

Commonwealth Environmental Water Office 2013-14 Business Plan



Australian Government

Commonwealth Environmental Water Office



Cover image credit: Edward Wakool River system, 2013.
Photo by Simon Banks,CEWO.

Acknowledgement of the Traditional Owners of the Murray-Darling Basin

The Commonwealth Environmental Water Holder and the Commonwealth Environmental Water Office respectfully acknowledges the Traditional Owners, their Elders past and present, their Nations of the Murray– Darling Basin, and their cultural, social, environmental, spiritual and economic connection to their lands and waters.

This report should be cited as '*Commonwealth Environmental Water Office Business Plan 2013-14*'.

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1. Overview

The Commonwealth Environmental Water Office business plan has been prepared to outline the management and use of Commonwealth environmental water during 2013-14.

We welcome your views on the 2013-14 business plan.

Please forward your comments to ewater@environment.gov.au

1.1 About the business plan

The business plan outlines how the Commonwealth Environmental Water Office (the Office) will manage the Commonwealth's environmental water holdings in 2013-14, to ensure that maximum environmental outcomes are achieved in the Murray-Darling Basin (the Basin). This plan builds on business plans prepared in previous years.

The plan provides an overview of actions planned for 2013-14, including priority activities. It addresses:

- achieving environmental outcomes;
 - environmental water use planning
 - decisions on the use of Commonwealth environmental water
 - trade of Commonwealth environmental water holdings
 - carryover
- institutional arrangements and external relationships
- financial management and accountability
- structure of the Office (see [Appendix A](#)).

1.2 Approach in 2013-14

In 2013-14, the Office will be responsible for the delivery of Outcome 6 under the Department's Portfolio Budget Statement:

Outcome 6: Protection and restoration of environmental assets through the management and use of Commonwealth environmental water.

In delivering Outcome 6, the Office will be guided by the following objectives:

- manage the Commonwealth environmental water holdings in accordance with the Basin Plan's environmental watering plan and obligations under the *Water Act 2007 (Cth)* (the Act)
- ensure maximum environmental outcomes are achieved with available water through efficient and effective management and use of Commonwealth environmental water
- improve transparency, accountability and stakeholder engagement in management of Commonwealth environmental water.

The key priorities for the Office in 2013-14 are to:

- use available Commonwealth environmental water to meet identified environmental needs, while having regard to views of local communities and ensuring that decision making is carried out in a consistent, rigorous, transparent and accountable manner;
- continue to align Commonwealth environmental watering arrangements with Basin Plan requirements, including:
 - having regard to the Basin Annual environmental watering priorities developed by the Murray Darling Basin Authority (the Authority)
 - developing Commonwealth environmental water trade frameworks and protocols to comply with the Basin plan water trading rules
- undertake long-term planning for more efficient and effective management of commonwealth environmental water, including:
 - developing the approach to long term portfolio management to optimise use of trade and carryover to match environmental water supply with demand
 - investigating opportunities for long-term arrangements and agreements for the efficient and effective use of Commonwealth environmental water
 - progressing arrangements for water shepherding and return flows
 - developing an approach to rolling five-year water use planning
- Implement a monitoring, evaluation, reporting and improvement framework to evaluate the outcomes from the use of Commonwealth environmental water

- continue to enhance internal capabilities for the effective management of Commonwealth environmental water, including the implementation of an Environmental Assets Database and the Environmental Water Management System and associated standard business and information processes
- increase and strengthen engagement with Basin communities through:
 - employing local engagement officers in regional areas of the Basin to work with communities on the management of Commonwealth environmental water
 - increasing engagement with Indigenous people in order to better realise opportunities for achieving mutual environmental and cultural outcomes
 - meeting with the Commonwealth Environmental Water Stakeholder Reference Panel to assess and respond to concerns raised by key stakeholders
- ensure high quality scientific advice to inform decision-making about use of environmental water
- provide information to stakeholders about the use and management of environmental water through the Annual Report, the Outcomes Report and other information products produced by the Office each year.

Further information on Commonwealth environmental water is available from the Office website (see link below) and from the Office annual and outcomes reports which are also available on the website.

<http://www.environment.gov.au/aggregation/commonwealth-environmental-water-office>

2. Management of Commonwealth Environmental Water

Commonwealth environmental water held in the Basin is required to be managed for the purpose of protecting or restoring the environmental assets of the Basin so as to give effect to relevant international agreements. The Commonwealth's aim in using environmental water is to maximise environmental outcomes for the Basin.

Commonwealth environmental water is to be managed in accordance with the Basin Plan's environmental watering plan, any operating rules that the Minister has made, and any environmental watering schedules to which the Commonwealth Environmental Water Holder (CEWH) is party.

