

Department of Climate Change, Energy, the Environment and Water

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NSW Alternatives to Buybacks Plan

Delivering on our commitments to implement the Basin Plan in full

February 2024





Acknowledgement of Country

The Department of Climate Change, Energy, the Environment and Water acknowledges that it stands on Aboriginal land. We acknowledge the Traditional Custodians of the land and we show our respect for Elders past, present and emerging through thoughtful and collaborative approaches to our work, seeking to demonstrate our ongoing commitment to providing places in which Aboriginal people are included socially, culturally and economically.

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Executive summary

The NSW Government supports the delivery of the Murray-Darling Basin Plan in full. Progressing the Basin Plan is our best shot at protecting the health of our rivers and groundwater systems and supporting the communities and economies that rely on them.

We have developed the **NSW Alternatives to Buybacks Plan** to show how commitments in the Basin Plan can be delivered in a way that achieves good environmental outcomes while minimising the exposure of NSW communities to the impacts of broad scale water buybacks by the Australian Government.

Our focus is on delivering existing projects and putting forward new proposals that are supported by communities and will contribute to the water recovery targets in the Basin Plan. We expect the Australian Government to pursue these opportunities and make timely and transparent decisions before considering moving to water buybacks.

The **NSW Alternatives to Buybacks Plan** seeks to achieve two key outcomes:

1. Maximise the environmental outcomes achieved via the SDLAM that accounts for the 605 GL.

- Doing everything we can to deliver our remaining Sustainable Diversion Limit Adjustment Mechanism (SDLAM) projects by the new deadline of 31 December 2026.
- Supporting other Basin governments in the delivery of their SDLAM projects to contribute to the 605 GL offset.
- Working with our stakeholders to identify new and amended projects that can be implemented by the new deadline of 31 December 2026.
- Seeking recognition of the full environmental outcomes of key projects currently not recognised in modelling by the Murray-Darling Basin Authority (MDBA) and finding a way for tangible project progress to contribute to the 605 GL offset, rather than only on project completion.
- Taking action to deliver early wins on our Reconnecting River Country Program (3 constraints projects), to establish a solid basis for ongoing implementation of these projects beyond 31 December 2026 and having the contribution of these projects to the 605 GL offset retained as part of the Basin Plan Review.
- Seeking commitment by the Australian Government to make timely decisions and streamline processes for project assessment and funding to give these actions every chance of success.

2. Maximise recovery towards the 450 GL of additional environmental water from investment in infrastructure, projects, and rules-based changes.

- Progressing off-farm water efficiency projects in the Murrumbidgee and Lachlan valleys, including:
 - 2 projects completed under existing arrangements.
 - 2 projects which have full project applications currently being considered by the Australian Government.
 - 1 project which has completed a feasibility study.
 - 2 projects which are at the feasibility stage.
- Working with our stakeholders to identify new efficiency measure projects or partnership opportunities between private landholders and environmental water holders that can have water returned, or contracted for return, by the new deadline of 31 December 2027.
- Where supported by local communities, seeking to explore with the Australian Government how an on-farm program could be designed in NSW that would effectively support potential project applications and address adverse impacts.
- Exploring land and water partnership opportunities that can deliver towards the target as well as enhancing First Nations outcomes.
- Identifying other opportunities including rules-based changes to improve water flows across the connected catchments of the NSW northern Basin at important times.

Next steps

Our Plan will be provided to the Australian Minister for the Environment and Water and the Commonwealth Department of Climate Change, Energy, the Environment and Water. We will continue to strongly advocate that the projects and actions outlined in this Plan are given full and proper consideration by the Australian Government before it considers moving to water buybacks.

The NSW Government is working to investigate other feasible project ideas that contribute to the 605 GL and 450 GL including operational rule changes in the Murray, Murrumbidgee and Lower Darling, pursuing off-farm efficiency measures, exploring land and water partnership opportunities that can deliver towards the water recovery target as well as enhancing First Nations outcomes and an expansion of the NSW Murray and Murrumbidgee National Parks SDLAM project to mention just a few.

