

15 November 2016

NSW Murray and Lower Darling

Water allocation update

Allocations

Allocations for NSW Murray general security licences holders has increased by 28 per cent, while high security licence holders are to receive an increase of 3 per cent. This means that both licence categories have reached full entitlement. Full allocation is also available to conveyance entitlements.

With the Darling River flow peak now below Bourke and providing continued strong improvement at Menindee Lakes, together with a moderate increase in storage at Dartmouth Dam, there is now sufficient assured resource available for full allocations.

| | High Security | General Security | Average Carryover |
|---------------|---------------|------------------|-------------------|
| Murray | 100% | 100% | 10%^ |
| Lower Darling | 100% | 100% | n/a |

^ Value listed reflects remaining carryover in accounts.

Supplementary access continues to be available in the NSW Murray, but is likely to begin transitioning to regulated conditions as temperatures and irrigation demand increase, unless there is further significant rainfall. Water users should refer to WaterNSW's website for details about when and where supplementary access is available: <http://www.waternsw.com.au/customer-service/news/supplementary>.

Hume Dam is effectively full and Dartmouth Dam about 76 per cent full and rising. The Menindee Lakes system is currently 62 per cent full, rising, with an estimated 500,000 ML of upstream flows forecast to enter the lakes over the next two months.

Upper Murray storage levels (as at 14 November 2016)

- Dartmouth Dam is currently about 76 per cent full - rising - holding 2,927,000 ML
- Hume Dam is 99 per cent full, holding 2,980,000 ML.

Climate outlook

The climate outlook from the Bureau of Meteorology indicates that November is likely to be drier than average across southern mainland Australia. For the Murray Basin generally, there is an even chance of getting about average rainfall conditions in the three months November to January.

The negative Indian Ocean Dipole (IOD) has continued to decay over the past fortnight and is likely to be near its end. The tropical Pacific Ocean remains El-Niño–Southern Oscillation (ENSO) neutral, with a weak La Niña-like pattern. This suggests that some La Niña-like impacts may occur even if an event does not fully develop.

Media contact: James Muddle – 0407 103 507

www.water.nsw.gov.au

Both a negative IOD and La Niña typically contribute to increased rainfall in spring for eastern and central Australia. During La Niña, northern Australia typically experiences above-average wet season rainfall, including increased rainfall during the 'build-up' months.

Trade

In the Murray, trade across the Barmah choke remains restricted to 'no net trade downstream'. Downstream trade opens automatically to the extent of the volume of any upstream trade.

The trade restriction prevents water trades from placing excessive physical water delivery demand on choke channel capacity during the year, which could affect the water security of existing entitlement holders. Water users are encouraged to monitor the MDBA website at <http://www.mdba.gov.au/managing-water/water-markets-trade/interstate-water-trade/barmah-choke-trade-balance> for information about the trade balance and status of trade.

Lower Darling water source trade is open, including inter-valley trade.

Trade **into** (and within) the Murrumbidgee Valley is open, but trade **out** of the Murrumbidgee Valley is closed. Water users are encouraged to monitor the WaterNSW website at <http://www.waternsw.com.au/customer-service/trading/murrumbidgee> for information about the Murrumbidgee IVT account balance and the current status of Murrumbidgee trade.

NSW Murray Resource Assessment Data Sheet

| Resource Distribution (as at 15 November) for 2016-17 | Volume (GL) |
|--|--------------|
| Total Available Resource ⁽¹⁾ | 2,710 |
| less | |
| Carryover ⁽²⁾ | 160 |
| Rules based Environmental Water ⁽³⁾ | 246 |
| Towns, Stock, Domestic ⁽⁴⁾ | 54 (100%) |
| Announced High Security subcategory (education, research) ⁽⁴⁾ | 1 (100%) |
| Announced High Security ⁽⁴⁾ | 190 (100%) |
| Conveyance ⁽⁵⁾ | 330 |
| Reserves ⁽⁶⁾ | 55 |
| Announced General Security | 1,674 (100%) |

