

Commonwealth Environmental Water Holder

Submission to the South Australian Murray-Darling Basin Royal Commission

Purpose

This document comprises the Commonwealth Environmental Water Holder (CEWH) submission to the SA Murray-Darling Basin Royal Commission.

This submission provides an overview of the responsibilities of the CEWH and commentary on the key themes of Royal Commission as relevant to the discharge of the CEWH's statutory responsibilities. For further information on the management of Commonwealth environmental water please refer to the CEWH's recent submissions to the [House of Representatives inquiry into the management and use of Commonwealth environmental water](#).

The independence of the Commonwealth Environmental Water Holder

The CEWH is a statutory position established under the *Water Act 2007* (Water Act) responsible for managing the Commonwealth environmental water holdings. The Commonwealth environmental water holdings must be managed to protect and restore the environmental assets of Murray-Darling Basin (the Basin), including rivers, lakes, wetlands and floodplains.

The CEWH operates with a high degree of statutory independence under the legal framework established in the Water Act. Decisions about the trade and use of Commonwealth environmental water are not subject to the direction of the Minister. The CEWH is responsible for the day to day management of the Commonwealth's environmental water holdings and makes the judgement (within the bounds of the legal framework) about how Commonwealth environmental water holdings can be best used to conserve and protect the Basin's environmental assets. This judgement is exercised subject to the *Public Governance, Performance and Accountability Act 2013* which requires the efficient and effective use of Commonwealth resources.

The CEWH is committed to high standards in public accountability in its management of the Commonwealth water holdings. To this effect, the Commonwealth Environmental Water Office's (CEWO) [website](#) is updated monthly with information on the Commonwealth water holdings. Annual planning documents for each river valley and full evaluation reports from our monitoring service providers are also published on the website to provide a high degree of transparency of the CEWH's decision-making.

Compliance

The CEWH, like any other owner of held water entitlements, relies on the relevant regulatory authorities to ensure legislative rules are complied with to facilitate the use of water resources in the Murray-Darling Basin. Effective water management, including robust compliance systems, is of benefit to all water users, increases community confidence, and is fundamental to achieving a healthy, sustainable Basin.

Under the Basin Plan, individual Basin States are responsible for implementing compliance and enforcement systems. The CEWH is encouraged by the support given to the recommendations by Basin States from the recent compliance reviews and through the work of the MDBA in establishing the Compliance Compact. In particular, the CEWH welcomes the

establishment of the Natural Resource Access Regulator, as part of the NSW Government's Water Reform Action Plan, as a demonstration of genuine commitment towards addressing compliance and enforcement issues within their state. The CEWO has already established a close working relationship with the NSW Natural Resource Access Regulator through the 2018 northern connectivity environmental watering event. The CEWH has also had the opportunity to meet with the MDBA's Independent Assurance Committee which provides a forum to progress any future compliance matters, in addition to state-based processes. It is important that the CEWO continues to be consulted on the development of compliance frameworks in order to ensure that Basin environmental water objectives can be achieved with the efficient and effective use of the available resources.

Achieving the full intended environmental outcomes of the Basin Plan relies on Commonwealth environmental water entitlements being subject to no less favourable conditions than similar entitlements held for consumptive purposes, consistent with the *Intergovernmental Agreement on Implementing Water Reform in the Murray Darling Basin*.

Protection of environmental water

The Basin Plan was based on modelling which made assumptions about protecting environmental water from extraction and allowing it to be used to build on flows throughout the river system. Without such protections being implemented more water would need to be recovered to achieve the same outcomes. Basin States committed to change their operational management frameworks and implement these assumptions in the Southern Basin, otherwise known as pre-requisite policy measures, by June 2019:

1. credit environmental return flows for downstream environmental use (protection of environmental water), and enable return flows to be re-used more than once providing a benefit to multiple sites
2. allow the call of held environmental water from storage during un-regulated flow events (piggybacking), to maximise the outcomes of using Commonwealth environmental water.

In parts of the southern Basin, operational rules have already been developed that allow water to be re-used multiple times as it flows downstream. For example, environmental water managers may order a volume of water to be delivered down the Goulburn River to provide a flow cue for golden perch spawning. While some of this water will be lost into the ground or evaporate, the majority of the water will continue to flow into the River Murray, and be recognised and protected en route to downstream environmental assets.

In recent months the CEWH and NSW Government jointly released 23,800 ML of environmental water to improve northern basin river connectivity and support ecological assets, including fish habitat. To ensure the success of this watering event the NSW Government placed temporary flow restrictions in the Barwon-Darling River and publicly stated they will closely monitor the situation to facilitate the protection of these unregulated flows. The Commonwealth Environmental Water Office (CEWO) is encouraged by the cooperation with NSW around this event. The CEWO has participated in the NSW working group exploring options for the protection of environmental water. Options outlined in the NSW Water Reform Action Plan consultation papers provide a good basis for working towards enduring arrangements.

Confidence in measuring water take

Successful implementation of the recommendations of the Murray-Darling Basin Water Compliance Review, particularly those relating to the “no meter no pump” policy, are critical.

The CEWH has a statutory responsibility to meet high standards of public accountability in the use of Commonwealth managed resources. Meeting this obligation requires confidence in the information provided by state authorities in the accounting and reporting of environmental water use. The accurate measurement of water ‘take’ for both consumptive and environmental water is a necessary requirement for a fully functioning and robust compliance regime. Such measurement will protect the value of held entitlements for all water users who rely on our rivers.

Water Resource Plans

Water resource planning is a key component of the Basin Plan that will set the rules for how all water resources, including the Commonwealth environmental water holdings, can be managed and delivered in each valley into the future. These rules and policies should provide the means to ensure that environmental water is protected from being repurposed or extracted, and can be used flexibly.

The CEWO is actively engaged in the state water resource planning process participating, where possible, alongside other water licence holders in state consultative forums. Continued engagement will be critical to ensure that the rules set under the state’s water resource plans will provide for the CEWH to discharge its statutory responsibilities, for the efficient and effective use of Commonwealth water resources and for the protection and restoration of the Basin’s environmental assets, including wetlands of international importance (Ramsar wetlands).

Environmental outcomes

While the full results of environmental watering across the Basin will take many years to be realised, progress towards environmental outcomes is being measured as part of a continuing Long Term Intervention Monitoring Project. Early results indicate that Commonwealth environmental water has provided significant local environmental benefits, but also contributed towards achieving a range of basin scale environmental outcomes.

For an overview of the positive contributions to environmental objectives through the use of Commonwealth environmental water please refer to the [CEWO website](#) and for specific case studies refer to the CEWH’s recent submission to the [House of Representatives inquiry into the management and use of Commonwealth environmental water](#). The monitoring and evaluation reports, contracted through the CEWH’s Long Term Intervention Monitoring program, are published in full on the CEWO website.

Additional references

For further information on the CEWO’s planning process for environmental water use, management of water trade, local engagement, and monitoring and evaluation please refer to the [CEWO website](#).