

**Senate Standing Committee on Environment and Communications**  
**Legislation Committee**  
Answers to questions on notice  
**Environment portfolio**

**Question No:** 231  
**Hearing:** Budget Estimates 2015  
**Outcome:** Agency  
**Programme:** Murray Darling Basin Authority (MDBA)  
**Topic:** SDL Adjustment Mechanism - Trial phase of methodology  
**Question Type:** Written

**Senator Urquhart asked:**

Have the trials referenced in Supplementary Estimates QON178 to test and validate the ecological elements methodology and the modelling framework that will underpin the operation of the Sustainable Diversion Limit (SDL) Adjustment Mechanism in 2016 been completed? What were the findings?

**Answer:**

The MDBA has completed a trial implementation of the SDL adjustment assessment framework, including the ecological elements methodology. The completion of the trial is a major step toward the operation of the adjustment mechanism in mid-2016.

The trial has demonstrated that the modelling framework can be used to determine an SDL adjustment from supply measure projects. The trial was based on a package of seven projects – six infrastructure projects and one operational rule change. Work is now underway to expand the package to include the remaining 19 supply measure projects currently under development.

An Independent Review Panel of scientists has concluded that the framework's environmental equivalence test based on the ecological elements methodology is scientifically robust and fit-for-purpose.

Full results of the trial will be released once the recently commissioned stocktake of SDL adjustment proposals is completed. The decision to conduct the stocktake was made at the Murray-Darling Basin Ministerial Council meeting on 29 May 2015. The terms of reference of the stocktake are provided below.

***Terms of Reference agreed by Ministerial Council – 29 May 2015 – Stocktake of Sustainable Diversion Limit (SDL) Proposals***

Purpose

To provide advice to Ministers on opportunities to improve the effectiveness of governments' supply measure, constraints measure and efficiency measure proposals and suggestions for further proposals that could provide additional SDL adjustment outcomes.

Tasks

1. Review all existing and in progress supply and constraints measure proposals and the proposed efficiency measure program in the context of the SDL adjustment mechanism and provide advice on whether all potential supply measures are being examined;
2. Provide specific advice on any other measures and refinements that have not yet been investigated that could effectively contribute to an SDL adjustment, paying particular attention to operational or rules based measures.