

Murray Irrigation

Sustainable Diversion Limit Adjustment Mechanism (SDLAM): Draft Determination 2026 – September 2026

Murray Irrigation Submission – October 2026

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1. Executive Summary.

Murray Irrigation appreciates the opportunity to comment on the MDBA's *Sustainable Diversion Limit Adjustment Mechanism* (SDLAM) Draft Determination. We recognise the SDLAM has been a complex undertaking, requiring the combined efforts of all Basin governments for more than a decade.

Murray Irrigation understands this first-hand. Our SDLAM notified *Restoring Murray Waterways* (RMW) Project[1], funded by the Australian Government and delivered in partnership with the Australian and NSW Governments, uses the Company's gravity fed supply channel network to efficiently deliver environmental water to creeks and wetlands within our footprint. Across Murray Irrigation's area of operations, RMW is supporting: Blackbox and River Red Gum communities; aquatic and sub-aquatic vegetation; Southern Bell Frog habitat; and lignum, Cumbungi, and Nitre Goosefoot understory communities. RMW also provides native fish blackwater refuge, and habitat and breeding refuge for various significant migratory bird species.

Construction of projects like RMW, which deliver water efficiently while still achieving valuable ecological outcomes, will be one of the enduring positive legacies of the SDLAM process.

We note that in asking for submissions on its Draft Determination, the MDBA is seeking views on the following:

- Feedback on the Draft Determination and supporting evidence, to assist the MDBA in finalising its advice.
- Views on whether the Draft Determination accurately reflects the available evidence.

Murray Irrigation has specific commentary to provide in relation to both of these points:

1. Firstly, while we appreciate the MDBA is bound to correctly apply the requirements of the Basin Plan, we do believe the Final Determination would benefit from the inclusion of an additional key context document. The purpose of the document would be to explain to communities, in simple terms, what the implications of the Determination could mean for the southern Basin.

2. Secondly, while Murray Irrigation is supportive of the MDBA expressing the SDLAM adjustment as a formula with a varying element, we believe the components of the varying element could be expanded upon to better reflect a fuller complement of available evidence. A number of significant SDLAM projects (e.g. constraints-lifting[2], and management/operational changes at Menindee), which were removed from the Draft Determination due to delivery delays, will continue to be developed and built beyond 31 December 2026.

Just as Held Environmental Water (HEW) contributions beyond this date will continue to be formally recognised, we believe the benefits arising from a set of nominated projects should continue to be recognised as well. We recommend these be predominantly based around the full list of 39 projects listed in Table 4 of the Draft Determination, where they continue beyond 31 December 2026, and additional projects that align with the criteria that we have outlined under Part 4 of this submission.

The benefits of the projects nominated above are likely to be enhanced if key findings from the MDBA's *Basin Plan Review* (BPR) are taken into account, namely: (i) success now depends on complementary actions as well as water volumes; and (ii) the possibility that Basin Plan outcomes will change over time as a result of the MDBA's response to climate change. Allowing projects to continue, and better recognition of their full suite of environmental benefits should result in a substantially reduced final SDLAM gap, and ideally a gap that has been erased completely.

3. Finally, we believe that if Basin governments are adaptable in terms of how they collectively act in response to the MDBA's final SDLAM advice: important projects for the Basin's environment will be able to continue; the value of the outcomes produced by existing projects, and potentially new aligned projects will be more accurately reflected in future Basin Plan implementation; and irrigation-dependent communities are more likely to be supportive of the next 10 years of the Plan's implementation.

Items 1 – 3 above will be considered in more detail throughout the remainder of our submission.

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[1] Restoring Murray Waterways - Murray Irrigation Project

[2] Murray Irrigation believes any future work on constraints should only be undertaken with full community support. The *Murray Valley Adaptive Road Map* is our recommended approach: Murray-Valley-Adaptive-Road-Map-Final-November-2024-Digital.pdf

2. Implications of the SDLAM Determination.

Our understanding of the full context of the SDLAM Determination is as follows.

When the first Basin Plan was developed in 2012, the MDBA specified that 2,750 GL of surface water must be removed from the consumptive pool, and returned to the environment, to ensure the Basin's ecological health. This water would then be released in particular ways, at particular times, to achieve environmental outcomes.

