

15 March 2016

Murrumbidgee Valley

Water allocation update and outlook for 2016/17

Allocations

There is **no increase** in Murrumbidgee general security allocations at this time.

There has been little runoff into storages as hot and dry weather conditions prevailed across the upper valley catchments in recent weeks. Some lower transmission losses below Wagga Wagga has provided some small improvement to Murrumbidgee resources, enabling crediting of the environmental water account (EWA1) and the provisional storage volume (PSV 1) account, in accordance with the water sharing plan. As these mandatory requirements are now met, any further resource improvement will be allocated to the general security licence category.

	High Security	General Security	Average Carryover
Murrumbidgee	95%	37%	23%

Storage levels (as at 14 March)

- Blowering Dam is 35 per cent full – rising - holding 575,000 megalitres (ML)
- Burrinjuck Dam is 40 per cent full - falling - holding 408,000 ML

Outlook

The Bureau of Meteorology (BoM) seasonal outlook in the region for March indicates high temperatures combined with average rainfall for much of the region, with below average rainfall more likely in the upper catchment. This is expected to transition in April to a greater chance of wetter conditions and average temperatures.

There is also an improving prospect of some rainfall over northern Australia, with BoM models forecasting rainfall in the north in the coming fortnight. Whilst the outcome for Basin rivers could be limited, the situation will nevertheless be monitored.

The current seasonal rainfall outlook continues to reflect a combination of a weakening El Niño, very warm Indian Ocean temperatures and warm sea surface temperatures near Australia.

History and climate model outlooks indicate that neutral conditions are slightly favoured ahead of La Niña (wet conditions) for the second half of 2016.

Trade

Murray water users can trade **into** the Murrumbidgee Valley, but trade **out** of the Murrumbidgee Valley is closed. Trade within the valley remains open.

Water users are encouraged to monitor the WaterNSW website at www.watarnsw.com.au/customer-service/trading/Murrumbidgee to keep informed of the Murrumbidgee IVT account balance and status of trade. Updated trade procedures have been in place since 9 February 2016, and are explained on the WaterNSW website.

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Next announcements

The next allocation update for the Murrumbidgee Valley will be on **1 April 2016**.

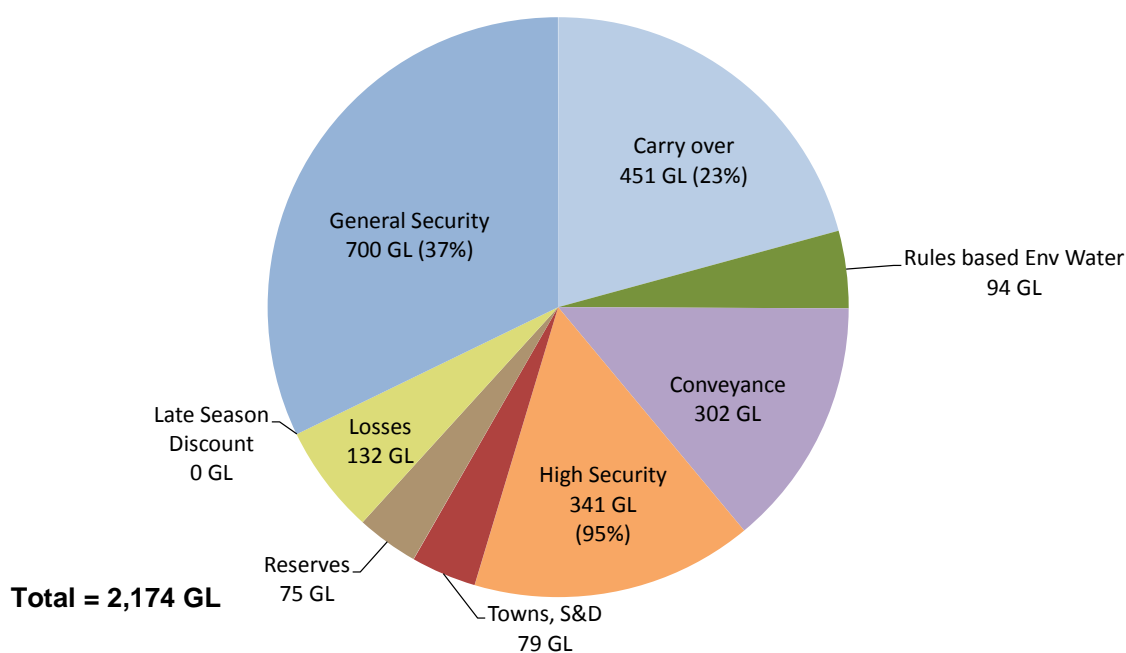
Water availability forecasts for the start of next water year (1 July 2016) are reported in this statement and will continue to be updated on a monthly basis as the new water year approaches, with the next forecast to be provided on **15 April 2016**.

