

## Water Sharing under the Murray-Darling Basin Agreement

The water sharing arrangements that we have today have largely been in place for the last one hundred years. Each year the first water available in the southern Murray-Darling Basin is put towards the conveyance requirements (sometimes called transmission losses). This water is used to deliver critical human water needs and consumptive allocations to all River Murray users in New South Wales, Victoria and South Australia.

Conveyance for the delivery of water to the South Australian border is provided for first by the Murray-Darling Basin Authority before it determines state ownership of the remaining available water. Conveyance from the South Australian border to Wellington is met by South Australia from the dilution and loss component of its Entitlement. This means that in order to make accurate comparisons of the “allocations” to states, South Australia’s “allocation” should be taken to be 1154 GL, not the 1850 GL often quoted. If the 1850 GL was to be used an additional 900 GL is required by adding 450 GL to both New South Wales and Victoria’s “allocations”.

The conveyance from Wellington to the Murray Mouth, including the Lower Lakes is met by South Australia from the consumptive component of its Entitlement. Meeting these losses does not impact on New South Wales or Victoria’s water shares or water availability.

The general principle of water sharing for the River Murray system is that New South Wales and Victoria each receive 50 per cent of the flow upstream of Albury (ie. inflows to Hume, Dartmouth and from the Kiewa River) and 50 per cent of inflows to Menindee Lakes. All tributary flows from the Murrumbidgee River and Billabong Creek downstream of Albury are 100 per cent New South Wales water. All tributary flows from the Ovens, Goulburn, Campaspe and Loddon Rivers are 100 per cent Victorian water.

As defined in the Murray-Darling Basin Agreement, New South Wales and Victoria provide South Australia’s Entitlement equally. During sustained periods of low water availability across the entire River Murray system, South Australia’s Entitlement is also reduced. During these periods, once the conveyance requirements are put aside, each state effectively receives a third share of the available River Murray water and New South Wales and Victoria still retain ownership of the water from their tributaries. Each state is free to choose how it will allocate its water within its state.

To help South Australia prepare for an extended dry period, it can store water from its Entitlement in the major storages in one year to meet its critical human water needs and private carryover in a future year. South Australia is not allowed to negatively impact water availability or storage access for New South Wales and Victoria when storing this water.

How South Australia’s Entitlement of up to 1,850 GL per annum can be used is determined largely by the Murray-Darling Basin Agreement. The components of the Entitlement are as follows:

- Consumptive use of up to 1,154 GL per year (includes 204 GL for critical human water needs);
- Dilution and Loss of 696 GL per year (58 GL per month); and
- additional quantities for dilution as determined by the MDB Ministerial Council.

The dilution and loss component provides conveyance to Wellington and is critical to delivering water of a suitable quality to support critical human water needs and other consumptive purposes. It also provides environmental and water quality benefits, including water for all pool-connected wetlands, salinity dilution flows and base flows in the river. Dilution and loss water is the highest priority water delivered to South Australia as it underpins delivery of critical human water needs.

The consumptive component is the maximum volume of entitlement for non-dilution and loss purposes provided to South Australia in any year and is distributed under the provisions in the *Water Allocation Plan for the River Murray Prescribed Watercourse*. While this component is commonly referred to as the ‘consumptive’ component of the South Australian Entitlement, it is not solely for consumptive purposes – some is specifically for the environment and some remains unallocated due to limits on surface water diversions in South Australia that are required under the Murray-Darling Basin Cap arrangements.