Basin governments considered the 2,750 GL proposal, and in particular assessed the kinds of flows the MDBA wanted to create, and what they were going to be used for. For some of what the MDBA wanted to do, governments believed that projects could be built that more efficiently delivered the outcomes being sought.

For example, a large number of the projects put forward deliver water directly to a desired ecological site, commonly referred to as 'targeted watering', and in some cases hold the water in place for a period of time (e.g. to support a bird breeding event). This was considered a viable alternative to utilising larger volumes of environmental water, expanding out from an overbank river flow, to achieve the same outcome. Murray Irrigation's RMW project fits into this category.

The principle was deemed sound, and a methodology was created (the SDLAM), to compare the outcomes delivered through projects, to those being delivered through environmental flows. This was translated into a volume of water. This volume of water would stay in the consumptive pool, reducing the 2,750 GL accordingly.

Governments and other delivery partners like Murray Irrigation were given a fixed period of time to build and operationalise their projects. We support the MDBA's finding in its Draft Determination that RMW will fully enter operation within the required timeframe. Critically, if projects were not operational in time, they would not be given the ability to reduce the 2,750 GL.

The current SDLAM determination process assesses which projects have been delivered as promised, and which have not. It will determine the total amount by which the 2,750 GL has been reduced.

Running parallel to the process described above, under the Commonwealth Water Act, the Australian Government has committed to take all reasonable steps to recover an additional 450 GL of water for the environment. This is beyond the Basin Plan's 2,750 GL. As water is recovered as part of the Australian Government's 450 GL program, the 2,750 GL increases overtime accordingly.

As we stand at the end of 2026, a number of promising projects have been excluded from the SDLAM determination because they were not able to be completed by the required deadline. As things specifically stand at the point of the MDBA's Draft Determination, balancing out what was promised, what was achieved, and what the Commonwealth has recovered towards the 450 GL, a gap of 265 GL exists. For the NSW Murray specifically, the gap is 56.98 GL.

Basin governments now need to decide what they want to do with this gap. Full recovery of the 265 GL as water from the consumptive pool is one of the options currently on the table. We are concerned there may be some Basin communities that do not fully appreciate that governments may choose to take this path in order to bring SDLAM to a close. Conversely, we believe it is also important to emphasise that alternative projects exist (like RMW), that are relatively quick, straightforward, and a solution that is already readily available to governments.

There is specific value in more strongly emphasising the role that Basin governments will play, and how government decision-making may or may not translate into further on-ground impacts for irrigation-dependent communities.

As such, Murray Irrigation repeats the suggestion made earlier in this submission. The Final Determination would benefit from the inclusion of an additional key context document, that explains to communities in simple terms what the implications could be for the southern Basin.

The document should address both the positive and negative implications. For example, Murray Irrigation considers a decision to not pursue further water recovery to be extremely positive. The key results would be no additional changes in the consumptive pool, and almost immediate commencement of the journey to rebuild community confidence.

Amongst the negative implications, further erosion of the consumptive pool is one of the most significant. Alongside this is the substantially weakened justification for further community pressure, and loss of confidence, given the environmental benefit of further water recovery will not be realised until system constraints have been addressed.

3. Expanding the Varying Element of the Draft SDLAM Adjustment Formula.

As noted in the introduction to our submission, Murray Irrigation is supportive of the MDBA's proposal to revise the formula for each affected Sustainable Diversion Limit (SDL) resource unit so that it includes a varying element. However, our strong preference is that the varying element not be restricted to just the Held Environmental Water, or HEW contributions (i.e. recovery towards the 450 GL), that take place beyond 31 December 2026.

We note that three constraints-lifting projects were removed from the SDLAM determination because they were not completed in time: Murrumbidgee River Constraints Measures; Hume to Yarrawonga Constraints Measures; and Yarrawonga to Wakool Constraints Management Strategy. However, governments have committed to continue to work on constraints-lifting at these sites, along with other sites across the southern Basin, through to the 2036 review of the Basin Plan.[3]

We consider it reasonable for the benefits of this work to be given recognition within the proposed varying element of the relevant SDL formula. This would serve to continue to reduce the current 265 GL gap over the period within which this constraints work is undertaken.

