

## Office of the Chief Executive

PDMS Ref: EC19-000872

The Hon. David Littleproud  
Minister for Water Resources, Drought, Rural Finance,  
Natural Disaster and Emergency Management  
PO Box 6022  
Parliament House  
CANBERRA ACT 2600

Dear Minister

### Accreditation of the proposed South Australian River Murray Water Resource Plan

I am writing to give you the proposed South Australian River Murray Water Resource Plan ('proposed WRP') submitted by South Australia on 14 August 2019 (**Attachment A**) and the Murray-Darling Basin Authority's recommendation on accreditation of the proposed WRP (**Attachment B**) in accordance with section 63(3)(c) of the *Water Act 2007* (Cth) ('the Act').

I have also provided:

1. a detailed assessment report (**Attachment C**), including the Authority's reasoning; and
2. a copy of the advice the Authority sought from the Murray Lower Darling Rivers Indigenous Nations (MLDRIN) on whether the proposed WRP is consistent with the requirements regarding Indigenous values and uses in Part 14 of Chapter 10 of the *Basin Plan* (Cth) ('Basin Plan') (**Attachment D**).

**The Authority has undertaken its assessment of the proposed WRP and recommends you accredit this proposed WRP.**

Officers from the MDBA have worked closely with the South Australian government to prepare the proposed WRP for accreditation. I would also like to acknowledge the genuine and effective consultation between the South Australian government and MLDRIN in relation to the proposed WRP. MLDRIN's advice to the Authority considers South Australia's engagement with Aboriginal people on the proposed WRP was appropriate (see Attachment D). I am pleased to note that the proposed WRP includes a commitment that

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South Australia will continue this engagement and is progressing work to better incorporate the knowledge and views of Aboriginal people into water planning, including with respect to risks to Aboriginal values and uses.

I understand the Commonwealth Department of Agriculture will be advising you on making your accreditation decision in relation to the proposed WRP in accordance with the Act.

There are some key issues that I would like to bring to your attention as outlined below.

### Revised Baseline Diversion Limit (BDL) estimates

The proposed WRP is based on a revised estimate of the BDL for take from watercourses of 681.056 GL per year, compared to the estimate of 665 GL per year in the column 2 of Schedule 3 of the Basin Plan. The revised estimate is based on new and improved methods for estimating take, including modelling. The Authority is satisfied that the updated BDL estimate is based on the best available information, using new and improved methods and modelling, and that the revised estimate is consistent with the description in Schedule 3 of the Basin Plan.

When preparing the proposed WRP, South Australia expressed a desire to revise the BDL estimate relating to unlicensed stock and domestic take (basic rights) in the order of 6 GL per year. Such a revision could only be included through an amendment to the Basin Plan, as take under basic rights is not currently identified as a form of take for this area in Schedule 3 of the Basin Plan. Given the Basin Plan does not include this revision, take for unlicensed stock and domestic (basic rights) is managed within take from a watercourse until such time as there is an amendment to the Basin Plan with respect to take under basic rights for the South Australian River Murray WRP.

### Method for calculating the annual permitted take

Water provided to South Australia by the Murray–Darling Basin Agreement includes an annual entitlement volume up to 1,850 GL per year. The basis of the method for calculating the annual permitted take in the proposed WRP is the Source Murray Model, which is also used for determining annual permitted take in the River Murray system upstream of South Australia. The method in the WRP is deemed fit for purpose. There is a need for ongoing improvement for the model, and as part of the agreement, South Australia and the MDBA have committed to refining the model and using multiple lines of evidence from pre-existing methods to complete a joint review of the model assumptions and processes by 30 June 2021. The final outcome of this review will be a validated and agreed version of the Source Murray Model that will form the basis of a future proposed amendment to the WRP for determining the annual permitted take after June 2021.

### Environmental watering

Achieving the environmental watering requirements for priority environmental assets within South Australia, including the Coorong, Lower Lakes and Murray Mouth, is highly dependent

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on receiving environmental water from upstream and managing this water appropriately within the South Australian River Murray WRP area and between connected WRP areas. In the Authority's view the proposed WRP is sufficient to meet Basin Plan requirements for environmental watering. Environmental water planning, coordination and delivery is negotiated and supported through the Southern Connected Basin Environmental Watering Committee. Each year this committee considers the available water and the annual priorities put forward by each of the member states (New South Wales, Victoria and South Australia) consistent with the relevant Long Term Watering Plans, and agrees on environmental outcomes and delivery for volumes of held environmental water.

There are prerequisite policy measures (referred to as unimplemented policy measures in the Basin Plan) outlined in the proposed WRP that are intended to ensure the efficient and effective use of environmental water within South Australia. These matters have been assessed separately by the MDBA and their implementation sits outside the proposed WRP, so they do not affect any decision on accreditation.

South Australia's annual priorities developed in partnership with water managers and local communities are combined with priorities from across the Basin to help with environmental water planning and delivery at a catchment scale.

### Protection of planned environmental water

The proposed WRP includes arrangements for the protection of planned environmental water as required for section 10.09(1) of the Basin Plan. These arrangements include explicit identification of unregulated flows, as well as non-consumptive components of South Australia's Entitlement under the Murray–Darling Basin Agreement, as planned environmental water. Overall, the arrangements for the protection of planned environmental water provide an improved level of protection than the arrangements in place immediately before the Basin Plan came into effect.

### Proportion of take measured to agreed standards

The proposed WRP has not included the proportion of take that is measured in accordance with agreed metering standards (AS4747) as recommitted to in the Basin Compliance Compact. South Australia recognises in the proposed WRP that it does not have this information, and since the Basin Compliance Compact was endorsed has demonstrated recommitment to improved metering by amending its state regulations to ensure all new and replacement meters from 1 July 2019 are in line with the agreed standards. The Authority expects that following accreditation of the proposed WRP and implementation of the regulations, South Australia's on-going commitment to the Basin Compliance Compact will ensure that information regarding the proportion of take that is measured in accordance with the agreed standard will be available in the future.

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### Future legislative changes

The South Australian government has recently introduced legislative amendments which, if enacted, would affect key instruments which are included for accreditation. These changes would result in proposed amendments to the South Australian River Murray WRP that would need to be considered in accordance with s 65 of the Act.

### Implementation

The implementation of the proposed WRP and the ongoing management of the water resources in the South Australian River Murray WRP area are of keen interest to the Authority. The MDBA will continue to work closely with the South Australian government to manage compliance against the proposed WRP and ensure it is appropriately implemented.

The Authority looks forward to achieving an important milestone in the implementation of the Basin Plan with you, through your consideration of this proposed WRP.

If you have any questions or require further information about this WRP accreditation package, please contact Dr Marcus Finn, A/g General Manager, Water Resource Plans Branch (marcus.finn@mdba.gov.au or 02 6279 0634) or Dr Peta Derham, A/g Executive Director, Water Resource Planning and Accounting Division (peta.derham@mdba.gov.au or 02 6279 0633).

Yours sincerely



Phillip Glyde

8 October 2019

### List of Attachments

- Attachment A:** The proposed WRP
- Attachment B:** The Authority's recommendation on the proposed WRP
- Attachment C:** The assessment report relating to the proposed WRP
- Attachment D:** MLDRIN advice