



Operation of Peel River Drought Protection Works, Tamworth, NSW.

Chaffey to Dungowan Pipeline:


Annual Compliance Report 2023

## Chaffey Dam to Dungowan Pipeline – Annual Compliance Report 2022

Author	Jeremy Stacy, Environmental Adviser
Review	Evan Webb, Manager Environmental Services
Revision history	

### Declaration of accuracy

In making this declaration, I am aware that sections 490 and 491 of the *Environment Protection and Biodiversity Conservation Act 1999* (Cth) (EPBC Act) make it an offence in certain circumstances to knowingly provide false or misleading information or documents. The offence is punishable on conviction by imprisonment or a fine, or both. I declare that all the information and documentation supporting this compliance report is true and correct in every particular. I am authorised to bind the approval holder to this declaration and that I have no knowledge of that authorisation being revoked at the time of making this declaration.

Signed	
Full Name	Ronan Magaharan
Position	Executive Manager, Operations
Organisation (including ABN)	WaterNSW ABD 21 147 934 787
Date:	16 August 2023

## Table of Contents

<b>1. Introduction .....</b>	<b>1</b>
<b>2. Description of Activities.....</b>	<b>1</b>
<b>3. Compliance Review – Conditions as per EPBC 2019/8590.....</b>	<b>2</b>
<b>4. Implementation of Offset Plan.....</b>	<b>7</b>
4.1 Impacts to Implementation – Flooding and Elevated River.....	8

### List of Tables

<b>Table 1: Compliance tracking 2022-23 .....</b>	<b>3</b>
<b>Table 2: Summary of actions undertaken during reporting period.....</b>	<b>7</b>

## Appendices

### Appendix 1 - Notice of Variation Approval Biodiversity Offset Plan

## 1. Introduction

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Chaffey Dam is located on the Peel River approximately 43 kilometres (km) south-east of Tamworth, between the towns of Nundle and Woolomin, NSW.

Water NSW obtained approval to operate a temporary drought mitigation pipeline to supply water directly from Chaffey Dam to the Tamworth water supply network via the Chaffey Dam to Dungowan Pipeline in June 2020. The pipeline extends underground approximately 18km from Chaffey Dam to Dungowan and connects with the existing Dungowan Dam to Calala water treatment plant pipeline operated by Tamworth Regional Council (TRC).

The pipeline was constructed to operate during severe drought to increase town water security for Tamworth when the Chaffey Dam storage fell below 20% capacity. During operation, water deliveries to TRC were made via the pipeline resulting in no water deliveries to TRC being made via releases to the Peel River.

On 3 June 2020, WaterNSW received authorisation by the NSW Minister for Water, Property and Housing under the *Water Supply (Critical Needs) Act 2019*, to operate the pipeline in accordance with the conditions of approval. Approval under NSW WSCN Act expired on 30 September 2021.

On 12 June 2020, WaterNSW received approval EPBC 2019/8590 with conditions, from the Commonwealth Minister for the Environment for the controlled activity to operate the pipeline during drought. The approval contained a number of conditions including, but not limited to; annual monitoring and compliance reporting; and the development and implementation of a Biodiversity Offset Plan (BOP, GHD 2022). The approval EPBC 2019/8590 to operate the temporary drought mitigation pipeline, has effect until 1 May 2030. The drought ceased September 2020 and the pipeline is not in operation.

WaterNSW (ABN: 21 147 934 787) is the approval holder for the Chaffey Dam to Dungowan Pipeline Drought Operation project (EPBC 2019/8590) approximately 43 km south-east of Tamworth. The construction was completed in March 2020. Operation of the pipeline to deliver water to Tamworth Regional Council's Calala water treatment plant commenced 17 June 2020 and continued to 29 July 2020. The delivery of water via the pipeline has not occurred since 29 July 2020.

This report has been prepared to fulfil the annual compliance reporting requirements of EPBC 2019/8590.

