



South Australian River Murray Private Carryover Policy

This policy details how the Minister for Sustainability, Environment and Conservation will (pursuant to the *Natural Resources Management Act* (2004)) determine how South Australian River Murray Entitlement Flow deferred under Schedule G of the Murray-Darling Basin Agreement (and held in South Australia's Storage Right account) will be granted as private carryover to eligible water access entitlement holders.

Eligibility Criteria for Private Carryover

1. Private carryover may only be granted in the current water-use year to those who held a South Australian water access entitlement on 30 June of the previous water-use year, subject to Criteria 2-6.
2. Private carryover is available in respect of water allocations for the following classes of water access entitlement shares:
 - Class 3a (previously, Irrigation and holding not in the Qualco Sunlands Groundwater Control Area);
 - Class 3b (previously, Irrigation and holding in the Qualco Sunlands Groundwater Control Area);
 - Class 4 (previously, Recreation); and
 - Class 7 (previously, Environment (The Living Murray)).
3. Private carryover is not available in respect of:
 - water allocations for critical human water needs that relate to any of the following classes of water access entitlement shares:
 - Class 1 (previously Stock and/or Domestic);
 - Class 2 (previously Country Towns);
 - Class 5 (previously Industrial); and
 - Class 6 (previously Metropolitan Adelaide);
 - water allocations that relate to Class 8 (previously Environmental Land Management) water access entitlement shares, as the water allocated may only be taken in the year of allocation for land management purposes within the Lower Murray Reclaimed Irrigation Area.
4. Private carryover may only be granted in respect of an individual water access entitlement holder if water has been taken through a fully operational flow recording meter for the whole of the water-use year for which carryover is determined, unless the quantity of water taken can be determined on another basis to the satisfaction of the Minister.
5. Water access entitlement holders who meter their water-use must provide to the Department of Environment, Water and Natural Resources (the Department) their final water meter reading(s) for the quantity of water taken during the previous water-use year, and the final water meter reading(s) must have been received by the Department by no later than 31 July of the current water-use year. This is to ensure that carryover can then be granted to eligible account holders as soon as reasonably practicable.
6. Holders of water access entitlements for environmental purposes who cannot meter their water-use, must also provide to the Department their final estimate(s) of water-use for the previous water-use year, and the final estimate(s) must have been received by the Department by no later than 31 July of the current water-use year.

DEWNR POLICY



Government of South Australia
Department of Environment,
Water and Natural Resources



Carry-over Entitlement

7. Any unused water allocation at the end of the current water-use year may potentially be available as private carryover in the following water-use year (subject to Criteria 1).
8. The volume of private carryover granted in respect of an individual South Australian water access entitlement will be based on the volume of unused water allocation at 30 June, up to a volume equivalent to 20 percent of that water access entitlement.
9. In making a determination on whether carryover is to be granted, the Minister shall have regard to information provided by the Murray-Darling Basin Authority, and consider only making private carryover available when there is a low likely risk (less than a 10 percent chance) forecast that the water stored for carryover will spill from the storage in which it is held over the remainder of the water-use year in which carryover is to be granted.
10. The maximum volume of carryover that may be granted to a water access entitlement holder will be determined on the following basis:

Carryover Volume equals (=) Unused Allocation less (-) Storage Loss

Where:

Carryover Volume = the volume of carryover allocation to be granted to an eligible water access entitlement holder.

Unused Allocation = a water access entitlement holder's unused water allocation (up to a maximum of 20 percent of water access entitlement).

Storage Loss = a volume equivalent to 5 percent of the Unused Allocation.

11. Subject to Criteria 9, if there is sufficient deferred water made available by the Minister for the purpose of private carryover to provide for the maximum carryover volume as specified in Criteria 10, that volume will be granted as carryover to eligible water access entitlement holders.
12. Subject to Criteria 9, if there is insufficient deferred water made available by the Minister for the purpose of private carryover to grant the maximum volume of carryover as specified in Criteria 10, a water access entitlement holder will be granted a proportional share of the volume of deferred private carryover that is made available. The proportional share is to be calculated as follows:

Carryover Volume equals (=) Proportional Share less (-) Storage Loss

Where:

Carryover Volume = the volume of carryover allocation to be granted to an eligible water access entitlement holder.

Proportional Share equals (=) Unused Allocation multiplied by (x) Volume of Deferred Water Made Available for Private Carryover, where:

- o Unused Allocation = a water access entitlement holder's eligible unused water allocation (up to a maximum of 20 percent of water access entitlement)
- o Volume of Deferred Water Made Available for Private Carryover = the volume of deferred water made available by the Minister for the purpose of private carryover divided by (÷) the total volume of all eligible water access entitlement holders' Unused Allocations

Storage loss = a volume equivalent to 5 percent of the Proportional Share

DEWNR POLICY



Government of South Australia
Department of Environment,
Water and Natural Resources



Example:

	<u>Proportional Share</u>	<u>Storage Loss</u>
<p>A water access entitlement holder's Unused Allocation (up to a maximum of 20 percent of water access entitlement)</p>	<p>Volume of deferred water made available by the Minister for the purpose of private carryover</p> <p style="text-align: center;">_____</p> <p>Total volume of all eligible water access entitlement holders' Unused Allocation</p>	<p>Volume equivalent to 5 percent of the Proportional Share</p>
x	-	