2.1 Commonwealth environmental water holdings

Under the Act, the holdings are defined as water access rights, water delivery rights, irrigation rights or other similar rights, interests in relation to such rights, and rights held in trust or donated, owned by the Commonwealth for the performance of the environmental water function. The sources of the holdings are:

- Commonwealth purchases of water rights
- water saved or acquired from Commonwealth funding of irrigation improvements or other activities
- annual allocations against entitlements in the holdings (this could include trade or donations).

A summary of the portfolio is provided on the Office website at <http://www.environment.gov.au/topics/water/commonwealth-environmental-water-office/about-commonwealth-environmental-water/how-much> and is updated monthly.

Water rights held by the Commonwealth retain the same legal characteristics that existed before acquisition. While entitlements are managed for the environment rather than consumption, the Commonwealth is subject to the same allocations, fees, and carryover rules as other entitlement holders.

2.2 Use of Commonwealth environmental water

2.2.1 Environmental water use planning

The Office undertakes annual planning for managing Commonwealth environmental water. Annual planning provides a robust information base to support decision-making throughout the year and ensures Commonwealth environmental water use is efficient and effective.

The annual planning process identifies a range of potential options for water use to contribute to environmental demands. This is done in consultation with Basin State agencies, other environmental water managers, local groups (such as catchment management authorities, natural resource management boards and environmental water advisory groups) and landholders. These options are then provided as input to the Authority's development of the Basin annual environmental watering priorities.

Annual Water Use Options are published for each region of the Basin where the Commonwealth holds water. In 2013–14, the Office will publish Annual Water Use Options documents for 10 regions. The Annual Water Use Options consider the environmental watering requirements of a range of environmental assets, including in connected (downstream) systems.

2.2.2 Decisions on Commonwealth environmental water use

As climate and flow conditions unfold throughout the year, the CEWH makes decisions to make water available for a particular environmental use. This decision making process is guided by the potential watering options identified by the Office and by the *Framework for determining Commonwealth environmental watering actions* available at: <http://www.environment.gov.au/resource/framework-determining-commonwealth-environmental-water-use>. Under the framework, potential watering actions are assessed against the following criteria:

- the ecological significance of the asset to be watered
- the expected ecological outcomes from the proposed watering action;
- the potential risks of the proposed watering action at the site and at connected locations
- the long-term sustainability of the asset, including appropriate management arrangements
- the cost-effectiveness and operational feasibility of undertaking the watering.

In making decisions on Commonwealth environmental water use, local expertise and advice from the Commonwealth Environmental Water Scientific Advisory Panel and river operators is also obtained, including on the environmental need, current conditions and potential delivery arrangements.

In addition, the Commonwealth Environmental Water Stakeholder Reference Panel also provides guidance and advice about local and community interests in the use and management of Commonwealth environmental water.

2.2.3 Environmental water delivery

Following decisions on use, the Office will enter into arrangements with the relevant Basin state governments, and with other environmental water holders, managers or catchment management authorities, to arrange for delivery of water to the environment.

Water delivery is usually undertaken by river operators or irrigation corporations. They are responsible for all water deliveries, whether environmental or consumptive, and must operate in accordance with the rules and regulations governing the delivery of water in each water source. There are some circumstances under which the Office can arrange direct delivery of the water.

2.2.4 Monitoring, evaluation, reporting and improvement

The Office has a monitoring and evaluation program in place to:

- demonstrate that Commonwealth environmental water is being managed well
- demonstrate ecological outcomes
- help managers of environmental water learn from experience and improve the delivery of water over time.

We have designed our monitoring program so that it complements the work of other organisations that are investing in monitoring of environment outcomes.

The Office's Monitoring and evaluation activities are guided by the *The Commonwealth Environmental Water - Monitoring, Evaluation, Reporting and Improvement Framework* which can be found at <http://www.environment.gov.au/resource/commonwealth-environmental-water-monitoring-evaluation-reporting-and-improvement-framework>

The framework will be amended over time and is intended to provide a broad overview of how the Office will approach monitoring, evaluation, reporting and improvement activities. Feedback and suggestions about the framework are welcome.

Key activities proposed for 2013-14 include:

2.2.4.1 Operational monitoring

Operational monitoring will continue to be implemented by delivery partners for all watering actions to ensure water is delivered as planned and to monitor immediate environmental responses.

2.2.4.2 Targeted short term intervention monitoring of selected watering actions

Targeted intervention monitoring is being undertaken where there is a need to understand short term (1-year) outcomes, inform annual planning and inform long term intensive monitoring. Short-term monitoring and evaluation projects have been undertaken annually since 2011 and results from this work are available at:

<http://www.environment.gov.au/topics/water/commonwealth-environmental-water-office/outcomes>. In 2013-14, projects will operate in the following catchments:

- Murrumbidgee
- Edward-Wakool
- Lower Murray
- Goulburn
- Gwydir.