## 2. Description of Activities

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This report relates to the activities undertaken during the reporting period from 17 June 2022 to 16 June 2023. Activities completed in response to EPBC2019/8590 approval include:

- Prepare an amended Biodiversity Offset Plan for submission and approval
- Implementation of management actions & prescribed activities within the revised BOP (GHD 2022).
  - Undertake further pump inspections for suitability on Peel and Namoi Rivers.
  - Undertake re-snagging site inspections between Chaffey Dam and Tamworth
- Transport and receive all logs required for re-snagging within Peel River
- Consult and engage with additional self-cleaning screen manufacturers
- Engage specialist consultants to undertake Biodiversity and Aboriginal Heritage assessments
- Source suitable specialist consultants to undertake baseline and annual monitoring
- Preparation of this annual compliance report.

### **3. Compliance Review – Conditions as per EPBC 2019/8590**

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The approval notice – to operate a temporary drought mitigation pipeline to supply water directly from Chaffey Dam to the Tamworth water supply network (EPBC 2019/8590) issued on 12 June 2020, requires annual reporting from the commencement of the action on 17 June 2020, against the conditions of consent. Table 1 below outlines these conditions and provides a statement of compliance for the reporting year to 16 June 2023. This report fulfils the requirements of EPBC 2019/8590 Condition 12.

Table 1: Compliance tracking 2022-23

Condition	Source Section No.	Source Page No.	Condition	Action to achieve Compliance	Responsibility	Condition / Commitment Implemented?	Link to Evidence/Record	Status Review	
								June 2023	Evidence / Comments
n/a	EPBC 2019/8590 Notice of Approval letter.	1	EPBC notices to be available on WaterNSW website	Make EPBC approval available on WaterNSW website. Weblink to DAWE EPBC approval	WaterNSW	15/06/2020	<a href="#">EPBC 2019/8590 Approval</a> <a href="#">Peel Valley - WaterNSW website</a>	Compliant	ARK reference D2020/58692  Approval link to DAWE EPBC website
1	Annexure A Part A	2	The approval holder must implement the Drought Operations - Delivery of Peel Environmental Water Plan for the life of the approval. In addition the approval holder must comply with NSW conditions of authorisation where those conditions relate to environmental water releases and operation of the technical advisory group.	Submission of Delivery plan - submitted with referral Pipeline operated in accordance with State and Commonwealth approval conditions. PEWTAG provided monitoring data as available	WaterNSW , Operations - AS	12 June 2020 until cessation of drought	<a href="#">Peel Valley - WaterNSW website</a>	Compliant	Implemented; incorporated into WSCN authorisation conditions;  ARK D2020/58721 EPBC Approval D2020/58692  Monitoring data collected as requirement of NSW authorisation F2019/5571  Drought ceased September 2020 WSCN Authorisation expired 30 September 2021
2	Annexure A Part A	2	The approval holder must notify the technical advisory group at least five business days prior to commencing the next phase of operation.	Notice to be sent within time frame required and posted on project website	WaterNSW , Operations - AS	17/06/2020	<a href="#">Peel Valley - WaterNSW website</a>	Compliant	Notices posted to website
3	Annexure A Part A	2	The approval holder must invite the Commonwealth Environmental Water Holder to nominate a representative to become a member of the technical advisory group.	Email invitation	WaterNSW , Operations - AS	12/06/2020	ARK D2021/120098	Compliant	D2021/120098 CEWH members identified in PEWTAG terms of reference, page 6
4	Annexure A Part A	2	To compensate for impacts to Murray Cod and Silver Perch, the approval holder must, within 20 business days of commencement of the action, submit a Biodiversity Offset Management Plan (BOMP) for approval by the Minister. If the Minister approves the BOMP, then the BOMP must be implemented.	Draft Biodiversity Offset Management Plan	WaterNSW - EnvServ JS	Submitted 15/07/2020	ARK D2021/119441	Compliant	Draft submitted to department 15/07/2020 D2021/119441
5	Annexure A Part A	2	The approval holder must make all reasonable efforts to ensure the BOMP (in full) meets the following requirements and promptly address any feedback from the Department on unapproved versions of the BOMP so that the BOMP is suitable for the Minister to approve within three months of the commencement of the action.	Biodiversity Offset Management Plan	WaterNSW - EnvServ JS	Plan approved 29 October 2020 Amended plan approved 3 November 2022	<a href="https://www.waternsw.com.au/__data/assets/pdf_file/0016/161620/Chaffey-to-Dungowan-Pipeline-EPBC-2019_8590-BOMP-Rev-4-30-Sept-2022.PDF">https://www.waternsw.com.au/__data/assets/pdf_file/0016/161620/Chaffey-to-Dungowan-Pipeline-EPBC-2019_8590-BOMP-Rev-4-30-Sept-2022.PDF</a>	Compliant	BOP D2020/101647 Plan approval D2020/116788 Amended approval D2022/152810