Example for Irrigator A

Unused Allocation for Irrigator A = 200 ML

Volume of deferred water made available by the Minister for the purpose of private carryover = 60 000 ML (60 GL)

Total volume of all eligible water access entitlement holder's Unused Allocation = 70 000 ML (70 GL)

$$\left[200 \times \frac{60\,000}{70\,000} \right] - 5 \text{ percent} = (200 \times 0.857) - 5 \text{ percent} = \mathbf{162.857 \text{ ML}}$$

13. The Minister will publish a carryover announcement in a media release, the weekly River Murray Flow Report and on the Department's website.
14. There will be no impact or adjustment made to the volume of private carryover granted to a water access entitlement holder if some or all of the private carryover in storage is released through a pre-release or a physical spill during the water use year.
15. Water allocation granted as private carryover may be transferred interstate or intrastate, subject to any allowable restriction on water allocation trade under the Basin Plan Water Trading Rules and the rules for transferring a water allocation in section 157 of the *Natural Resources Management Act 2004*.

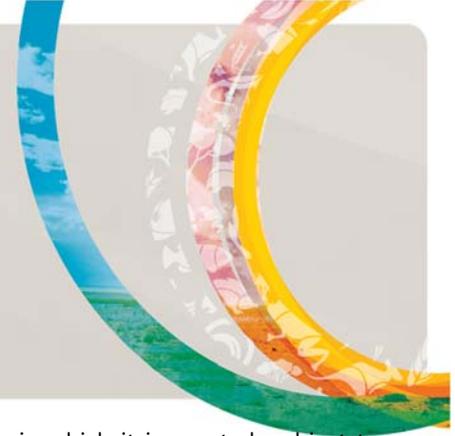
Implementation of Private Carryover

16. No application for a private carryover volume is required.
17. The volume of private carryover granted in respect of an individual water access entitlement will be calculated as soon as possible after 31 July, following the provision of information by water access entitlement holders per Criteria 5 and Criteria 6 and in accordance with any private carryover volume determined to be available by the Minister.
18. Private carryover can be determined to be available by the Minister only after volumes in the Storage Right Account are available to South Australia.

DEWNR POLICY



Government of South Australia
Department of Environment,
Water and Natural Resources



19. Water granted as private carryover will be delivered during the water-use year in which it is granted, subject to operational and delivery considerations.
20. Resource and storage conditions across the River Murray system can change quickly in response to either high or low flows. The volume granted to eligible water access entitlement holders as private carryover depends on the volume of Entitlement Flow that the South Australian Government has been able to defer and store as private carryover. There is no guarantee that private carryover will be granted in the current water-use year to water access entitlement holders who held unused water allocation on 30 June of the previous water-use year.

What guides this Policy?

This policy is guided by section 152(7)(b) of the *Natural Resources Management Act 2004*; clause 91 and Schedule G of the Murray Darling Basin Agreement (Schedule 1 of the *Water Act 2007*); and meeting the requirements under Chapter 11 and 12 of the Basin Plan 2012.

For how long will the current policy apply?

A review of the operation and implementation of this policy will be undertaken by the Department by 30 June 2018, or otherwise by a date specified by the Minister.

Contacts

Chris Wright; Manager – Environmental Water, Trade and River Operations Policy
Water and Climate Change Branch (DEWNR)
Phone: (08) 8463 6899
Email: christopher.wright@sa.gov.au

Ben Smith; Principal Policy Officer – Environmental Water, Trade and River Operations Policy
Water and Climate Change Branch (DEWNR)
Phone: (08) 8463 7929
Email: ben.smith@sa.gov.au

DEWNR POLICY



Government of South Australia
Department of Environment,
Water and Natural Resources



Definitions

“Deferred water” means

- (a) any part of South Australia’s entitlement under clause 88 of the Agreement that South Australia stores under clause 91 of the Agreement; and
- (b) any allocations that South Australia may have acquired for use in South Australia from within an upper State, the delivery of which has been deferred in accordance with the Schedule.

MDB Agreement, Schedule G clause 2(1)

“Operational and Delivery Considerations” include channel capacity constraints and likely carryover requirements for the following water-use year.

“Private Carryover” means a volume of allocations made available in a year for use under an entitlement, and not used in the year, but that may be made available to the holder of the entitlement for use in a subsequent year.

MDB Agreement clause 2

“South Australian Entitlement Flow” means the monthly quantities of River Murray water South Australia is entitled to receive.

MDB Agreement clause 88

“Storage Right Account” means the account that South Australia holds with the Murray-Darling Basin Authority via which the storage and delivery of critical human water needs and private carryover is managed in accordance with Schedule G to the Agreement. The availability of deferred water in this account is subject to any special inter-jurisdictional water sharing arrangements that may be required under Schedule H (*Water Sharing During Tiers 2 and 3*) of the Murray-Darling Basin Agreement.

“Unused water allocation” means the volume held in a water account at the end of the water-use year (30 June) that relates to a South Australian water access entitlement. It may comprise water allocated against the water access entitlement, volumes of private carryover granted by the Minister and/or water traded to the water account from intrastate or interstate.

“Water access entitlement” means an entitlement to gain access to a share of the consumptive pool to which the water access entitlement relates.

“Water Account” means an account upon which annual water allocations are made.

“Water-use Year” means the period from 1 July in any calendar year to 30 June in the following calendar year.

“Water Resource Works Approval” means the permission to construct, operate and maintain works for the purpose of taking prescribed water at a particular location, in a particular manner.