2.2.4.3 Long-term intervention monitoring

The Office is establishing long-term (5-year) arrangements for intensive monitoring at seven indicator sites across the Basin. Under this approach, which is expected to commence in 2014-15, we will monitor in catchments where around 90% of Commonwealth environmental water is held. The long term monitoring sites include:

- Junction of the Warrego and Darling rivers
- Gwydir river system
- Lachlan river system
- Murrumbidgee river system
- Edward-Wakool river system
- Goulburn River
- Lower Murray River

The *Long-term Intervention Monitoring Project Logic and Rationale Document* available at: <http://www.environment.gov.au/resource/long-term-intervention-monitoring-project-logic-and-rationale-document>, provides further detail on the Office's approach to Long-term intervention monitoring.

2.2.4.4 Evaluation

Evaluation of Commonwealth environmental water actions is being undertaken to:

- demonstrate the outcomes of the use of Commonwealth environmental water and how it has contributed to achieving the objectives of the Basin Plan
- support adaptive management and improvement in the management of Commonwealth environmental water to meet ecological objectives
- identify information gaps to help build new knowledge.

2.2.4.5 Reporting

The Office will continue to:

- publish results from all monitoring and evaluation work that it commissions
- produce an annual environmental water outcomes report, which will summarise overall environmental outcomes.

2.2.4.6 Improvement

The improvement process for the use of Commonwealth environmental water will be based on evaluation of the ecological outcomes from the use of water, and the watering actions undertaken. Improvement will be given effect through refinement of:

- future watering actions
- annual water use options and longer-term portfolio management plans
- the Basin Plan (to be undertaken by the Authority through reviews, including as required under section 50 of the Act).

2.3 Trade of Commonwealth environmental water holdings

Section 106 of the Act allows the CEWH to dispose of water (allocations) and holdings (water rights) in limited circumstances.

The CEWH may only dispose of allocations and/or entitlements if:

- the allocations are not required to meet environmental objectives in a given water accounting period and cannot be carried over to the next accounting period, or
- the proceeds of the disposal (of either allocations or water rights) are used to purchase water (either allocations or water rights) that improves the capacity of the holdings to meet the environmental objectives

In 2011-12 the Office released a discussion paper on trade. In 2012-13 the Office continued to develop the general framework within which trade can occur. In November 2012, the Basin Plan was made including Water Trading rules that require government agencies to put in place protocols to ensure that they do not gain an unfair advantage by having access to information which is not generally available. No Commonwealth environmental water will be traded until these protocols are in place.

The Office does not currently anticipate trading in the first half of the 2013/14 water year. The Office intends to have the protocols in place by the end of 2013. At the latest, the protocols must be in place by 1 July 2014, when the water trading rules in the Basin Plan take effect. Section 109 of the Act allows the Minister to make operating rules by legislative instrument relating to purchasing, disposing of, and otherwise dealing in water and water access rights, either directly or through contractual arrangements.

2.4 Carryover

The Commonwealth environmental water holdings include a number of entitlements with carryover provisions. Carryover is provided for in regulated parts of the Basin and allows water users to hold water in storages so that it is available in subsequent years. Carryover provides water users with greater flexibility to manage their own water availability across years. For example, for an environmental manager, carryover provides the opportunity to water wetlands or river red gums in late winter and early spring ahead of increases to seasonal allocations for many entitlement types.

The Office operates under the same carryover rules and pays the fees and charges associated with its water as all other water entitlement holders. The Commonwealth can carry over water in the same way as occurred when the water entitlements were managed by someone else for agricultural use.

On 1 July 2013, the Commonwealth had 393 GL of carryover from 2012-13. Further details on carryover into 2013-14 can be found at: <http://www.environment.gov.au/resource/commonwealth-environmental-water-carryover-2012-13-2013-14>

When planning for carryover from 2013-14 into 2014-15, the Commonwealth will take into account the following considerations:

- flexibility to achieve key environmental demands in the future irrespective of the climatic conditions between now and then
- having opening balances in water accounts which are most likely to provide water where needed early in a water year
- the consequences for water availability when water cannot be carried over directly but is returned for reallocation in the subsequent year
- other portfolio management options (including trade, transfer, forfeit, and holding reserves of funds)

- the cost of water delivery
- the potential of carrying over water in accounts which may be subject to trade restrictions through the water year.

The Office will report each year on the volume of water that has been carried over on each entitlement type held in the Basin. On a proportional basis and at a Basin scale, the Commonwealth used more and carried over less of its available water than other water users (on average) in 2012-13 for the fifth successive year. Over the longer term it is expected that the percentage of Commonwealth environmental water carried over will be similar to other water users - although like all water users it will vary from year to year.

3. Institutional Arrangements and External Relationships

This section describes arrangements for the management of Commonwealth environmental water, including the relationships between the CEWH, the Office, the Department, delivery partners and the Authority. Figure 1 shows these working relationships.

