
- Downstream general security was turned off.



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Other restrictions.

- An effective drought management strategy is required of towns.
- S&D delivery must be done efficiently.
- The Act allows basic rights to be restricted for a short term.



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Snowy Water supplies

- Last year almost 200 GI was advanced from this season into last season for both the Murray and Murrumbidgee.
- Reconciliation of that amount has been put off for another year in the Murray so supplies from Snowy remain as normal.
- On the Murrumbidgee, a further 160 GI has been negotiated for advance from next year and the following years' releases to assist in this season.



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The way forward:

- Plans will need to recognise the triggers for clause 60 application,
- and to provide guidance in terms of the degrees of change that might be considered by the Minister when the clause is invoked.



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Questions



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