We are already working through inter-jurisdictional forums to progress projects that may be feasible as new or amended SDLAM projects, noting these will need approval. It is important to recognise that our ability to bring forward and deliver projects will be dependent on decisions the Australian

Government makes regarding timeframes for accepting new projects and funding arrangements to support their delivery.

The *Water Amendment (Restoring Our Rivers) Act 2023* requires that new SDLAM projects are notified by 30 June 2025 and completed by 31 December 2026, and for the 450 GL, water needs to be returned, or contracted for return, by 31 December 2027.



1 - Mid Murray anabranch

Our Plan

The NSW Government remains committed to working with the Australian Government and other Basin States to deliver the Murray-Darling Basin Plan in full. We want to ensure that we protect our river systems and have resilient regional communities.

The NSW Government does not support water buybacks, but with the Water Amendment (Restoring Our Rivers) Act 2023 now in effect, we recognise that they will likely be part of the suite of measures the Australian Government will seek to use to meet the targets for returning water for the environment.

The NSW Government is clear that this must be done in a way that reduces socio-economic impacts and allows regional communities to prosper. In response, we have developed the **NSW Alternatives to Buybacks Plan**. This Plan details how we will deliver on our existing projects and bring forward new projects that can be delivered within extended timeframes to protect our communities and industries from large scale water buybacks.

Whilst our Plan does not eliminate the prospect of water buybacks in NSW, it outlines the strategy that we will take to provide a tangible reduction in the volume of water required to be purchased by the Australian Government to meet the water recovery targets.

Water recovery without further buybacks is a genuine solution, and significant volumes of water have already been recovered this way, improving environmental outcomes now. Indeed, around half of the water recovery that has been achieved under the Basin Plan to date has been completed without buybacks.

Working with the Australian Government

The NSW Government will work closely with the Australian Government on the design of their water purchase program if they pursue this to ensure that it is strategic and staged to give communities and the water market time to adjust and that funding for community adjustment assistance is sufficient to support affected industries and communities.

We support an integrated water recovery and community adjustment program that first minimises and then proactively mitigates negative impacts rather than retrospectively ‘rehabilitating’ affected communities and industries.

Supporting NSW communities

We have started analysis to understand which communities in NSW are most vulnerable to socio economic impacts, the extent of those impacts and the program design options that could minimise these impacts if they were adopted by the Australian Government.

We will present these findings to the Australian Government once complete, noting that the Water Amendment (Restoring our Rivers) Act 2023 requires the Australian Water Minister to consider socio-economic impacts before approving a 450 GL water purchase program.

We support calls from our stakeholders and communities for greater clarity and certainty from the Australian Government on program approach, design and timeframes of its impending water recovery program.

Key outcomes for the NSW Plan

The **NSW Alternatives to Buybacks Plan** seeks to achieve two outcomes:

1. Maximise the environmental outcomes achieved via the Sustainable Diversion Limit (SDL) adjustment mechanism that accounts for the 605 GL.
2. Maximise recovery towards the 450 GL of additional environmental water from investment in infrastructure, projects and rules-based changes.

Our plans to achieve these outcomes are detailed in the following sections.



2 - Yanco Creek

1 Maximise the environmental outcomes achieved via the SDLAM which accounts for the 605 GL.

The Sustainable Diversion Limit Adjustment Mechanism (SDLAM) is a program designed to achieve similar or improved environmental outcomes using less water. The Basin Plan provides for a 605 GL offset from the 2,750 GL water recovery target if all 36 SDLAM projects are operational by 31 December 2026.

In July 2023, the MDBA estimated that under the original Basin Plan deadline of 30 June 2024 the potential shortfall arising from incomplete implementation of SDLAM projects was between 190 and 315 GL.

The MDBA anticipated that the shortfall would be at the higher end of this estimate but acknowledged that the actual figure would not be known until a reconciliation of project outcomes against those anticipated in 2017 was completed.