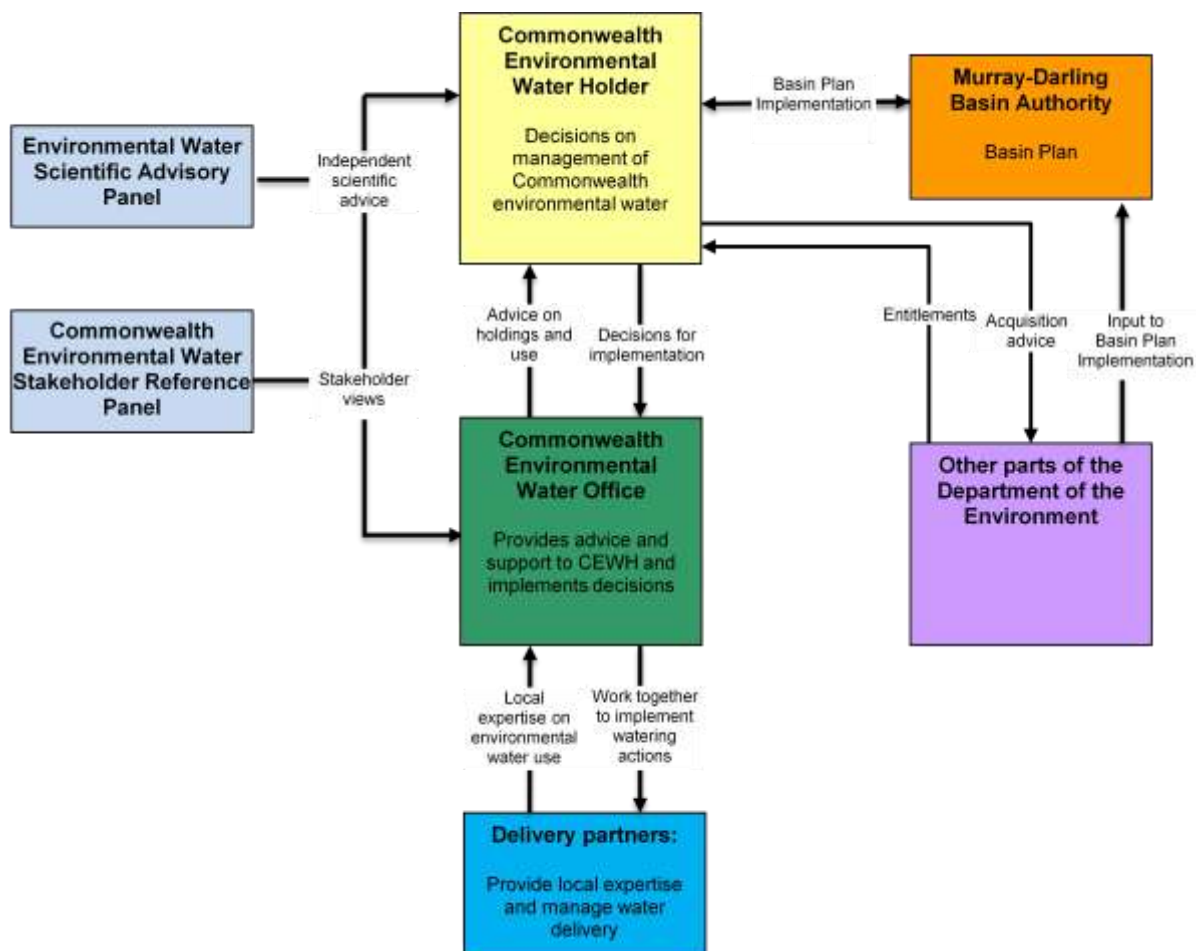


Figure 1: Key environmental water responsibilities

3.1 Commonwealth Environmental Water Holder

The CEWH is an independent statutory position created by the Act to manage the Commonwealth's environmental water holdings and to administer the Environmental Water Holdings Special Account. The CEWH leads the Office.

The CEWH is appointed under s. 115 with statutory functions set out in Part 6 of the Act, which are performed on behalf of the Commonwealth. The position holder must be engaged under the *Public Service Act 1999*.

Section 107 of the Act provides that the CEWH is not subject to direction from the Minister or Secretary in relation to exercising any powers to purchase, dispose of and otherwise deal in water and water access rights. Any directions that have been given, that do not relate to matters under ss. 105(2) (a)-(c), must be reported in the CEWH's annual report pursuant to s. 114 (refer to Section 4.2).

3.2 Internal relationships

3.2.1 Commonwealth Environmental Water Office

The Office operates as a distinct entity within the Department of the Environment and provides formal support to the CEWH in meeting the statutory obligations under the Act.

Office staff have expertise in areas including science, engineering, river operations, economics, information technology and accounting. The structure of the Office is described in [Appendix A](#).

The Department meets the costs of employing the staff from Commonwealth budget appropriations. The Department provides funding for departmental expenses and provides a range of support services, including corporate and financial management services functions.