Similarly, it is well known that Basin governments are currently undertaking intensive work to deliver healthy Country and sustainable water management at Menindee Lakes. A project focussed on structural and operational changes at Menindee was removed from the SDLAM determination because it ran out of time. We believe it would be fair for the improved environmental benefits delivered at Menindee to also be recognised within the proposed varying element of relevant SDL formulas, in a similar way to what we are recommending for future action on constraints. Once more, the primary purpose would be to allow those benefits to continue to reduce the 265 GL.

Alongside the anticipated reduction in the 265 GL gap, an approach of the type we have recommended above would also more formally recognise the improved environmental outcomes that are expected to arise from these activities. This is something that remains a fundamental purpose of the SDLAM.

In addition to the suggestions we have made above, Murray Irrigation is also aware that the MDBA has committed to not changing any SDLs due to climate change, as part of its current *Basin Plan Review* (BPR). Critically, as part of its February 2026 BPR Discussion Paper, the MDBA noted numerous times that as part of key research over the next 10 years, it must decide whether certain Basin Plan outcomes should be adjusted due to the expected impacts of climate change. The 2012 level of ambition for some outcomes may need to be objectively reassessed and most likely reduced.

We support the MDBA's view that any adjustment to SDLs now would effectively pre-empt both the degree of actual quantitative change that will occur in the future, as well as the likely impact of that change. The MDBA's findings could also mean that the current ecological baseline being used in the SDLAM determination is no longer accurate. As a result, the current suggested 265 GL gap may actually be too high.

To ensure complete accuracy of the supporting evidence underpinning a final SDLAM determination, it may be important for governments to wait until the MDBA has confirmed what can be expected from the Basin's ecology under climate change. Allowing the MDBA sufficient time to undertake this comprehensive assessment will be important to ensure there is full clarity and transparency around any presumed need on behalf of governments to address a potential SDLAM shortfall through additional water recovery. As information and knowledge evolve in this complex area, we imagine governments will develop a better understanding of the implications of any remaining SDLAM shortfall, as well as the expected community impact of the actions that are available to address it.

[3] We reiterate here comments made earlier. Murray Irrigation believes any future work on constraints should only be undertaken with full community support. The *Murray Valley Adaptive Road Map* is our recommended approach: Murray-Valley-Adaptive-Road-Map-Final-November-2024-Digital.pdf

4. The Importance of an Adaptive Approach.

We believe it is clear that we are moving into a new phase of Basin Plan implementation. We further believe that an innovative approach can incorporate the outcomes of the MDBA's final SDLAM Determination in a way that offers benefit to both the environment, and the Basin's irrigation-dependent communities.

Firstly, we would note that projects considered under the SDLAM were evaluated against a very narrow metric. Essentially, they were judged according to how well they simulated an outcome had it been achieved through environmental flows. The broader benefits of many SDLAM projects were significantly undervalued as a result. In addition, many very valuable ecological projects were excluded completely because they did not fit within the SDLAM methodology's necessarily narrow criteria.

We do not believe that continuation of the existing SDLAM methodology is the right approach for governments.

Instead, we recommend an approach that is expanded and enabled to better recognise the full range of benefits offered by ecological projects. Critically, in a similar fashion to constraints-lifting and Menindee, this would ensure these projects have the potential to continue beyond 31 December 2026. It would also ensure that their full range of benefits is more formally integrated into the Basin Plan's future implementation.

In particular, we strongly encourage broader thinking when developing the next generation of projects needed to support the next phase of Basin Plan implementation. To illustrate, the MDBA has already indicated what it will likely be recommending as priority focus areas in its final BPR advice to the Federal Water Minister, Murray Watt[4]: (i) improved water quality; (ii) improved native fish outcomes; and (iii) improved health of significant wetlands.

Once confirmed in early December 2026, future investment can directly target projects that address these priority issues. Based on what we know so far, examples are likely to include:

- Instream projects that aid native fish outcomes.
- Landscape management projects that reduce the importation of nutrient and sediment into waterways.
- Further expansion of targeted watering to achieve priority wetland health.

For Murray Irrigation's footprint specifically, we now have confirmation that work on constraints-lifting between Hume to Yarrawonga, and Yarrawonga to Wakool is expected to continue for another ten years. We emphasise the long-held understanding that additional water recovery (including the full 265 GL SDLAM gap) is unlikely to have material ecological value until system constraints have been adequately addressed.