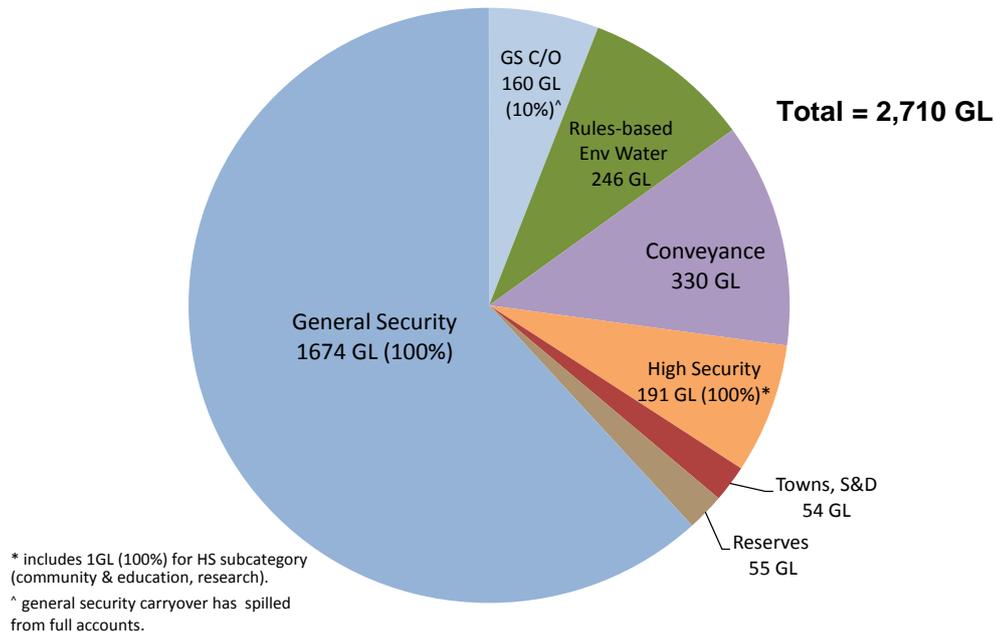
*See notes below.

Next announcements

With full allocations announced from this assessment, fortnightly water allocation statements will now cease for the remainder of this water year.

In addition, with little risk expected for allocations to high priority entitlements on 1 July 2017, the preliminary water availability outlooks for the start of the next water year (1 July 2017) will commence in mid-March 2017.

Resource Distribution 2016-17 NSW Murray - 15 November 2016



Notes:

- (1) Resources have improved sufficiently to allow NSW to exit Special Accounts with South Australia. Special accounting is triggered when NSW is forecast unable to meet the required reserve of 1,250 GL by the end of the year to supply South Australia (SA) with its entitlement in the following water year. Details can be found in the MDB Agreement Clauses 123-129. As part of exiting Special Accounts, any accrued imbalance with SA must be settled. As forecast in the previous assessment, NSW has now 'paid' about 100 GL to the Minimum Reserve as part of clearing NSW's Special Accounting imbalance this assessment period. This had been anticipated and budgeted from expected improvements in order to avoid impacting announced allocations.
- (2) Carryover – NSW Murray general security water users can carryover a maximum account balance of 50 per cent of their entitlement into the following water year. The account limit is 110 per cent of entitlement, which can consist of both allocation and carryover. Therefore, at 100 per cent allocation, a maximum 10 per cent carryover can be held in accounts. This means that those who carried the full 50 per cent of their entitlement into this water year forfeited 40 per cent of improvement and this was assigned to others.
- (3) Rules-based planned environmental water – water required to be set aside under water sharing plans to provide for riverine environments. In the NSW Murray this includes Additional Environmental Allowance (AEA) (6 GL), Wakool system requirements (up to 70 GL), and the Barmah-Millewa Allowance (B-MA). The Wakool system requirement, which is set aside for losses in effluent creeks when conditions are very dry, has been temporarily reduced since the last assessment due to the very wet spring conditions and widespread forest flooding.

The 2015-16 B-MA borrow by consumptive water users has been fully repaid. The current B-MA account balance (NSW share) remains at the minimum 200 GL for 2016-17 due to spillage from Hume Dam. Up to an additional 25 GL may be credited to the B-MA before the end of the calendar year as the trigger for the 'lower-security' allocation component will be met in November (total Hume natural inflows to exceed 9,267 GL in the past 34 months; refer to the water sharing plan clause 27(1)(b)). Note that licence-based environmental water is not included in this rules-based environmental water category.

- (4) The *Water Sharing Plan for the New South Wales Murray and Lower Darling Regulated Rivers Water Sources 2016* has subcategories of high security licences in the Murray Water Source. High security subcategory licences under *Part 7 Division 2 Clause 46(2)* that are present in the Murray include community and education, research, and town water supply. At the commencement of each water year, these licences are to receive 100% allocation, while remaining high security licences are to receive 97% allocation. For the purposes of this water allocation statement, the high security town water supply allocation volume has been grouped as "Towns, S&D".
- (5) Conveyance entitlement – a category of access licence originally issued to Irrigation Corporations to facilitate delivery of water through their channel systems. Allocation to this category is prescribed in the water sharing plan and is a function of current high and general security allocation.
- (6) Reserves – required primarily under statutory plans; used for emergency purposes and critical needs.