3.2.2 Department of the Environment

The Water Efficiency Division in the Department manages the Restoring the Balance in the Basin and the Sustainable Rural Water Use and Infrastructure programs, which are part of the Australian Government's Water for the Future initiative. These programs acquire entitlements which become part of the Commonwealth's environmental water holdings.

In 2013-14, the Office will continue to work with the Water Efficiency Division to inform the approach to water acquisitions. Advice to the Department on water acquisitions will be provided by the CEWH.

The Water Reform Division in the Department is responsible for coordinating a national approach on research and modelling strategies for water, as well as developing frameworks for monitoring river and wetland health (including as they relate to Australia's international obligations), the identification of high ecological value aquatic ecosystems, and providing advice on the water market, water charge and trading rules.

3.3 Commonwealth Environmental Water Office advisory groups

3.3.1 Commonwealth Environmental Water Scientific Advisory Panel

The Commonwealth Environmental Water Scientific Advisory Panel advises the CEWH on:

- methods for determining relative priority of environmental assets
- areas that merit additional investigation, including additional research
- assessment of the benefits of the use of environmental water.

The Panel comprises scientists and experts in fields such as hydrology, limnology, river operations management, river and floodplain ecology, and the management of aquatic ecosystems.

3.3.2 Commonwealth Environmental Water Stakeholder Reference Panel

The Commonwealth Environmental Water Stakeholder Reference Panel has been established to advise the CEWH on stakeholder issues relating to Commonwealth environmental water including:

- sharing of information and views on Commonwealth environmental water
- identification of priority stakeholder issues concerning Commonwealth environmental water
- opportunities and methods for engaging stakeholders on Commonwealth environmental water
- assessing the effectiveness of stakeholder engagement about Commonwealth environmental water.

The Panel is chaired by the CEWH and comprises stakeholders concerned with the use of Commonwealth environmental water. The Panel members will play an important role in consulting and liaising with the broader range of stakeholders with an interest in Commonwealth environmental water.

3.3.3 Procuring additional expertise

The Office has established an environmental water management services panel comprising firms with expertise in a range of fields including river operations, water management, monitoring and evaluation, information management, hydrology and ecology, portfolio management and communications. The panel is used to procure services and expertise to support the management of environmental water.

3.4 External relationships

3.4.1 Delivery partners

The Office works with an extensive network of delivery partners to support watering decisions and actions. In particular, partners provide information and knowledge at the local level on environmental water needs, conditions and options for managing water delivery. Delivery partners also undertake watering actions which involve Commonwealth environmental water and monitor the outcomes.

Delivery partners are located in catchments across the Basin and include other environmental water managers, catchment management authorities, state agencies, environmental water advisory groups, river operators, scientific organisations and site managers. A current list of partners is provided at [Appendix D](#).

We welcome suggestions from anyone about new delivery arrangements or alternate uses of water. For more information see *Your suggestions for potential water use options* <http://www.environment.gov.au/node/18973>

3.4.2 Murray–Darling Basin Authority

The Authority has a number of roles in relation to environmental water management, including the implementation of the Basin Plan and undertaking environmental watering in the southern-connected Basin.

Basin Plan implementation

Under the Basin Plan's environmental watering plan, the Authority is responsible for the development of the Basin-wide environmental watering strategy and Basin annual environmental watering priorities. The first strategy is to be developed by November 2014 and the CEWH must perform its functions and exercise its powers consistent with it. The priorities must be published prior to the start of each water year and the CEWH must have regard to them when undertaking environmental watering. The 2013–14 Basin annual environmental watering priorities are available here:

<http://www.mdba.gov.au/what-we-do/environmental-water/environmental-watering-priorities>.

Other Basin Plan implementation activities undertaken by the Authority that are of relevance to the CEWH include:

- the development of the constraints management strategy
- the assessment of supply and constraints measures under the sustainable diversion limit adjustment mechanism
- guidelines for the implementation of the water quality and salinity management plan, and for complying with the Basin Plan trade rules
- monitoring, evaluation and reporting, particularly in relation to 'the achievement of environmental outcomes at a Basin scale'.

The CEWH is a signatory to the Basin Plan Implementation Agreement 2013, which is an agreement with the Authority and Basin States on how the parties will work together in implementing their respective obligations under the Basin Plan. The agreement establishes a Basin Plan Implementation Committee, of which the CEWH is a member, as a high-level multijurisdictional forum to monitor, review and make decisions relevant to implementing the Basin Plan. A number of working groups are being established to undertake tasks on behalf of the committee, including on environmental water, water quality and salinity, water trading and monitoring and evaluation.

Environmental watering in the southern-connected Basin

In order to support the efficient and effective management of Commonwealth environmental water, it is important that the CEWH coordinates its environmental watering with other environmental water holders and river operators. In the southern-connected Basin this includes consulting with and coordinating water use with the Authority in its role as both an environmental water holder (as the manager of the portfolio of environmental water that has been secured through The Living Murray initiative) and as the river operator for the River Murray system. To help facilitate coordinated water use, the CEWH and the Authority co-convene an annual forum to bring together all the relevant environmental water holders and river operators in the southern Basin.

