

# Basin Plan

## Water Resource Plan Requirements

### Position Statement 3E

### Interpretation of annual permitted take

<b>POLICY ISSUE</b>	<b>MDBA's interpretation and use of the term 'annual permitted take' with respect to the WRP requirements of the Basin Plan.</b>
<b>REFERENCES</b>	<i>Basin Plan 2012 s10.10, s10.12</i>

<b>MDBA POSITION STATEMENT</b>	
<p>This position statement aims to clarify the term 'annual permitted take' and the use of this term with respect to the obligations of the Water Resource Plans (WRP) referred to in s10.10(1) of the <i>Basin Plan 2012</i>.</p> <p>This paper is only applicable to surface water. SDL resource unit refers to the surface water SDL resource unit.</p>	
<p>1. Annual permitted take is defined in s6.10(1) as:</p> <p style="padding-left: 40px;"><i>'For a water accounting period, sum the maximum quantity of water permitted to be taken by each form of take for consumptive use from the SDL resource unit, determined in accordance with the method for section 10.10 (annual permitted take).'</i></p>	
<p>2. Having defined annual permitted take, s10.10(1) requires Water Resource Plans (WRP), to set out the method for determining the annual permitted take.</p>	
<p>3. Section 10.10(4) states WRPs must demonstrate '...that the method relates to the SDL of each resource unit in such a way that, if applied over a repeat of the historical climate conditions, it would result in meeting the SDL for the resource unit, including as amended under section 23B of the Act.'</p>	
<p>4. Based on the above, the MDBA considers the annual permitted take (for surface water only) to be:</p> <ol style="list-style-type: none"> <li>a. inclusive of all consumptive forms of take which are listed in s1.07.</li> <li>b. the annual representation of the surface water Sustainable Diversion Limit (SDL) for the relevant water year, adjusted for trade of water access rights excluding acquisition and disposal of held environmental water (HEW) (s10.12(3)).</li> <li>c. when averaged over the historical climatic conditions (1895-2009), shall not exceed the SDL for the respective SDL resource unit.</li> <li>d. representative of conditions where all water recovery targets under 'Bridging the Gap' program have been met.</li> <li>e. the best estimate of the annual use consistent with the SDL accounting for the climatic conditions that prevailed in that year.</li> <li>f. determined within 4 months after the end of the water accounting period (s71(1)(b) of the Water Act).</li> </ol>	
<p>5. Consumptive use is defined in s4 of the Water Act.</p>	
<p>6. Annual permitted take is <u>not</u>:</p>	

- a. planned environmental water (PEW) or HEW
  - b. expected to exactly equal the annual actual take or
  - c. seasonal water allocations (refer to s10.11).
7. There may be different methods or multiple methods for each form of take. A WRP must outline these methods and the Basin State must apply these methods in their s71 reporting.
  8. As a point of difference, the **actual annual take** is defined in s6.10(2) and considered to be the volume of water that has been physically taken from the system for consumptive use over a water accounting period.

## Rationale

This rationale supports the above position statement, providing further information to aid the clarification of annual permitted take, and its relationship to annual actual take, SDLs and seasonal allocations.

An explanation of annual permitted take and other relevant terms are provided below. All terms refer to surface water. Groundwater is not considered in this paper.

**SDL** – refers the long-term annual diversion limit set out in Schedule 2 column 2, that comes into force on 1 July 2019 and includes any adjustment to the SDL approved under chapter 7 of the Basin Plan. It represents the long term average annual volume of water allowed to be used for consumptive purposes under the Basin Plan over the historical climate conditions (1895-2009). It is expressed in long term average annual gigalitres (LTAA GL), which is often abbreviated to GL if long term annual has already been expressed elsewhere.

**Annual permitted take** – refers to the maximum volume of water, in a specific water accounting period, allowed to be taken under the Basin Plan, for consumptive use, which gives effect to the long term SDL. Consumptive use is defined in s4 of the Water Act.

Annual permitted take is considered as an annual limit which varies each year to reflect the climatic conditions of that year. It is also adjusted for trade of water access rights excluding HEW, and expressed in gigalitres (GL).

The calculation of annual permitted take occurs retrospectively to allow the consideration of the climatic conditions that prevailed. The calculation may utilise a hydrologic model or other methods which reflect the approved planning assumptions. For further information on the planning assumptions, refer to Position Statement 3H.

There are various forms of take and therefore a separate method or multiple methods may be applied to determine the annual permitted take for each form of take. The MDBA expects that a method for determining annual permitted take will:

- be of a level of detail proportional to the risk posed to the water resource plan area by the form(s) of take;
- use the level of water diversions (or proportion of the water resource diverted) as an indicator of the level of risk to the resource; and
- be a level of detail at least equivalent to any method that has previously been used to describe that take (for example, that was in use during preparation of the Basin Plan).

The methods adopted by the Basin states for all forms of take within a resource unit, when applied over a repeat of the historical sequence (1895-2009) should not exceed the SDL value. Both the SDL and annual permitted take values need to be adjusted for temporary and permanent trade of water access rights.

**Annual actual take** – is defined in s6.10(2) and refers to the actual volume of water taken for consumptive use over a water accounting period, expressed in GL.

Annual actual take for a SDL resource unit includes:

- water allocated and taken for consumptive use in that year

## POSITION STATEMENT 3E: Interpretation of annual permitted take

- water traded into and used within the SDL resource unit in that year
- water taken from carry over and used in that year

Annual actual take is not:

- Water allocated and traded out of the SDL resource unit for consumptive use elsewhere.
- Water allocated for consumptive use in that year but stored as carry over for the following year
- PEW
- HEW

A diagrammatic representation of the annual permitted take, the annual actual take and the SDL for a notional SDL resource unit is provided in Figure 1. The figure sets out three distinct periods:

- the historical modelling period on which the baseline diversion limits and SDLs were based
- the transition period and
- the post 1 July 2019 period in which the SDLs take effect and compliance with the SDL is achieved.

*Figure 1 Relationship between SDL, annual permitted take and annual actual take for a SDL resource unit.*