Condition	Source Section No.	Source Page No.	Condition	Action to achieve Compliance	Responsibility	Condition / Commitment Implemented?	Link to Evidence/Record	Status Review	
								June 2023	Evidence / Comments
6	Annexure A Part A	2	The BOMP must: <b>a.</b> be prepared by a suitably qualified ecologist, and be consistent with the Department's Environmental Management Plan Guidelines and the EPBC Act Environmental Offset Policy; <b>b.</b> propose an offset package, including direct habitat restoration works and conservation measures relevant to Murray Cod and Silver Perch <b>c.</b> include, but not be limited to: <b>i.</b> specific objectives to demonstrate improvements in habitat quality and conservation outcomes for Murray Cod and Silver Perch over the life of the approval; <b>ii.</b> specific management actions, and timeframes for implementation, to be carried out to meet the specific objectives to improve habitat quality and conservation outcomes for Murray Cod and Silver Perch; <b>iii.</b> key performance indicators to demonstrate the improvements in habitat quality and conservation outcomes for Murray Cod and Silver Perch; <b>iv.</b> the nature, timing and frequency of monitoring to determine the success of management actions against key performance indicators; <b>v.</b> indicative corrective actions that will be implemented in the event monitoring activities indicate key performance indicators are not or are unlikely to be achieved; <b>vi.</b> the roles and responsibilities for implementing the management actions; <b>vii.</b> evidence of consistency with relevant conservation advices, recovery plans and/or threat abatement plans; <b>viii.</b> commitments to maintain or improve the extent and quality of habitat and populations of other EPBC Act listed threatened species and ecological communities in the offset area; and a timeline and legal mechanism for implementing the offset(s).	Biodiversity Offset Management Plan Rev. 4 September 2022	WaterNSW - EnvServ JS	Amended Plan approved 3 November 2022	ARK D2022/109857	Compliant	BOP D2020/101647 Approval D2020/116788 Amended approval D2022/152810
7	Annexure A Part B	3	The approval holder must notify the Department in writing of the date of commencement of the action within 10 business days after the date of commencement of the action. The approval holder must notify the Department in writing of the date of commencement of each phase of operation within 10 business days after the date of commencement of each phase of operation.	Send advice via email at each change of operation phase.	WaterNSW , Operations - AS	Notice #1 - 17 June 2020 - Commencement of Action Notice #2 - 1 July 2020 Notice #3 - 29 July 2020	ARK D2021/120827 D2021/120845 D2021/120866	Compliant	Media Release - <a href="https://www.watnsw.com.au/about/newsroom/2020/chaffey-to-tamworth-pipeline-operational">https://www.watnsw.com.au/about/newsroom/2020/chaffey-to-tamworth-pipeline-operational</a>
8	Annexure A Part B	3	The approval holder must maintain accurate and complete compliance records.	Maintain approval tracking spreadsheet and identified records within	WaterNSW - EnvServ JS; Ops	implemented compliance tracking	ARK D2022/18480	Compliant	This spreadsheet tracks compliance ARK D2022/18480
9	Annexure A Part B	3	If the Department makes a request for compliance records in writing, the approval holder must provide electronic copies of compliance records to the Department within the timeframe specified in the request.	Notice from Department to be received	WaterNSW PM EnvServ	No requests received	N/A	Compliant	No requests received

