

THE DUMMIES GUIDE TO

SPECIAL ACCOUNTING

MDBC Technical report 99/9 Version 2.0

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Reports in the *Dummies Guide* series

- *The dummies guide to Special Accounting*
- *The dummies guide to Sharing the River Murray*

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EXECUTIVE SUMMARY

Special accounting was introduced as part of the change to continuous accounting on the River Murray. Special accounting provides NSW and Victoria with greater access to water while not impacting on South Australia's historical (ie pre continuous accounting) security of supply.

Special accounting applies when either NSW or Victoria is predicted to hold a reserve less than 1250 GL at the end of May. During special accounting the key principle is that **South Australia is entitled to one third of the TOTAL MDBC resource** (ie excluding tributary inflows) either as a flow or as minimum reserve, limited to a maximum of its entitlement as specified in the *Murray-Darling Basin Agreement* and a minimum reserve of 835 GL.

Key points to note regarding special accounting are:

- It is the **total** distributable resource that South Australia is entitled to a one third share of;
- The South Australian entitlement must be provided equally by NSW and Victoria independent of their share of the total distributable resource;
- The special accounts and associated imbalances are held between NSW and SA and Victoria and SA but it's the total imbalance (ie the sum of the NSW and Victorian imbalance) that is used in determining South Australia's entitlement and the minimum reserve.
- Overuse / underuse of the one third share of the resource between NSW and SA and Victoria and SA is tracked through the use of an imbalance – a positive imbalance implies the upper state has used more than its share;
- Special accounting ensures that South Australia receives its one third of the MDBC distributable resource but **does not** ensure that NSW and Victoria have provided this in an equitable manner (ie it does not ensure that the imbalance between NSW and SA and Victoria and SA are both zero when the distributable resource becomes zero); and
- Because it is the total resource that SA is entitled to a one third share of, the reserve held by NSW or Victoria impacts on the other states access to water.

1 INTRODUCTION

The general principle of ownership of water in the River Murray system is that NSW and Victoria receive 50% of the flow upstream of Albury (ie inflows to Hume, Dartmouth and into the Kiewa), and inflows to Menindee Lakes. Other inflows to the River Murray are credited to the state from which they originate (eg flow in the Goulburn River at McCoys Bridge is credited to Victoria and the Murrumbidgee River at Balranald is credited to NSW). From this inflow NSW and Victoria have to equally supply South Australia with its entitlement which is defined in the *Murray-Darling Basin Agreement*.

The above applies for general conditions when there is plenty of water, during periods of water shortage, River Murray system water resources, excluding inflows from state tributaries, are shared between the three states with South Australia guaranteed one third of the total available resource. In order to ensure that the resource is shared equally a period of special accounting is declared (Clause 122-128 of the *Agreement* – see *Section 9 of this report*).

1.1 Why this report

This report has been prepared as special accounting has been recognised as a complex issue that is generally poorly understood. This report aims to provide an introduction to special accounting and help people working in water resource management on the River Murray to understand special accounting. The report is not the definitive guide to special accounting and when addressing any specific questions the reader is referred to the *Murray-Darling Basin Agreement* which provides the legal basis for special accounting.

2 HISTORY OF SPECIAL ACCOUNTING

Prior to the introduction of continuous accounting the Commission was required to hold a reserve of 2 500 GL at the end of the water year. This was primarily to ensure that the upper states had sufficient water to supply South Australia with its entitlement during the subsequent water year. Operation to a lower reserve at the end of the water year required the agreement of the Commission, ie the agreement of South Australia.

Analysis indicated that alternative operation and reserve strategies could be implemented that would maintain South Australia's security of supply while providing NSW and Victoria with increased access to water. Based on this analysis, special accounting was introduced as part of the change to continuous accounting in 1989.

3 BACKGROUND DEFINITIONS

In order to understand special accounting it is necessary to understand some of the terms and concepts used.

SA dilution flow – 58 GL per month provided to SA to allow for dilution and losses in the lower Murray (Clause 86 b). This is to be supplied equally by NSW and Victoria (Clause 93). This volume is not affected by special accounting.

SA non-dilution entitlement flow – 32 – 159 GL per month provided to (Clause 86 a). This water is used by SA to meet consumptive demands and is supplied equally by NSW and Victoria (Clause 93). This volume is affected by special accounting.

