Sustainable diversion limits

Water management in the Murray-Darling Basin is changing. As part of this transition, a new system of water limits begins, replacing the current ‘cap’ system. This next phase is an integral part of implementing the Basin Plan.

The new system will focus on sustainable diversion limits (SDLs). SDLs are how much water, on average, can be used in the Basin by towns and communities, farmers, and industries, while keeping the rivers and environment healthy.

Each area has a baseline diversion limit (BDL), which is an estimate of how much water was used in the Basin, prior to the Basin Plan.

Initial limits were established under the Basin Plan in 2012. Limits need to consider the best available information, and may adjust as new information comes to hand.

Water allocations and entitlements will continue to operate as usual under local water use rules.

The limits do not affect the water recovery target, as the target is fixed under the Basin Plan.

Key facts

- Sustainable diversion limits are set for 29 surface water areas and 80 groundwater areas.

- There are limits that guide how much water can be used in each area of the Basin. These limits consider climate, trade, usage patterns and development of infrastructure.

- Sustainable diversion limits are how much water, on average, can be used in the Basin by towns and communities, industry and farmers.

- Baseline diversion limits are an estimate of how much water was used in the Basin, prior to the Basin Plan.

- The current system of entitlements and allocations continues under local water use plans and rules.

- The water recovery target is a specified number in the Basin Plan.
There are **four different types of water accounted for in the new system of limits**. These are consumptive water, held environmental water, other diversions and losses and river water.

The SDLs are focused on limiting consumptive water and system water remains in the river system or is lost through evaporation and seepage. Evaporation rates in the Basin are high, with 94 per cent of the rainfall that falls in the Basin being used by plants (transpired) or evaporating from the land and surface water.

Water usage patterns in the Basin are diverse, and usage year-to-year varies depending on climatic conditions, rainfall, trade, infrastructure development and individual business decisions.

The new system of limits will consider both the water available for use, the water expected to be used and the actual amount of water used. Water accounting occurs following the end of each water year.

The Murray–Darling Basin Authority (MDBA) has developed a SDL Reporting and Compliance Framework, which sets out the steps for managing water use that exceeds SDLs.

Given water use varies considerably in dry and wet years, the compliance framework will focus on trends over time, as well as any individual water year.

If water use is over the limit, the MDBA will investigate and request that Basin state governments investigate further and provide additional information to the MDBA under ‘reasonable excuse’ provisions. Reasonable excuse provisions include the operation of the water resource plans, or circumstances outside of a Basin state’s control. Local plans may change as a result, so that the limits can be consistently met in the future.

The MDBA will also be monitoring trends in ‘growth-in-use’ patterns, which is when water use grows and this causes the limit to be exceeded over a period of time. If this growth is consistent, allocations may need to be adjusted in the future to meet the sustainable diversion limit.