3.5 Communications and stakeholder engagement

The objectives of community engagement and communication activities of the Office in 2013–14 are to:

- support transparent and accountable management of Commonwealth environmental water;
- improve public understanding of and respond to requests for information on the use and outcomes of Commonwealth environmental water; and
- strengthen relationships with partners, local communities and organisations to support efficient and effective management of Commonwealth environmental water.

To achieve these objectives the Office in 2013–14 will:

- develop, publish and disseminate information on Commonwealth environmental water holdings, activities and outcomes through: the website, the Commonwealth Environmental Water Annual report and Outcomes report, electronic mail updates and other publications and communication products

- increase and strengthen engagement with Basin communities and organisations through: site visits, participation in the existing local consultation processes established by state agencies and catchment management authorities (such as environmental water advisory groups), meetings, presentations to external forums and events, and the development of targeted communications materials
- hold meetings of its Stakeholder Reference Panel
- recruit up to six Local Engagement Officers in key regions of the Basin who will work with and build the capacity of local communities to enable them to engage meaningfully in decision-making on environmental watering.

To receive updates about Commonwealth environmental watering in the Basin, visit: <http://www.environment.gov.au/topics/water/commonwealth-environmental-water-office/about-office/subscribe>

4. Financial management and accountability

This section describes budget and financial management arrangements, administration of the Environmental Water Holdings Special Account, the register of holdings and reporting arrangements.

4.1 Budget and financial management

The budget for the Office in 2013-14 is included in Table 1 below.

Table 1: Commonwealth Environmental Water Office budget 2013-14

Funding	\$ million
Departmental (less corporate contribution)	9.603 (2.379)
Total	7.224
Program	\$ million
Administered: Environmental Water Holdings Special Account	24.533
Total	24.533

In 2012-13 departmental funding (less corporate contribution) was \$8.212 million, and administered funding for the Environmental Water Holdings Special Account was \$21 million. In 2013-14 the Office will be required to make adjustments to manage increased water holdings with reduced departmental resources.

The functions and activities of the Office are conducted in accordance with established Departmental financial arrangements. The Department has made arrangements to support the CEWH in the following areas:

- financial systems for managing expenses;
- the holdings register and the Special Account;
- legal and technical advice on Commonwealth environmental water functions; and
- the provision of funding for Departmental expenses.

4.1.1 The Environmental Water Holdings Special Account

The Environmental Water Holdings Special Account (the Special Account) is established under s. 111 of the Act and administered in accordance with the Act and Part 4 of the *Financial Management and Accountability Act 1997* (Cth). Entitlements in the holdings are administered assets and liabilities of the Department.

The Special Account will be used to pay for:

- rates and charges;
- pumping;
- monitoring and evaluation;
- works and measures; and
- development of environmental registers and systems.

The Act specifies that the CEWH is to administer the Special Account on behalf of the Commonwealth. The CEWH may delegate some or all of this administration to a Senior Executive Officer in accordance with s. 117 of the Act.

Section 112 of the Act specifies the allowable credits, which are:

- appropriations for the Special Account;
- amounts received by the Commonwealth in the performance of the CEWH's functions;
- amounts received from Basin states;
- amounts received from the sale of property paid for from the Special Account; or
- donations.

The Act requires the CEWH to report annually on the management of the Special Account. This will be undertaken in conjunction with the Department, which is required to report on the Special Account in its financial statements.

The Special Account is audited as part of the audit of the Department's financial statements.

4.2 The Commonwealth environmental water annual report

The CEWH is required to provide the Minister with an annual report as soon as practicable following 30 June of each year (s. 114(1)). The annual report must provide information on achievements against the objectives of the environmental watering plan, management of the Special Account, and any directions that the Minister and the Secretary have given to the CEWH (s. 114(2)). The Commonwealth environmental water annual report is published in the Department's annual report in accordance with the *Public Service Act 1999* (Cth).

4.3 Risk management

The development and implementation of risk management approaches are important in supporting good governance in decision-making across the range of Commonwealth environmental watering activities. Managing the risks associated with the Commonwealth watering activities helps to ensure that:

- there are minimum unintended impacts;
- maximum environmental outcome is achieved;
- there is efficient and effective use of environmental water; and
- there is a high standard of stewardship of Commonwealth assets.

Prior to the use of any water, the Office undertakes appropriate risk identification, assessment and management to ensure that all risks are appropriately identified, assessed, treated and mitigated. The approach is in accordance with the Australian standard for risk management (AS/NZS ISO 31000) and is informed by a range of sources, including information from delivery partners, on-ground delivery officers and the local community. It takes into account information on previous water use at the site and at connected locations downstream. Risk assessments are updated regularly as new information arises or situations change.