NSW is focused on maximising the environmental outcomes achieved via the SDLAM, thereby reducing the size of the estimated shortfall towards this target and the volume of further recovery required.

With the new extended timeframes provided under the *Water Amendment (Restoring Our Rivers) Act 2023*, more projects can be delivered by Basin governments and contribute to the 605 GL offset, however some shortfall will likely still eventuate.

Whatever the shortfall volume, the Basin Plan requires this water to be recovered from NSW, Victorian and South Australian valleys. NSW expects the apportionment agreed to by Basin governments in 2017 to remain (NSW 47.4%, Victoria 44% and South Australia 8.6%) and that any water recovery occurs after, not before, reconciliation.



Our approach

- 1.1 Doing everything we can to deliver our remaining SDLAM projects by the new deadline of 31 December 2026 and supporting other Basin governments in the delivery of their SDLAM projects to contribute to the 605 GL offset.
- 1.2 Working with our stakeholders to identify new and amended projects that can be implemented by the new deadline of 31 December 2026.
- 1.3 Seeking recognition of the full environmental outcomes of key projects currently not recognised in by the MDBA modelling and finding a way for tangible project progress to contribute to the 605 GL offset, rather than only on project completion.
- 1.4 Taking action to deliver early wins on our Reconnecting River Country Program (3 constraints projects), to establish a solid basis for ongoing implementation of these projects beyond 31 December 2026 and having the contribution of these projects to the 605 GL offset retained as part of the Basin Plan Review.
- 1.5 Seeking commitment from the Australian Government to make timely decisions and streamline processes for project assessment and funding to give these projects every chance of success.

1.1 Doing everything we can to deliver our remaining 605 GL projects

We are proponent or co-proponent for 21 out of the package of 36 SDLAM projects in the southern connected Basin. The status of our projects, including those that are already complete and those that we are confident can be delivered with the extension of time granted through the *Water Amendment (Restoring our Rivers) Act 2023*, is at **Attachment A**.

We will continue to refine works schedules as projects proceed and the internal governance processes we have in place will ensure that project risks and issues are identified and addressed in a timely manner. Additional assurance and accountability mechanisms that are being worked through by all Basin governments will provide increased transparency of project progress.

The Yanco Creek Offtake Regulator project and the Menindee Lakes Water Savings project were not viable in their current form as they did not have community support. We have worked with communities to rescope these projects and identify opportunities to deliver improved environmental, cultural and broader community outcomes known as the Better Bidgee and Better Baaka. The package of initiatives included in the Better Bidgee and Better Baaka programs need funding to

progress, and our current focus is on the elements of these programs that will deliver towards the 605 GL offset.

The Australian Government provided funding for NSW to investigate the Sustainable Diversion Limit (SDL) benefits of modifications to the existing infrastructure of the Yanco Creek Offtake element of the Better Bidgee program. Hydraulic modelling of the proposed altered weir height and inundation extent completed on 31 October 2023 has confirmed that this cannot deliver an SDL benefit. As it is now clear that the Yanco Offtake Regulator project is not a viable project, we will formally seek to withdraw the project as a supply measure.

We are of the view that there is a viable project at Menindee Lakes that requires further investigation. This is discussed in the section below.

We will also support other Basin governments in the delivery of their SDLAM projects, noting that NSW will benefit from delivery of these projects.

1.2 Working with our stakeholders to identify new and amended projects

We are actively working with other Basin governments and stakeholders in NSW to identify and progress new projects in the southern Basin that could contribute to the 605 GL offset. A starting point for this work is the submissions made to the Australian Government in May 2023 in response to their call for ideas to meeting both the 605 GL and 450 GL targets.