Condition	Source Section No.	Source Page No.	Condition	Action to achieve Compliance	Responsibility	Condition / Commitment Implemented?	Link to Evidence/Record	Status Review	
								June 2023	Evidence / Comments
10	Annexure A Part B	3	The approval holder must: <b>a.</b> submit plans electronically to the Department; <b>b.</b> publish each plan on the website within 20 business days of the date of this approval, or the date that the plan is approved by the Minister or of the date a revised action management plan is submitted to the Minister or the Department, unless otherwise agreed to in writing by the Minister; <b>c.</b> exclude or redact sensitive ecological data from plans published on the website or provided to a member of the public; and <b>d.</b> keep plans published on the website until the end date of this approval.	Submit plans via email to Department Post Approval PostApproval@awe.gov.au  Approved plans to be published to WaterNSW website <a href="https://www.waternsw.com.au/supply/drought-information/regional-nsw/peel-valley">https://www.waternsw.com.au/supply/drought-information/regional-nsw/peel-valley</a>	WaterNSW - EnvServ JS	BOP submitted to DAWE; BOP published to WNSW project website	<a href="https://www.waternsw.com.au/__data/assets/pdf_file/0016/161620/Chaffey-to-Dungowan-Pipeline-EPBC-2019_8590-BOMP-Rev-4-30-Sept-2022.PDF">https://www.waternsw.com.au/__data/assets/pdf_file/0016/161620/Chaffey-to-Dungowan-Pipeline-EPBC-2019_8590-BOMP-Rev-4-30-Sept-2022.PDF</a>  BOP D2020/101647 Approval D2020/116788	Compliant	BOP D2020/101647 Approval D2020/116788
11	Annexure A Part B	3	The approval holder must ensure that any monitoring data (including sensitive ecological data), surveys, maps, and other spatial and metadata required under a plan, is prepared in accordance with the Department's Guidelines for biological survey and mapped data (2018) and submitted electronically to the Department in accordance with the requirements of the plan.	Submit with annual compliance report via email to Department EPBCMonitoring@awe.gov.au	WaterNSW Project Delivery PM; EnvServ	Nil monitoring to date	Offset implementation in progress.	Compliant	No offset monitoring reports prepared to date
12	Annexure A Part B	3	The approval holder must prepare a compliance report for each 12 month period following the date of commencement of the action, or otherwise in accordance with an annual date that has been agreed to in writing by the Minister. The approval holder must: <b>a.</b> publish each compliance report on the website within 60 business days following the relevant 12 month period; <b>b.</b> notify the Department by email that a compliance report has been published on the website and provide the weblink for the compliance report within five business days of the date of publication; <b>c.</b> keep all compliance reports publicly available on the website until this approval expires; <b>d.</b> exclude or redact sensitive ecological data from compliance reports published on the website; and <b>e.</b> where any sensitive ecological data has been excluded from the version published, submit the full compliance report to the Department within five business days of publication.	Compliance report to be prepared and published to WaterNSW website <a href="https://www.waternsw.com.au/supply/drought-information/regional-nsw/peel-valley">https://www.waternsw.com.au/supply/drought-information/regional-nsw/peel-valley</a>  Biodiversity monitoring report to be prepared as per BOP requirements;  Email notification to DAWE EPBCMonitoring@awe.gov.au to advise of compliance report availability and link to publication on WaterNSW website	WaterNSW - EnvServ WQS	Monitoring of Biodiversity offsets not commenced within reporting period.	Report published to website 15 August 2023	Compliant	Amended Biodiversity Offset implementation due October 2023 following amendment to BOP. Monitoring in accordance with BOMP has not commenced.
13	Annexure A Part B	4	The approval holder must <b>notify</b> the Department in writing of any: incident; non-compliance with the conditions; or non-compliance with the commitments made in plans. The notification must be given as soon as practicable, and no later than two business days after becoming aware of the incident or non-compliance. The notification must specify: <b>a.</b> any condition which is or may be in breach; <b>b.</b> a short description of the incident and/or non-compliance; and <b>c.</b> the location (including co-ordinates), date, and time of the incident and/or non-compliance. In the event the exact information cannot be provided, provide the best information available.	Send advice via email to Department: EPBCMonitoring@awe.gov.au	WaterNSW	No incidents or non-compliances recorded during reporting period	N/A	Compliant	