Surplus flow to SA – flow to South Australia that is in excess of the flow defined in Clause 86 of the *Agreement*. For special accounting a record is kept of the volume of surplus flow to SA provided by each state.

Useful tributary flow – the volume of water that originates from a tributary and can be used or stored by the state from which it came. Volume in excess of this will either be reallocated to the other state (Clause 111(2)) or flow as surplus flow to SA.

MDBC resource – the volume of water that is deemed to be under the control of the Commission. This is the volume of inflow upstream of Albury (including storage in Hume and Dartmouth dams), storage in Menindee lakes when it is under the control of the Commission and the storage in Lake Victoria.

MDBC Distributable resource - This is the total volume in Commission storages plus minimum historical inflows to the end of the water year less an allowance for transmission losses, evaporation from storage, and SA non-dilution entitlement flow (Clause 99).

Use of MDBC resource - diversion of water from the River Murray System by a state, less the volume of useful tributary flow attributable to that state.

Minimum reserve - the reserve defined in Clause 100 of the *Murray Darling Basin Agreement*.

4 HOW SPECIAL ACCOUNTING WORKS

Special accounting applies to periods when either NSW or Victoria is predicted, under minimum historical inflow conditions, to hold a reserve less than 1 250 GL at the end of the water year (31st May) (Clause 122). Thus special accounting occurs when either NSW or Victoria is forecast to have less than half of the minimum reserve that existed prior to the introduction of special accounting. The Commission declares periods of special accounting between the state(s) with the low forecast reserve and South Australia. This means that the commencement and termination of a period special accounting between New South Wales and South Australia may differ to that for Victoria and South Australia.

Once declared the special accounts are calculated from the first of August in the water year that the special accounts are declared. Periods of special accounting are only declared after 31 July. The Commission terminates a period of special accounting once it is satisfied that the reserve held by the state will exceed 1 250 GL at the end of the water year (Clause 128).

4.1 What the special accounts do

The special accounts ensure that if a state uses more (or less) than its share in the year of declaration that this overuse (underuse) is included in the sharing of water in the subsequent year. Thus if New South Wales or Victoria is declared to be in a period of special accounting with South Australia and the upstream state uses more than its share of the water and conditions remain dry (ie no termination of special accounting), the overuse in the first year of special accounting is included when working out South Australia's access to water in the second year. This is reflected in the minimum reserve that must be held at the end of the first year. The overuse / underuse is recorded in the form of an imbalance.

4.2 The imbalance

To work out if any state has used more or less than it is entitled to it is necessary to keep track of usage, tributary contributions (these are not part of the MDBC resource), and surplus flows to South Australia (Clause 124). Any overuse/underuse by a State from its share of the MDBC distributable resource is termed an imbalance in use between that state and South Australia (Clause 125). The total imbalance (ie the combined imbalance due to NSW and Victoria) is used to adjust the volume of water available to South Australia during consecutive years of special accounting (Clause 127).

The total imbalance is defined as:

$$imbalance = \frac{total\ use\ of\ MDBC\ resource}{3} - SA\ use$$

A positive imbalance indicates that either Victoria or NSW has used more than their share, a negative imbalance indicates South Australia has used more than its share. To determine which state is under/overusing it is necessary to redefine the imbalance on a state basis. This is done as follows:

$$total\ use\ of\ MDBC\ resource = NSW\ div - \max\langle (NSW\ trib - NSW\ surplus), 0 \rangle \\ + Vic\ div - \max\langle (Vic\ trib - Vic\ surplus), 0 \rangle + SA\ use$$

Where:

- | | |
|--------------------|--|
| <i>SA use</i> | the volume of entitlement flow provided to South Australia made up of two components, one the account of NSW supply since the since the commencement of special accounting between NSW and SA, the other the account of Victorian supply since the since the commencement of special accounting between Victoria and SA. These accounts do not include the dilution flow or surplus flows. |
| <i>NSW div</i> | NSW diversions since the commencement of special accounting between NSW and SA. |
| <i>NSW trib</i> | tributary flows from NSW tributaries since the commencement of special accounting between NSW and SA. |
| <i>NSW surplus</i> | the volume of surplus flow to South Australia that originated from a NSW tributary since the commencement of special accounting between NSW and SA. |
| <i>Vic div</i> | Victorian diversions since the commencement of special accounting between Victoria and SA. |
| <i>Vic trib</i> | tributary flows from Victorian tributaries since the commencement of special accounting between Victoria and SA. |
| <i>Vic surplus</i> | the volume of surplus flow to South Australia that originated from a Victorian tributary since the commencement of special accounting between Victoria and SA. |