For project ideas that could contribute to the 605 GL offset, our focus is on the ideas that deliver environmental outcomes and benefits, are broadly supported by communities, will be delivered by 31 December 2026 and will count towards the 605 GL offset. Ideas currently under investigation include:

- operational rule changes in the Murray, Murrumbidgee and Lower Darling
- an expansion of the NSW Murray and Murrumbidgee National Parks project to include upgrades to the Werai Forest and Millewa Forest regulators and the augmentation of Balranald weir
- expansion of the Gayini Nimmie-Caira project to support a broader area of the Lowbidgee floodplain
- reconsideration of the joint NSW-Victorian rules-based Improved Regulation of the River Murray project.

We are pleased that the Australian Government has already acted on one project nominated by Murray Irrigation Limited (MIL) and announced \$33.5 million to support changes to their water distribution network.

The MIL Restoring Murray Waterways project will create additional irrigation escape structures, install fish-friendly access crossings, upgrade existing fences and ultimately enhance the ability of this infrastructure to deliver environmental water to significant areas of elevated floodplain habitat, wetlands and connected creek systems by December 2026. As part of the funding provided, on-ground works will commence, and a business case will be developed which will identify the full potential scale of further works.

Following early investigations supported by funding from the Australian Government, we are actively exploring an alternative to the Menindee Lakes Water Savings project. This alternative includes ideas around changes to the Flood Mitigation Rules for the Menindee Lakes, using the Great Darling Anabranch for delivery of operational and environmental water and recognition of environmental flows from the northern Basin through the Menindee Lakes system – all of which aim to increase flexibility in the delivery of environmental water and enhance both instream and overbank outcomes in the Lower Darling, Great Darling Anabranch and downstream in the River Murray.

It is likely that some infrastructure and constraints type mitigations and time beyond the extended 31 December 2026 deadline will be required for full implementation of the Flood Mitigation Rules option. However, we can focus on rule changes that require minimal infrastructure and progression of community supported, Australian Government funded and practically viable elements where possible to lay the groundwork.

We note that any offset from this rescoped project will likely be less than the original project. Taking the time to identify an alternative viable project to the original Menindee Lakes Water Savings project will enable some contribution to be made to the 605 GL offset, as opposed to complete withdrawal of the project which will cement a shortfall, alongside investigation of other projects that can be delivered. We will also explore additional operational changes and improvements to the Menindee Lakes system, in consultation with stakeholders and other jurisdictions, that could deliver positive outcomes.

We note that the Broken Hill pipeline has been operational since 2019, and we will investigate if there are water savings that can be recognised as a contribution to the 605 GL offset.

The inclusion of new SDLAM projects or amendments to existing SDLAM projects will require concerted effort, the agreement of all Basin governments by mid-2025, and ongoing engagement with stakeholders. The ability to deliver a project and a corresponding SDL offset by 31 December 2026 is expected to be the key threshold question as to whether the project will receive support to proceed. A commitment from the Australian Government to provide funding to undertake feasibility studies for potential new SDLAM projects as a priority, will give proponents certainty and ensure full implementation funding decisions are made on a solid evidence base.

There are several projects submitted through the Australian Government's call for ideas to deliver the Basin Plan in May 2023 and other proposals we have received from stakeholders that could deliver improved ecological outcomes. However, some of these are unable to be recognised as contributing to water recovery targets or cannot be delivered within the new extended timeframe. Examples of this include riparian and land management actions to support improved native fish and ecological outcomes and new and novel ideas to overhaul the rules governing the operation of the Menindee Lakes and the role the storage plays within the River Murray system.

Projects like these may warrant further consideration as part of the MDBA's 2026 Basin Plan Review which will examine how to ensure a sustainable future for the Basin, and everyone who relies on it.

1.3 Seeking recognition of the full environmental outcomes of NSW projects

A number of existing NSW projects that contribute to the 605 GL offset, including the Lower Murray: Locks 8 and 9 project and the Yanco Creek Modernisation project, deliver environmental outcomes that the MDBA ecological equivalence modelling was not able to capture. This modelling largely focused on environmental improvements linked to increases in areas inundated and ignored the significant benefits of increased fish movement along hundreds of kilometres in the Murray and Murrumbidgee Rivers that new fishways included in these projects would deliver.