Condition	Source Section No.	Source Page No.	Condition	Action to achieve Compliance	Responsibility	Condition / Commitment Implemented?	Link to Evidence/Record	Status Review	
								June 2023	Evidence / Comments
14	Annexure A Part B	4	The approval holder must <b>provide</b> to the Department the details of any incident or noncompliance with the conditions or commitments made in plans as soon as practicable and no later than 10 business days after becoming aware of the incident or non-compliance, specifying: <b>a.</b> any corrective action or investigation which the approval holder has already taken or intends to take in the immediate future; <b>b.</b> the potential impacts of the incident or non-compliance; and <b>c.</b> the method and timing of any remedial action that will be undertaken by the approval holder.	Send advice via email to Department: EPBCMonitoring@awe.gov.au	WaterNSW	Nil in reporting period	N/A	Compliant	
15	Annexure A Part B	4	The approval holder must ensure that independent audits of compliance with the conditions are conducted as requested in writing by the Minister.	N/A	WaterNSW	Nil to date	N/A	Not applicable	Nil requests to date
16	Annexure A Part B	4	For each independent audit, the approval holder must: <b>a.</b> provide the name and qualifications of the independent auditor and the draft audit criteria to the Department; <b>b.</b> only commence the independent audit once the audit criteria have been approved in writing by the Department; and <b>c.</b> submit an audit report to the Department within the timeframe specified in the approved audit criteria.		WaterNSW	Nil to date	N/A	Not applicable	No audits undertaken to date
17	Annexure A Part B	4	The approval holder must publish the audit report on the website within 10 business days of receiving the Department's approval of the audit report and keep the audit report published on the website until the end date of this approval.	Nil to date	WaterNSW	Nil to date	N/A	Not applicable	No reports prepared to date
18	Annexure A Part B	4	The approval holder may, at any time, apply to the Minister for a variation to an action management plan approved by the Minister under condition 4, or as subsequently revised in accordance with these conditions, by submitting an application in accordance with the requirements of section 143A of the EPBC Act. If the Minister approves a revised action management plan (RAMP) then, from the date specified, the approval holder must implement the RAMP in place of the previous action management plan.	Application to Minister to amend Biodiversity Offset Plan	WaterNSW	Request to amend Biodiversity Offset Plan made in accordance with approval condition requirements.	Variation request sent 6 September 2022 Refer ARK D2022/32224	Compliant	Variation to Biodiversity Offset Plan
19	Annexure A Part B	4	Within 30 days after the completion of the action, the approval holder must notify the Department in writing and provide completion data.	notification letter/email EPBCMonitoring@awe.gov.au	WaterNSW - EnvServ	Nil to date	D2022/47990	Compliant	

'Compliance' is achieved when all the requirements of a condition have been met, including the implementation of management plans or other measures required by those conditions.

A designation of 'non-compliance' should be given where the requirements of a condition or elements of a condition, including the implementation of management plans and other measures, have not been met.

A designation of 'not applicable' should be given where the requirements of a condition or elements of a condition fall outside of the scope of the current reporting period. For example, a condition which applies to an activity that has not yet commenced.

## 4. Implementation of Offset Plan

The revised Biodiversity Offset Plan (GHD 2022) outlines the key management actions required to achieve the objectives of improving habitat for Murray Cod and Silver Perch. Table 2 below outlines the activities undertaken in order to implement the management actions identified within the BOP.

Offset implementation delays resulting from Covid-19 restrictions and regional and statewide flooding experienced during the previous reporting period contributed to the request to amend the approved BOP seeking a revised implementation date during September 2022 and was approved by the Department on 3 November 2022 (refer Appendix 2).

The full installation of the offsets within the revised time of 28 October 2023 is not expected to occur and will therefore be a non-compliance of the EPBC 2019/8590 approval condition 6 and the commitment given with the revised BOP. Correspondence related to this matter will be sent to the Department requesting an extension prior to the due date.

The baseline survey to be undertaken prior to the installation of the offset measures is planned to be undertaken before October 2023.