In the intervening period, our Company's RMW project will be fundamental for ensuring that key Basin Plan outcomes can continue to be delivered under a range of water availability scenarios – from wet to dry. This is likely to include active engagement in the delivery of potential new Basin Plan actions to address native fish decline. Both the Edward-Wakool, and the River Murray (including its floodplain and anabranches) have been identified by the MDBA as priority river reaches for action on native fish.

As noted previously in this submission, RMW will be completed by 31 December 2026. Further expansion of this proven project concept, and its delivery of important Basin Plan outcomes can continue beyond this date provided key funding is made available before the project team is disbanded and key staff are stood down. We imagine the end of the 2026 calendar year is a critical threshold point for many projects similar to RMW.

Continuation of RMW beyond 31 December 2026 offers other important benefits as well. We would note that one of the key findings of the Independent Advisory Panel convened to advise on the future approach to constraints-lifting noted that long-term success will require governments to *rebuild trust through local delivery partnerships*.

RMW has an extensive track-history of successful local landholder, stakeholder, First Nations and broader community support. A high-level summary of how we have been able to achieve this important outcome is at **Appendix A**.

Enabling RMW to continue beyond 31 December 2026 would allow us to continue to build upon these valuable existing gains. It would also allow Murray Irrigation to provide real-time support and guidance as soon as constraints-lifting activities along the Murray mainstem resume. We expect this will be important for helping to rebuild trust with local communities. It will also ensure that government investment in Basin Plan projects in our region is integrated and aligned, and delivers the best overall benefit to the Basin's environment

[4] MDBA publishes Basin Plan Review discussion materials | Murray–Darling Basin Authority

5. Appendix A: Restoring Murray Waterways – Project Engagement Approach and Successes.

Murray Irrigation has a proven track record as a regional partner for government. RMW is a success story, supporting environmental outcomes.

Murray Irrigation has proven the efficiency and efficacy of delivering targeted environmental watering projects at scale through Stages 1-5 of the RMW Project. RMW has connected circa 620 km of creek systems, and enabled watering of circa 10,000 hectares of wetlands. This has involved the construction of 690 structures, and securing the participation of 136 local landholders and key local First Nations groups. All project stages have been delivered on schedule and within budget. Murray Irrigation continues to find efficiencies without a compromise on outcomes, whilst consistently coming in under budget at every stage. Our Company is ready to partner with the Australian Government, the MDBA and the Commonwealth Environmental Water Holder (CEWH) to build on the demonstrated success of the RMW program.



Figure 1 – Murray Irrigation's Unique Value Proposition in Delivering Enviromental Watering Projects.

Murray Irrigation has secured broad, and critical, landholder and community support for RMW. This support, and willingness to participate in the RMW project, is a key success factor in the project's implementation.

- During Stage 5 of the project, 180 landowners were engaged, resulting in 112 local landholders being included in the final scope. During Stage 4, 94 landowners were also consulted and scoped.
- We have 107 project suppliers, including: local Deniliquin goods suppliers; civil contractors; consultants (modelling: professional services: design, production and media); pre-cast and quarry suppliers; and hire companies.
- We have support from: Yarkuwa Indigenous Knowledge Centre; Wakool Indigenous Corporation; Deniliquin Local Aboriginal Land Council; Werai Local Aboriginal Land Council; and Wamba Wamba Local Aboriginal Land Council.
- Local services engagement also includes: NSW Government agencies (Fisheries: Local Land Services); local Council; environmental consultants; community groups; and members of parliament (state/federal: local/ broader).

Decades of trust has enabled us to secure local community support, and the participation of key landholders.

Murray Irrigation has secured broad, enduring support from landholders and the wider community, removing the single largest barrier to delivering projects of this nature. Most creeks and wetlands across the Company's footprint sit on private land, where project delivery requires landholder participation. Two key drivers have specifically contributed:

1. We have developed trusted relationships, built over decades of water supply. These have been further strengthened through RMW's pilot and expansion stages, to secure landholder participation.
2. We have embedded a dedicated landholder engagement team within the project's delivery approach and governance structure. Tested through the pilot and expansion stages, this model turns landholder trust into access and sustained cooperation on the ground.