Murrumbidgee Resource Assessment Data Sheet

Resource Distribution (as at 15 March) for 2015-16	
	Volume (GL)
Total Available Resource ⁽¹⁾	2,174
less	
Carryover (incl. Murrumbidgee IVT carryover)	451
Rules based Environmental Water ⁽²⁾	94
Towns, Stock, Domestic	79 (100%)
Reserves ⁽³⁾	75
Conveyance ⁽⁴⁾	302
Announced High Security	341 (95%)
Announced General Security	700 (37%)
Losses (transmission, evaporation, operational) ⁽⁵⁾	132
Late Season Discount ⁽⁶⁾	0

**See notes below.*

Resource Distribution 2015-16 Murrumbidgee Valley - 15 March 2016



Notes

- (1) Total available resource: total active storage volume (Blowering & Burrinjuck Dams) at the day of assessment plus any usable flows in transit plus drought inflows for rest of the year plus Snowy Hydro's assured Required Annual Release (RAR) plus usage to date.
- (2) Rules-based environmental water – water required to be set aside under water sharing plans to provide for riverine environments. Includes end-of-system flow requirements and environmental water allowances (EWA1, EWA2 & EWA3). Excludes 'licence-based' environmental water. This volume typically decreases as water is used during the year. As general security allocation plus carryover water from the previous year has reached 60 per cent, this assessment credits EWA1 to its maximum volume of 50 gegalitres (GL).
- (3) Reserves – required primarily under statutory plans, and mainly used for emergency purposes and critical needs. Includes 25 GL for each storage as well as Murrumbidgee Provisional Storage Volumes (PSV1 & PSV2). As general security allocations have reached 60% including carryover water from the previous year and a provision has been made for the EWA1 (50 GL), therefore 25 GL has been credited to provisional storage volume (PSV1).
- (4) 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 plans and is a function of high and general security allocations. (This category of licence in the Murrumbidgee valley, like general security, can carry over up to 30% of entitlement).
- (5) 'Losses' is the best estimate of the volume required to run the river under dry conditions to meet demands for the remainder of the year. This includes storage evaporation, transmission losses and operational loss. This estimate is regularly updated as the year unfolds.
- (6) Late season inflow is the estimated volume that will arrive into storage after the peak irrigation demand season (usually post-February). This Late Season Discount cannot be safely allocated at the start of the water year. It can consist of a proportion of the Required Annual Release from Snowy Hydro Limited (SHL) and/or the assumed drought inflow sequence for April, May and June. The full Late Season Discount volume for 2015-16 has been released.

Murrumbidgee outlook for 2016/17– 15 March update

Indicative allocations on 1 July 2016

- Full allocation can be expected for all water utility, and domestic and stock access licences.
- High Security access licences will receive an allocation of 95 per cent of entitlement.
- Carry-over water is fully deliverable. While carry-over water is highly dependent on weather conditions over the next few months and individual decisions by water users, initial estimates indicate an average carry-over of 15-20 per cent is likely. Carry-over of 17 per cent is assumed in the table below.
- There will be no commencing general security allocation for 2015/16 under extreme dry inflow conditions, and probably two (2) per cent under very dry conditions.
- Supplementary access licence holders will receive a full allocation with extraction allowed only during periods of announced supplementary access.
- Sufficient water will be available for conveyance entitlements, commensurate with the expected opening allocations above.
- Forecast next year (2016-17) general allocations have reduced slightly since the mid-Feb prediction.
- Any further increases in water availability this water year (2015/16) will continue to influence these forecast general security allocations for 2016/17.

Chances of improvement

The chances of general security allocation based on different inflow conditions for the remainder of this year and continuing for 2016-17 are as follows:

Forecast General Security allocation (per cent)[#]

Potential Inflow Conditions	1 July 2016	1 Sept 2016	1 Nov 2016
99 chances in 100 (extreme) (99%)	0	0	0
9 chances in 10 (very dry) (90%)	2	10	21
3 chances in 4 (dry) (75%) [^]	5	22	36
1 chance in 2 (mean) (50%)	11	37	62
1 chance in 4 (wet) (25%)	25	55	100

[^] Tracking slightly drier than this level of inflow so far in 2015/16.

[#] Assumes an average carryover into 2016-17 of 17%.