The terms $\max\{(NSW\ trib - NSW\ surplus), 0\}$, $\max\{(Vic\ trib - Vic\ surplus), 0\}$ are often referred to as useful tributary inflow. This is included so that only tributary inflow that can be regulated is used to offset diversion by a state

Combining the above two equations gives:

$$imbalance = \left\{ \begin{array}{l} \frac{\{NSW\ div - \max\langle(NSW\ trib - NSW\ surplus), 0\rangle\}}{3} \\ + \frac{\{Vic\ div - \max\langle(Vic\ trib - Vic\ surplus), 0\rangle\}}{3} \\ + \frac{SA\ use}{3} \end{array} \right\} - SA\ use$$

$$imbalance = \frac{NSW\ div - \max\langle(NSW\ trib - NSW\ surplus), 0\rangle}{3} \\ + \frac{Vic\ div - \max\langle(Vic\ trib - Vic\ surplus), 0\rangle}{3} \\ - \frac{2SA\ use}{3}$$

$$imbalance = \frac{NSW\ div - \max\langle(NSW\ trib - NSW\ surplus), 0\rangle}{3} \\ + \frac{Vic\ div - \max\langle(Vic\ trib - Vic\ surplus), 0\rangle}{3} \\ - \frac{2(SA\ use)_{NSW}}{3} - \frac{2(SA\ use)_{VIC}}{3}$$

Where:

$(SA\ use)_{NSW}$ NSW contribution of flow to South Australia for consumptive use since the commencement of special accounting between NSW and SA.

$(SA\ use)_{VIC}$ Victorian contribution of flow to South Australia for consumptive use since the commencement of special accounting between Victoria and SA.

Hence the imbalance in use between each state and South Australia is (Clause 125):

$$imbalance_{NSW} = \frac{NSW\ div - \max\langle(NSW\ trib - NSW\ surplus), 0\rangle}{3} - \frac{2(SA\ use)_{NSW}}{3}$$

$$imbalance_{VIC} = \frac{\{Vic\ div - \max\langle(Vic\ trib - Vic\ surplus), 0\rangle\}}{3} - \frac{2(SA\ use)_{VIC}}{3}$$

4.3 Limits on the imbalance (Clause 126)

In order to provide an equitable system it was necessary to impose limits on the end of water year imbalance (ie imbalance on 31st May). These aim to have the imbalance approach zero as the reserve approaches 1 250 GL (ie. when special accounting is terminated).

4.3.1 Positive imbalance

Positive imbalances are limited to one third of the difference between the reserve held by a State and 1 250 GL. This ensures that at the end of the water year the sum of the reserve and the imbalance could not result in a situation whereby a minor reduction in water use by the State would result in the reserve reaching 1 250 GL yet there is a large imbalance. This can be seen in the following example of usage and inflow figures for a water year.

<i>Example 1</i>	Case 1	Case 2
State usage	2000 GL	1950 GL
State tributary inflow	200 GL	200 GL
State surplus flow to SA	0 GL	0 GL
SA usage	500 GL	500 GL
Imbalance – no limits	+266.7 GL	+ 250 GL
Imbalance – Limits	+16.6 GL	+ 0 GL
Reserve	1 200 GL	1 250

In Case 1 a period of Special Accounting would be declared between the state and South Australia. The end of water year imbalance would be reduced from 266.7 GL to 16.6 GL. The reason for the reduction in the imbalance can be seen by considering Case 2. The only difference between the cases is that the state has used 50 GL less water in Case 2, yet special accounting would cease as the state has 1 250 GL of reserve. If usage increased by any amount the imbalance, without the limits, would immediately become 250 GL. This major jump (and associated instability in predicting access to water) is overcome by imposing the limit on the magnitude of the imbalance.

4.3.2 Negative imbalance

The second limitation applies to negative imbalances. These are likely to occur when a State has a large volume of useful tributary inflow, thus reducing its usage of MDBC resources. The limit is that the imbalance is not allowed to be less than minus two thirds of the difference between 1 250 GL and the reserve, ie larger in absolute terms. This can be seen in the example 2.