The following actions in Table 2 have been undertaken during the reporting period 17 June 2022 to 16 June 2023;

**Table 2: Summary of actions undertaken during reporting period.**

Offset Measure	Actions Undertaken	Performance in accordance with BOMP
<b>1 – Re-snagging Plan</b> Develop plan to install up to 50 snags as habitat for Murray Cod and Silver Perch	Snag Installation Plan: Engaged consultant and completed Aboriginal Heritage Due Diligence and Biodiversity assessment report for 50 snags at 17 river stretches Received 60 logs for snagging and stored at WaterNSW secure site.	Compliant
<b>Baseline and Monitoring Survey</b>	Received proposals for undertaking annual monitoring and baseline surveys.	Compliant
<b>2 – Self-cleaning Pump Screens</b> Install self-cleaning pumps screens on extraction points to seven licenced pumps downstream from Chaffey Dam	Send EOI to potential pump owners on the Namoi River Undertake site inspections of Namoi pumps to assess suitability to receive self-cleaning pump screens, including: <ul style="list-style-type: none"> <li>- identify site constraints and installation requirements, e.g access, electrical, safety, pump/screen retrieval systems</li> <li>- specify pump screen requirements for manufacture</li> </ul>	Compliant

	<p>Source alternate suitable manufacturer of self-cleaning pump screens due to extensive manufacturing delays.</p> <p>Landholder engagement and site visits undertaken</p>	
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Following pump site inspections along the Peel River by the screen manufacturer it became evident that the majority of potential licenced pumps were not of a suitable size or capable of flow rates required to operate the self-cleaning pump screens produced by that manufacturer.

The lack of suitable pumps within the Peel system available and suitable for the self-cleaning pump screens has required that alternate suitable locations meeting the criteria set within the BOP be identified. Consultation with NSW DPI Fisheries to identify similar sites on the Namoi River were undertaken and a second expression of interest was sent to Namoi River pump owners.

#### 4.1 Impacts to Implementation – Flooding and Elevated River

Additional and significant delays to offset related activities were experienced between late 2022 and early 2023 as a result of above average rainfall leading to extensive flooding along the Peel and Namoi Rivers. Flooding prevented site access for contractors and land holders, preventing field assessments.

The following outstanding activities are required to progress the implementation of the BOP:

- Obtain design and manufacture of self-cleaning pump screens;
- Enter self-cleaning pump screen recipient agreements;
- Engage suitable contractor with experience in river snag placement;
- Enter into land access agreements to allow river access for snag placements & machinery.

WaterNSW ability to progress with the installation of the biodiversity offsets as required by revised BOP and meeting the revised implementation date of 28 October 2023 is unlikely to occur as a direct result of multiple and ongoing delays identified above. Further consultation with the Department regarding WaterNSW ability to meet offset implementation delivery timeframes will be undertaken.

## APPENDICES

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# Appendix 1 – Notice of Variation Approval Biodiversity Offset Plan

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Australian Government

Department of Climate Change, Energy, the Environment and Water

Mr Jeremy Stacy  
Environment Advisor  
WaterNSW  
Level 14, 169 Macquarie Street  
PARRAMATTA NSW 2150

Dear Mr Stacy

**EPBC 2019/8590: Peel River Drought Operations – Biodiversity Offset Management Plan**

Thank you for your letter dated 6 September 2022 to the Department of Climate Change, Energy, the Environment and Water, seeking approval of the revised *WaterNSW Peel River Drought Protection Works Biodiversity Offset Plan, Version 4*, in accordance with conditions 4-6 of the above project under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act).

Officers of the Department have advised me on the plan and the requirements of the conditions of the approval for this project. On this basis, and as a delegate of the Minister for the Environment and Water, I have approved the revised *WaterNSW Peel River Drought Protection Works Biodiversity Offset Plan, Version 4*, dated September 2022. This plan must now be implemented.

As you are aware, the Department has an active monitoring program which includes monitoring inspections, desk top document reviews and audits. Please ensure that you maintain accurate records of all activities associated with, or relevant to, the conditions of approval so that they can be made available to the Department on request.

Should you require any further information please contact Nola Sloan by e-mail at [postapproval@environment.gov.au](mailto:postapproval@environment.gov.au).

Yours sincerely

A handwritten signature in black ink that reads 'K. Richards'.

Karina Richards, A/g Director  
Post Approvals (QLD, NT, SA) Section  
Environment Assessments (Vic and Tas) and Post Approvals Branch Environment  
Approvals Division  
3 November 2022