We are pleased that recent conversations with the MDBA have indicated that new projects, like MIL's Restoring Murray Waterways Project and the Menindee Flood Flow Works project currently being investigated, can deliver outcomes that contribute to the 605 GL under existing MDBA modelling and scoring methodologies.

If changes are required to the SDLAM scoring methodology to recognise the full environmental outcomes of projects, NSW is confident that this can be done in a transparent way without undermining the integrity of the SDLAM framework. The Water Amendment (Restoring our Rivers) Act 2023 enables the MDBA to adopt an alternative methodology after consulting with Basin governments.

1.4 Actions to progress constraints projects

As part of our SDLAM Acceleration Program, the Koondrook Perricoota Forest and Mid Murrumbidgee Anabranches projects, which are part of the Yarrawonga to Wakool constraints project, are expected to be complete by 31 December 2026.

We know that full completion of our constraints projects under our NSW Reconnecting River Country program cannot be completed by this new deadline. However, we remain committed to progressing elements of these projects and any additional elements identified that are supported by the community and funded by the Australian Government. Conversations with the Australian Government are underway to enable NSW to continue progressing projects beyond May 2024, when current funding ends.

Progressing supported, funded and viable elements of projects will provide opportunities for us to build on the work started under the SDLAM Acceleration Program and continue to trial mitigation options at a smaller scale, pilot the collaborative design of policies, processes, and tools with affected landholders and deliver incremental improvements for floodplains while the broader Reconnecting River Country Program progresses over a longer timeframe.

We are currently investigating how we can fast-track works and measures in the Murrumbidgee River. To this end, we have scoped acceleration proposals for the Murrumbidgee River for discussion with the Australian Government. There are also opportunities for retiring unregulated water access licences in the Lowbidgee that will deliver enhanced floodplain outcomes ahead of constraints relaxation across the entire reach and contribute to water recovery targets.

We are also investigating preliminary actions in the River Murray, noting that ongoing development of the River Murray program requires cooperation with the Victorian Government who have not signed up to the August 2023 Agreement to deliver the Basin Plan in full.

As set out in this Agreement, the future of constraints projects and their ability to contribute to water recovery will be considered as part of the 2026 Basin Plan Review. For NSW, it is imperative that protection of the SDL offset for these projects is considered as part of that process.

1.5 Seeking commitment by the Australian Government to making timely decisions

We have a firm expectation that the Australian Government will be accountable and fulfill its responsibilities in implementing its water reform policies. It will be critical that timely assessment, approval and funding decisions are made to ensure NSW can implement projects effectively. Any administrative delays should not be used as the basis for the Australian Government pursuing further water buybacks.

2 Maximise recovery towards the 450 GL of additional environmental water from investment in infrastructure, projects and rules-based changes

NSW is seeking to maximise recovery towards the 450 GL of additional environmental water and thereby reduce the volume of potential water buybacks.

The NSW Government does not support water buybacks and our priority is to work with stakeholders and potential project proponents to bring forward projects that can deliver water savings to the environment by the extended timeframe, while avoiding disruption to communities and the water market.

The Basin Plan originally included a target of 450 GL of additional environmental water to be recovered by 30 June 2024 via efficiency measure projects. As at 31 December 2023, only 26 GL of project-based water recovery had been contracted to be delivered, including 6.44 GL from 2 NSW projects in the Murrumbidgee valley.

The *Water Amendment (Restoring our Rivers) Act 2023* provides for the Australian Government to take all reasonable steps to increase the volume of Basin water available for environmental use by 450 GL and expands the ways in which the 450 GL can be recovered, which includes water purchase.

Contributions to the 450 GL target can come from across the Basin, including the northern Basin. Noting the projects or initiatives for this target are under development, a key consideration for the Australian Government is an equitable distribution across valleys so that no one community bears a disproportionate share of the recovery burden, with consideration given to cumulative recovery to date and vulnerability to further impacts.