<i>Example 2</i>	Case 1	Case 2
State usage	1 500 GL	1 500 GL
State tributary inflow	1 000 GL	1 000 GL
State surplus flow to SA	0 GL	0 GL
SA usage	550 GL	500 GL
Imbalance – no limits	- 200 GL	- 166.6 GL
Imbalance – Limits	- 33.3 GL	0 GL
Reserve	1 200 GL	1 250

In Case 1 a period of Special Accounting would be declared between the state and South Australia. The end of water year imbalance would be reduced from - 200 GL to –33.3 GL. The reason for the reduction in the imbalance can be seen by considering Case 2. Under case 2 special accounting would cease as the state has 1 250 GL of reserve due to South Australia reducing its usage by 50 GL. If usage (either by the state or SA) increased by any amount the imbalance, without the limits, would immediately become –166.6 GL. This major jump (and associated instability in predicting access to water) is overcome by imposing the limit on the magnitude of the imbalance.

Note: The values selected for the above examples have been selected to demonstrate the method, not to represent any specific scenario.

5 THE SOUTH AUSTRALIAN ALLOCATION AND THE MINIMUM RESERVE

During periods of special accounting, South Australia receives for consumptive use the minimum of one third of the total MDBC distributable resource or its non dilution entitlement (Clause 127). NSW and Victoria have to supply half of the South Australian share –

independent of their share of the total MDBC distributable resource and independent of their share of the imbalance in the special accounts (Clause 93).

$$SA \text{ allocation} = \min \left(\begin{array}{c} SA \text{ non dilution entitlement} \\ \frac{MDBC \text{ distributable resources}}{3} + \text{imbalance} \end{array} \right)$$

The dilution flow into South Australia (58 GL per month) continues to be supplied during periods of special accounting. Provision of the dilution flow is taken into account when determining the available MDBC distributable resource.

The amount of imbalance affects how much water is allocated to South Australia and how much is set aside as a minimum reserve for water years after the period of special accounting is declared. The minimum reserve is defined as (Clause 100):

$$Reserve = \min \left(\begin{array}{c} 850 \\ \max \left\{ \begin{array}{c} 0 \\ \frac{MDBC \text{ distributable resources}}{3} + \text{imbalance} - SA \text{ nondilution ent.} \end{array} \right\} \end{array} \right)$$

NOTE: These formulae assume that South Australia will opt to receive its full entitlement whenever possible and that it will never maintain a reserve if it is restricted. However under special accounting, South Australia could, in some situations, take a reduction in its allocation and maintain a higher reserve.

6 CEDING OF WATER

As part of the negotiations for the construction of Dartmouth dam and operation of the hydro power station agreement was reached for Victoria to cede water to New South Wales (Clause 103). The ceding occurs during the months of September to April (inclusive) and with different volumes being ceded depending on whether Victoria is in a period of Special Accounting.

Under normal accounting conditions Victoria cedes 8 350 ML to NSW, during periods of special accounting this is reduced to 6 450 ML.

7 ODDITIES OF SPECIAL ACCOUNTING

It is possible for special accounting to have some unforeseen impacts on a States access to water during a year. This is because South Australia's entitlement is defined on the total MDBC distributable resource and the total imbalance. As such the usage, reserve and tributary inflows of one State impacts on the amount of water the other State has to supply to South Australia and hold as a minimum reserve.

The following examples (hypothetical and non exhaustive) indicate some of these issues.

7.1 Tributary inflow

NSW is subject to a period of special accounting and has allocated all available water. Victoria is not subject to a period of special accounting. The inflows for a month are close to the values used in the assessment routine minimum inflow scenario. A series of thunderstorms causes a significant rain rejection and inflow from the Victorian irrigation areas. A large volume of this surplus water is captured in Lake Victoria and is fully accounted to Victoria.

The rain rejection water results in the MDBC resource increasing, but no change to the imbalance. This means that the NSW end of year reserve (ie half of the minimum reserve) must increase, yet NSW has only received minimum inflows, therefore will have to reduce allocations or request the Commission to accept a lower reserve.

7.2 Victoria leaving special accounting

The issue highlighted here occurred in the 1999 – 2000 water year. It highlights the potential for a States available water to reduce due to the other State leaving special accounting. The example given uses hypothetical figures, selected to provide a simple indication of the problem.

The background to the problem is that NSW and Victoria are both subject to a period of special accounting. Victoria's forecast end of year reserve is very close to 1250 GL while the forecast NSW reserve is set to half of the minimum reserve. Victoria has received significant useful tributary inflows, thus it has a large negative imbalance. NSW has a large positive imbalance.