The Office generally enters into arrangements with relevant Basin state governments, and with other environmental water managers or catchment management authorities to facilitate the delivery of environmental water, including appropriate risk mitigation measures. These delivery partners work with river operators to arrange for the release of the water, or in unregulated rivers, to implement water shepherding. In these cases, the Commonwealth does not have direct control over the release of water, and so there are responsibilities that lie with the other authorities who undertake on-ground management. All deliveries of Commonwealth environmental water are within the flow limits set for the state water authorities, which are often defined in the approvals to operate water infrastructure.

All watering events are subject to appropriate mitigation controls. Any watering event with an unacceptable level of risk (after mitigation measures are applied) will not proceed.

In circumstances where the Office has a more direct role in water delivery through the engagement of river and other infrastructure operators, including contractors, the Office will ensure that all relevant risks are adequately mitigated through arrangements with those parties.

The Office has a comprehensive risk mitigation and treatment plan in place that will be implemented throughout 2013-14.

Glossary

Allocation	A volume of water allocated for use in any year under a <i>water right</i> .
Basin Plan	The plan for water management in the Basin under Part 2 of the Act, to be developed by the Authority and passed into legislation by the Minister.
Entitlement	Common name for a <i>water right</i> issued under state and territory legislation.
Environmental Assets	Under the Act, environmental assets are defined to include: water dependent ecosystems; ecosystem services; and sites with ecological significance.
Environmental watering plan	Part of the <i>Basin Plan</i> that deals with managing water designated for the protection and restoration of environmental assets, as detailed in s. 28 of the Act.
Holdings	All <i>water rights</i> owned by the Commonwealth, except those that are not for the purpose of water management under the Act. The holdings include all Commonwealth-owned water rights that are held for the purpose of protecting or restoring environmental assets.
Gigalitres (GL)	One billion litres, or one square kilometre of one-metre-deep water.
Operating rules	The Minister may, with the approval of the Australian Parliament, make operating rules that provide general direction to the CEWH around <i>water trading</i> . This is found in s. 109 of the Act.
Southern-connected rivers	Rivers located within the southern part of the Basin with permanent (or near permanent) hydrologic connection, allowing water from upstream catchments to be used in downstream catchments. The major southern-connected rivers include: <ul style="list-style-type: none">• Murray River• Murrumbidgee River• Darling River downstream of Menindee Lakes• Goulburn River• other rivers of northern Victoria within the Murray–Darling Basin.
Special account	The Environmental Water Holdings Special Account established under s. 111 of the Act, which is to be managed by the CEWH.
Water right	Any <i>water right</i> (or share in a <i>water right</i>) conferred under state law to hold or take a nominal volume of water from a water resource, usually in the form of an annual <i>allocation</i> . The actual volume of each <i>allocation</i> varies from year to year, depending on the amount available. Water rights issued in each state are referred to by different names: <ul style="list-style-type: none">• entitlement (New South Wales)• water share (Victoria)• supplemented allocation (Queensland)• water-holding allocation (South Australia).
Water shepherding	Water shepherding provides for the legal protection, effective use and accurate accounting of Commonwealth environmental water in unregulated streams to ensure that the substantial Commonwealth investment under <i>Water for the Future</i> is protected and the objectives of the Act are met.
Water trading	Transfer of water or a <i>water right</i> from one person to another. Water trading includes purchasing, disposing of, and otherwise dealing in water and <i>water rights</i> .
Water year	The 12-month period during which a volume of water is allocated to a <i>water right</i> . The water year is typically 1 July – 30 June, with some exceptions in the northern Basin.

Appendix A

Overview of the Commonwealth Environmental Water Office

The Office operates as a distinct entity within the department and provides support to the CEWH in meeting the statutory obligations under the Act.

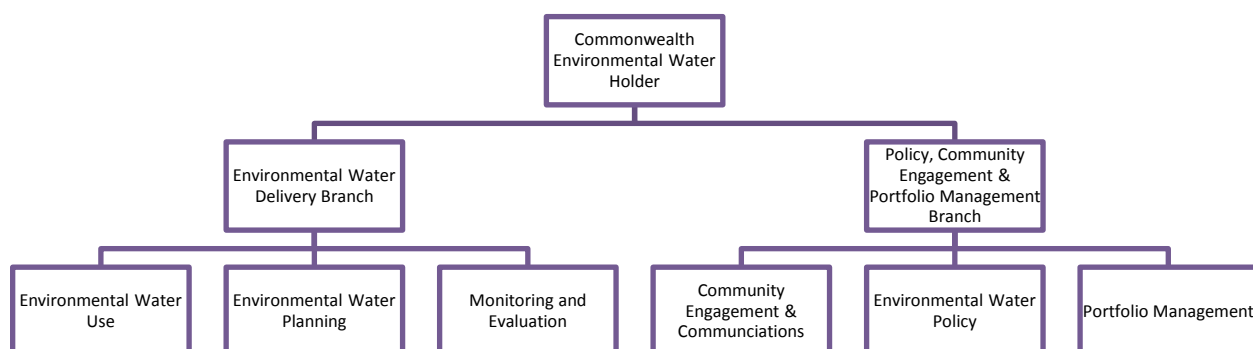


Figure 1. Commonwealth Environmental Water structure

Environmental Water Delivery Branch

The Environmental Water Delivery Branch is responsible for the use, monitoring and evaluation of Commonwealth environmental water use. The branch consists of three sections:

- Environmental Water Planning
- Environmental Water Use
- Monitoring and Evaluation

The Environmental Water Planning section is responsible for planning the use of Commonwealth environmental water in the Basin. The section will focus on implementing long-term planning and arrangements to support decisions of the CEWH.

The Environmental Water Use section is responsible for making water available for use throughout the Basin. The priority for this section is the efficient and effective use of Commonwealth environmental water in 2013-14. The section also includes the Office's local engagement officers.

The Monitoring and Evaluation section is responsible for the evaluation of the uses of Commonwealth environmental water, reporting and information management.

Policy, Community Engagement and Portfolio Management Branch

The Policy, Community Engagement and Portfolio Management Branch is responsible for managing the portfolio of Commonwealth environmental water assets and providing policy advice in support of the CEWH. The branch consists of three sections:

- Environmental Water Policy
- Portfolio Management
- Community Engagement and Communications

The Environmental Water Policy section provides policy advice on approaches for more efficient and effective management of environmental water, including the development of planning and decision making frameworks, risk management, and alignment with Basin Plan requirements.

The Portfolio Management section advises on management of the water portfolio, including its composition, acquisitions, trading and carryover strategies. The section is also responsible for the administration of the water holdings register and the Environmental Water Holdings Special Account. This includes budgeting for, and reporting on, the holdings and associated costs. The section also administers water transfers to make water available for delivery to implement trading actions.

The Community Engagement and Communications section is responsible for managing stakeholder engagement activities, and for the preparation of public reporting, including the annual report, outcomes report and website information.

Appendix B

Environmental Water Partners

“Environmental Water Partners” means: any person or entity with which there is a relationship that supports the management of Commonwealth environmental water, including entities engaged indirectly through other partners.

South Australia

- SA Water
- Department of Environment, Water and Natural Resources

Regional and local land managers

- South Australian Murray-Darling Basin Natural Resource Management Board
- Overland Corner Branch of the Natural Heritage Trust
- Overland Corner Wetland Rehabilitation Group
- Wetlands Habitat Trust and Paiwalla Pty Ltd
- Nature Foundation SA

Victoria

- Department of Environment and Primary Industries
- Parks Victoria
- Victorian Environmental Water Holder

Regional and local land managers

- Mallee Catchment Management Authority
- Overland Corner Branch of the Natural Heritage Trust
- North East Catchment Management Authority
- Goulburn-Broken Catchment Management Authority
- Sunraysia Bird Monitors

Water management authority

- Goulburn-Murray Water
- Coliban Water

New South Wales

- Office of Environment and Heritage (including NSW Parks and Wildlife Service) – Department of Premier and Cabinet
- NSW Office of Water (Department of Primary Industries)
- NSW Fisheries (Department of Primary Industries)
- New South Wales Department of Trade and Investment, Regional Infrastructure and Services (NSW Trade & Investment)

Regional and local land managers

- Murrumbidgee Catchment Management Authority
- Murray Catchment Management Authority
- Central West Catchment Management Authority
- Lachlan CMA
- Namoi CMA
- Border Rivers-Gwydir CMA
- Western CMA
- Murray-Darling Wetlands Ltd
- Forests NSW
- Private landholders

Local Environmental Water Advisory Groups

- Lachlan Riverine Working Group
- Macquarie Environmental Flows Reference Group
- Gwydir Environmental Contingency Allowance Operational Advisory Committee
- Border Rivers Environmental Water Network

Water management authority

- NSW State Water Corporation
- Murray Irrigation Limited
- Murrumbidgee Irrigation Limited

Queensland

- Department of Natural Resources and Mines (also a water management authority)
- Department of Environment and Heritage Protection
- Department Agriculture, Fisheries and Forestry

Water management authority

- Sunwater
- Border Rivers Commission

Regional and local land managers

- Queensland Murray-Darling Committee Inc/South West NRM Ltd
- The Condamine Alliance

Local Environmental Water Advisory Groups

- Border Rivers Environmental Water Network
- Lower Balonne Local Water Network (nascent)

Research Institutions

- Murray-Darling Freshwater Research Centre
- Charles Sturt University
- University of New South Wales
- CSIRO
- South Australian Research and Development Institute

Australian Government / Basin-wide Bodies

- Murray-Darling Basin Authority
- The Living Murray Initiative