NSW supports the 450 GL being used to deliver multiple outcomes throughout the Basin, including achieving lateral connectivity to floodplains, wetlands and creeks. NSW supports and advocates for infrastructure, projects and rules-based changes that deliver environmental outcomes in our local communities and can contribute to the recovery target.

Our approach

- 2.1 Progressing off-farm water efficiency projects in the Murrumbidgee and Lachlan valleys, including:
 - 2.1.1 - 2 projects completed under existing arrangements
 - 2.1.2 - 2 projects which have full project applications being considered by the Australian Government
 - 2.1.3 - 1 project which has completed a feasibility study
 - 2.1.4 - 2 projects which are at the feasibility stage
- 2.2 Working with our stakeholders to identify new efficiency measures projects or partnership opportunities between private landholders and environmental water holders that can have water returned, or contracted for return, by the new deadline of 31 December 2027
- 2.3 Where supported by local communities, seeking to explore with the Australian Government how an on-farm program could be designed in NSW that would effectively support potential project applications and address adverse impacts
- 2.4 Exploring land and water partnership opportunities that can deliver towards the target as well as enhancing First Nations outcomes
- 2.5 Identifying other opportunities including rules-based changes to improve water flows across the connected catchments of the NSW northern Basin at important times

2.1 Progressing existing projects under the Off-farm Efficiency Program

We have two full project applications being funded by the Australian Government – the Murrumbidgee Irrigation Automation Finalisation Project and Nap Nap Water Efficiency Project - which will return 6.44 GL to the Commonwealth Environmental Water Holder (CEWH). These projects are on track to be delivered by June 2024.

NSW received funding in 2022 to undertake feasibility studies. To date, 3 feasibility projects have been completed or are nearing completion – including the Modernisation of West Corugan PID

(WCPID), Gunbar, Hay, Booligal, Carrathool & Goolgowi (GHBCG) Water Group and Trangie-Nevertire TARC Syphon feasibility projects.

The feasibility study for GHBCG is complete and led to the progression of 2 full project applications – Boxyards Road Water: Stock & Domestic Pipeline (in the Lachlan) and Elwah Pumpers Scheme Modernisation (in the Murrumbidgee). These projects were open for public comment in November 2023 as part of the process for assessing the socio-economic impacts of projects and are expected to return 750 ML to the CEWH.

The feasibility studies for the other two projects will be completed in early 2024 and we are expecting to submit full project applications shortly. It is too early to provide an estimate of the water that could be returned to the CEWH from these projects.

We have two projects currently with the Australian Government for assessment – the Murrumbidgee Irrigation Urban Channels Pipeline Project and Griffith Golf Club. If these projects are successful, they will return 2.625 GL to the CEWH. These existing applications should be fast tracked for approval to ensure they can be progressed whilst the Australian Government finalises arrangements for its new Resilient Rivers Program.

2.2 Working with stakeholders to identify new projects

NSW is actively working with other Basin governments and stakeholders in NSW to identify projects that could contribute to the 450 GL of additional environmental water. As with the potential new 605 GL projects, our starting point for this work are the submissions made to the Australian Government in May 2023 in response to their call for ideas to meeting both the 605 GL and 450 GL targets.

Many of the proposals put forward have been previously identified with some now viable due to extended timeframes for delivery, including projects that have completed feasibility assessments. Project ideas included those involving works to irrigation networks, stock and domestic systems as well as urban, industrial and mining systems.

Our focus is on off-farm efficiency projects that socialise water savings through irrigation networks (Irrigation Infrastructure Operators) to reduce the overall impact on the consumptive pool, will result in additional entitlement contracted or delivered to the CEWH by 31 December 2027 and where there is confidence that any potential socio-economic impacts can be identified and addressed. Further work will be required to translate broad project types, such as stock and domestic water delivery efficiencies, desalination of groundwater to increase “new” fresh water, amongst others, to viable local projects.