In Case 1 the assessment indicates that both states remain in special accounting. As such NSW allocates all of its available water – 730 GL. The minimum reserve is 346 GL with

NSW planning to hold as a reserve the minimum of 173 GL. The Victorian reserve is 1243 GL.

In Case 2 the distributable resource has increased by 10 GL in each state. Victoria does not increase its allocation and thus its projected end of year reserve increases to 1253 GL and ceases to be in a period of special accounting. As such there is no Victorian imbalance. The result of this is that the total imbalance changes from 0 to +200 GL. The change in imbalance and the additional 20 GL of distributable resource results in the minimum reserve increasing by 207 GL.

NSW has to supply half of the minimum reserve – requiring it to increase its reserve by 103 GL and thus sees its available water reduce from 730 GL to 637 GL – for an increase in its share of distributable resource of 10 GL. This leaves NSW in the situation where it has allocated 730 GL but only has 637 GL of water to supply this. As such NSW would have to either reduce allocations or seek permission from the Commission to hold a reserve that is less than the minimum.

Case 1 starting case for an assessment.

	NSW	Vic	Total
Distributable Resource	1300	3200	4500
Starting Imbalance	200	-200	0
SA Entitlement	1154		
Useful Tributaries	180	340	
Available water	730	2790	
Water allocated by State	730	1720	
SA Supply	577	577	
Imbalance	-1.3	-124.7	-126
Reserve	173	1243	1416
Minimum Reserve @ 31 May	346		

Case 2 – as per case 1 but starting distributable resource increases by 20 GL

	NSW	Vic	Total
Distributable Resource	1310	3210	4520
Imbalance	200	0	200
SA Entitlement	1154		
Useful Tributaries	180	340	
Available water	637	2697	
Water allocated by State	730	1720	
SA Supply	577	577	
Imbalance	-1.3	0	-1.3
Reserve	183	1253	1436
Minimum Reserve @ 31 May	553		

The reverse of the above situation would occur if Victoria entered a period of special accounting part way through a year with NSW benefiting from the Victorian negative imbalance.

Note: The values selected for the above examples have been selected to demonstrate the method, not to represent any specific scenario.

7.3 Different commencement dates

If NSW is subject to a period of special accounting in water year 1 and at the end of the water year does not have an active storage in excess of 1250 GL, it remains in a period of special accounting in year 2. The imbalance will be adjusted at the end of water year 1 and the special accounts will be kept from day 1 of water year 2.

If Victoria was not in special accounting in water year 1 but during water year 2 becomes subject to a period of special accounting its special accounts will be calculated from 1 August in water year 2, unless the Commission decides otherwise.

This means that despite both states being in a period of special accounting in water year 2 the period over which the account figures are totalled will be different. This can have an impact, for the above example Victorian tributary contributions in June and July of water year 2 will not be included in the calculation of the imbalance yet NSW tributary contributions during this period will be included.

7.4 Total vs. State imbalance

The following example shows how during a period of special accounting South Australia will receive its third of the MDBC distributable resource, resulting in a total imbalance of zero but the individual state imbalances are not zero.

In the example after year 1 NSW has a negative imbalance with SA. This does not enable it to use more water in the second year, in fact the imbalance becomes more negative. Thus while Victoria continues to hold a larger reserve than NSW and maintains a positive imbalance with SA the NSW imbalance will remain negative.

Start of year 1	NSW	Vic	Total
Starting resource	300	2200	
Inflows less losses	1000	1000	
Distributable Resource	1300	3200	
Starting Imbalance	100	0	
SA Entitlement	1154		
Useful Tribs	180	340	
Share	680	2740	
Use	680	1720	
SA Supply	577	536	
Imbalance	-118.0	102.8	-15.2
Reserve	223	1284.25	1507.25
Minimum Reserve	446		

Start of year 2	NSW	Vic	Total
Starting resource	223	1284.25	
Inflows less losses	300	300	
Distributable Resource	523	1584.25	
Starting Imbalance	-118.0	102.8	
SA Entitlement	687.25		
Useful Tribs	50	100	
Share	229	1340	
Use	229	1340	
SA Supply	343	343	
Imbalance	-287.3	287.3	0
Reserve	0	0	0
Minimum Reserve	0		

In the above example South Australia receives 1800 GL. This is one third of the available water, adjusted for the NSW starting imbalance of +100 GL and for Victoria not commencing a period of special accounting till 1 August in the first year.