The 'What We Heard' report released by the Australian Government in August 2023 contained a number of on-farm project ideas and NSW has also been approached directly regarding possible on-farm opportunities relating to stock and domestic projects, where a tradeable water access license (WAL) is returned, and projects relating to permanent crops, horticulture and processing facilities.

Where community interest exists, we are open to discussing with the Australian Government how an on-farm program could be designed for the northern and southern Basin in NSW that would effectively support potential project applications and adequately address adverse impacts. Funding to support the establishment of governance for an on farm program will be a critical precursor.

A commitment by the Australian Government to reduce administrative effort, provide clear guidance on information required including information to support socio-economic impact assessment and community transition funding, process applications promptly and offer genuine costs to program participants to encourage water recovery will provide the greatest chance of progressing projects in an efficient way and overall program success.

Once arrangements have been finalised for the Australian Government's new Resilient Rivers Program, NSW can work with project proponents in earnest and assist with the application process to ensure that all viable ideas have an opportunity to be implemented.

2.3 Exploring land and water partnership opportunities that can deliver towards the water recovery target as well as enhancing First Nations outcomes

The Water Amendment (Restoring our Rivers) Act 2023 expands the options for delivering on the 450 GL additional water recovery target to include land and water purchases and recognising volumes of over recovered water.

Noting that land and water purchases do involve water buybacks, we are willing to explore opportunities for this option for recovering water towards the 450 GL where it delivers multiple outcomes. This could include enhancing Aboriginal custodianship, knowledge sharing and cultural outcomes, complementing delivery of other Basin Plan projects such as part of our Reconnecting River Country Program, and supporting the enhancement of existing high priority environmental assets.

Within NSW there are already good examples of successful land and water partnerships. Of note is the completed Gayini Nimmie Caira SDLAM project which is co-managed by The Nature Conservancy and the Nari Nari Tribal Council. The project restores and inundates up to 74,000 ha of important wetlands in the Lowbidgee in the Murrumbidgee valley.

Noting potential land and water purchase options cannot be broadly flagged due to commercial and water market considerations, we will work with our communities to identify and investigate viable options and bring them to the attention of the Australian Government. Noting that we are already aware of some opportunities in the mid-Murray and Lowbidgee, we encourage the Australian Government to launch their framework for a land and water partnerships program as soon as possible so we can bring forward these ideas.

Within NSW, up to 50.6 GL of water has been recovered above the local targets set in the Basin Plan which could be retained by the CEWH and contribute towards the 450 GL target. We acknowledge that there are calls for this water to be returned to the consumptive pool in the valleys where this additional water has come from. However, this is a matter for the Australian Government which has indicated it does not propose to take this action.

Given this stance, application of over-recovered water against other water recovery targets to minimise buybacks in NSW should be explored through a robust process, noting that the final volume of over-recovery will be confirmed once the remaining NSW water resource plans are accredited.

2.4 Proactively identifying other opportunities to contribute to the 450 GL

We also urge the Australian Government to consider projects that have efficiency benefits that do not fit within the current program and guidelines. The Murrumbidgee Irrigation and Coleambally Irrigation Co operative Ltd Murrumbidgee Optimisation project is an example of a project that could build efficiencies and resilience so communities are better equipped in the long run, deliver environmental benefits that will otherwise not be realised and minimise impacts on communities from buybacks. Currently however, there may be challenges for the Australian Government to proceed with this project due to restrictions on how water savings can be recognised.

Greater flexibility in the range of instruments the CEWH can use to recognise water recovery, provided it is demonstrated that real water savings are made by a project, should be an area of further consideration.



2.5 Identifying other opportunities for contributing to this target including rules based changes to improve water flows across the connected catchments of the NSW northern Basin at important times

We are investigating rules-based changes to improve the connection of our water sources between our floodplains, wetlands and rivers, along river stretches and between catchments and allow more water to stay in river systems. Changes that create new reserves for environmental water in storages and also emphasise the management of when water is taken, rather than just how much water is taken on aggregate would allow water for the environment as part of the 450 GL to be available at the times (and in sufficient volumes) that best support meeting critical environmental outcomes (such as, managing first flows after extended dry periods).

The opportunity for this work to contribute to the 450 GL target would deliver greater environmental benefits that will otherwise not be realised and would minimise impacts on communities from buybacks. The August 2023 Agreement to deliver the Basin Plan in full includes a commitment to continue strengthening arrangements to improve connectivity in the northern Basin to support environmental outcomes, including protecting Commonwealth environmental water to achieve environmental outcomes throughout the Basin. Opportunities like this would help Basin governments deliver on this commitment.

3 Attachment A: Status of NSW SDLAM Projects

Projects completed / being finalised

Project	NSW project lead / proponent	Deadline
Chowilla Floodplain (TLM)	Joint Project (NSW, Vic, SA)	Complete
Gunbower Forest (TLM)	Joint Project (NSW, Vic, SA)	Complete
Hattah Lakes (TLM)	Joint Project (NSW, Vic, SA)	Complete
Lindsay Island (TLM)	Joint Project (NSW, Vic, SA)	Complete
Mulcra Island (TLM)	Joint Project (NSW, Vic, SA)	Complete
Koondrook Perricoota Forest (TLM)	Joint Project (NSW, Vic, SA)	Complete
Barmah Millewa Forest EWA	Joint Project (NSW, Vic)	In operation and will be finalised before 2026
Flexible Rates of Fall in River Levels Downstream of Hume Dam	Joint Project (NSW, Vic)	In operation and will be finalised before 2026
Hume Dam airspace management and pre-release	Joint Project (NSW, Vic)	In operation and will be finalised before 2026
Improved Regulation of the River Murray (IRRM)	Joint Project (NSW, Vic)	N/A as not modelled in the 605 GL offset and not included in the package
Computer Aided River Management (CARM)	NSW Project	In operation and will be finalised before 2026

Project	NSW project lead / proponent	Deadline
Nimmie Caira Infrastructure Modifications	NSW Project	Complete
River Murray Increased Flows (RMIF)	Joint Project (NSW, Vic)	In operation and will be finalised by 2026

Projects complete by 2026

Project	NSW project lead / proponent	Deadline
Koondrook-Perricoota Flow Enabling Works (accelerated sub-component of the Yarrawonga to Wakool Reach constraints measure)	NSW Project	Estimated practical completion June 2026
Mid-Murray Anabranches (accelerated sub-component of the Yarrawonga to Wakool Reach constraints measure)	NSW Project	Estimated practical completion December 2026
SDL Offsets in the Lower Murray NSW: Locks 8 and 9 weir pool manipulation	NSW Project	Estimated practical completion June 2026
Modernising Supply Systems for Effluent Creeks (Yanco Modernisation)	NSW Project	Estimated practical completion December 2026
Murrumbidgee National Park (Yanga) & Murray National Park (Millewa)	NSW Project	Estimated practical completion October 2026 (Yanga National Park) December 2026 (Millewa)
Enhanced Environmental Water Delivery	Joint Project (NSW, Vic, SA)	Estimated completion 2026

Projects – more time needed

Project	NSW project lead / proponent	Deadline
Murrumbidgee constraints measure	NSW Project	Estimated completion 2034 (strategic business case timeline)
Yarrawonga to Wakool Reach constraints measure (Murray)	Joint Project (NSW, Vic)	Estimated completion 2031 (strategic business case timeline)
Hume to Yarrawonga constraints measure (Murray)	Joint Project (NSW, Vic, SA)	Estimated completion 2031

Projects – further consideration needed

Project	NSW project lead / proponent	Deadline
Menindee Lakes Water Savings project (incl. Lower Darling Constraints measure)	NSW Project	Alternative project being investigated

Projects to be withdrawn

Project	NSW project lead / proponent	Deadline
Improved flow management works at the Murrumbidgee River (Yanco Offtake)	NSW Project	Project to be withdrawn