8 CONCLUSION

This report has outlined the basis for special accounting and how it is applied to the River Murray System. Special accounting, while applied infrequently, impacts on water availability during periods of shortage and thus is extremely important. As such it is important for those dealing with water resource assessment and allocation to understand special accounting prior to its declaration. It is intended that this report will go some of the way to demystifying this issue.

9 CLAUSES 100 & 122 – 128 FROM THE AGREEMENT

Minimum Reserve

- 100 (1) From time to time the Commission must determine the minimum reserve to be held at the end of the following May.
- (2) Unless the Commission determines otherwise, the minimum reserve shall be the lesser of:
- One third of the water available determined under paragraph 99(c)
 - less
 - The sum of the monthly entitlements of South Australia under paragraph 86(a) up to the end of the following May
 - plus
 - The sum of any imbalance of use during a period of special accounting calculated under clause 125;
 - and
 - 835,000 megalitres.
- (3) If the minimum reserve determined under paragraph 100(2)(a) is less than zero, then the minimum reserve shall be deemed to be zero.
- (4) Unless the Commission determines otherwise, the first 250,000 megalitres of any minimum reserve shall be held in Lake Victoria.

DIVISION 4 PERIODS OF SPECIAL ACCOUNTING

Declaration of Periods of Special Accounting

122. (1) Unless the Commission is satisfied that the reserve allocated to either New South Wales or Victoria at the end of the following May will be greater than 1,250,000 megalitres, the Commission must declare a period of special accounting between that State and South Australia.
- (2) A period of special accounting:
- (a) may be declared at any time after the end of July in any year and before the end of May in the following year;
 - (b) unless the Commission decides otherwise, will be deemed to have commenced on 1 August in that year, whenever it is in fact declared.
- (3) Unless it decides otherwise, the Commission must declare a period of restriction for the purposes of the Snowy Mountains Agreement if both New South Wales and Victoria are subject to periods of special accounting.

Variation of Navigation Depths During Restrictions

123. The Commission may vary the depth of water to be maintained immediately downstream of a lock under sub-paragraph 62(1)(b)(i), during any period of special accounting.

Special Accounts to be Kept

124. Throughout any period of special accounting declared for New South Wales or Victoria, separate accounts must be kept by the Commission of:
- (a) all water diverted from the upper River Murray by the State;
 - (b) the difference between -
 - (i) the sum of all water entering the Upper River Murray downstream of Doctors Point from -
 - any tributary within that State other than the River Darling, and
 - any artificial outfall from that State approved by the Commission for the purposes of clause 105, and

(ii) any water allocated to that State which flows to South Australia in excess of South Australia's entitlement under clause 86 or 88.

If (ii) exceeds (i), the account kept under this paragraph must be set at zero:

(c) all water allocated to that State which is supplied by it to meet South Australia's entitlement under paragraph 86(a).

Imbalance in Use

125. The imbalance in use between either New South Wales or Victoria and South Australia in a period of special accounting is to be calculated as follows:

One-third of the amount calculated under paragraph 124(a)

less

One-third of the amount calculated under paragraph 124(b)

less

Two-thirds of the amount calculated under paragraph 124(c).

Limits on Imbalance in Use

126. On May 31 in any period of special accounting, the accounts kept under clause 124 must be adjusted by the Commission to ensure that the imbalance in use calculated under clause 125 is:

(a) less than one-third; and

(b) greater than minus two-thirds

of the difference between 1,250,000 megalitres and the reserve allocated to New South Wales or Victoria, as the case may require.

Restrictions on South Australia's Entitlement

127. (1) In a period of special accounting, instead of the amounts set out in paragraph 86(a), South Australia is entitled to receive, before the end of the following May, the lesser of:

(a) the sum of the monthly quantities set out in paragraph 86(a); and

(b) the sum of -

(i) one-third of the available water determined under paragraph 99(c), and

(ii) any imbalance in use calculated under clause 125.

(2) South Australia may decide how to apportion any entitlement under sub-clause 127(1) between each month provided that the quantity in any month must not exceed that specified in paragraph 86(a).

Termination of Periods of Special Accounting

128. The Commission must terminate a period of special accounting declared for New South Wales or Victoria whenever it is satisfied that the reserve allocated to that State at the end of the following May will be greater than 1,250,000 megalitres.