

# Mid-season water update



Monday 1 February 2016

Murray Irrigation

## Murray Irrigation 2015/16 irrigation season update

At the midway point of the 2015/16 irrigation season, Murray Irrigation has prepared the following season update for the information of customers.

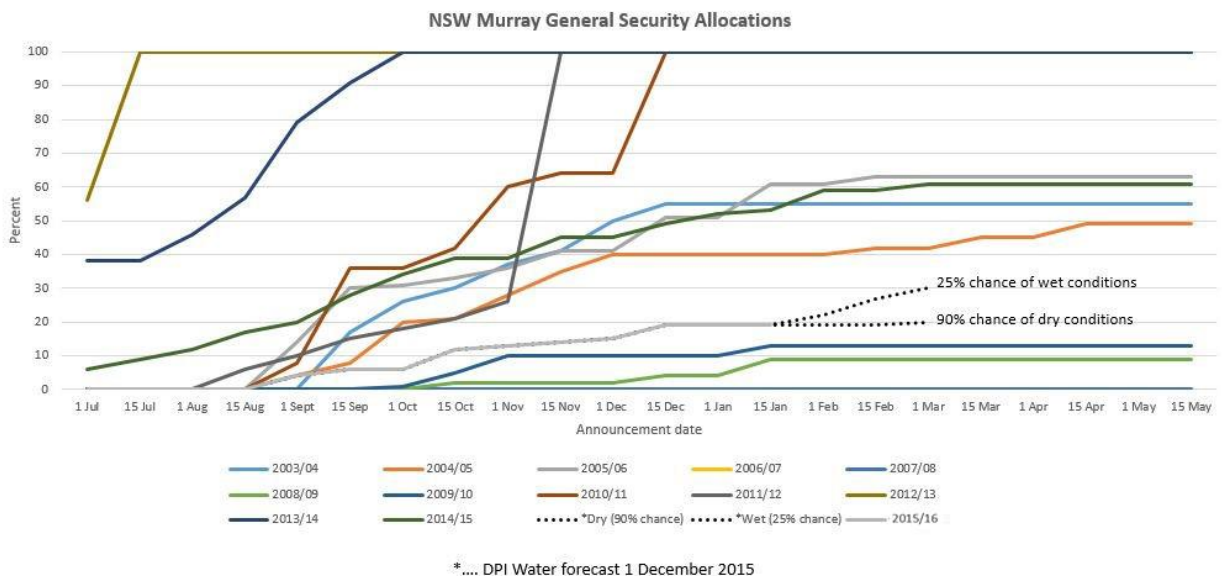
### Allocations

DPI Water announced no increase to NSW Murray general security allocation this morning due to low inflows, therefore the allocation is still 19 percent for Murray Irrigation general security (Class C) entitlement customers.

Low allocation has led to significantly lower on-farm water deliveries this season compared to 2014/15. Net trade into Murray Irrigation is also lower than this time last year.

Category	15 January 2016	15 January 2015
Announced allocation (general security)	19 percent	52 percent
On-farm deliveries	175 GL	430 GL
Net trade (excluding Government)	36,312 ML	78,146 ML

The 10-year average announced allocation for 1 February is 50 percent. The last 10 years have seen extremes at both ends of the allocation scale with zero allocation for seasons 2006/07 and 2007/08 followed by two seasons of very low allocations before four consecutive seasons of 100 percent.



In December 2015, DPI Water forecast a one in four chance (25 percent) of NSW Murray general security allocations rising to 30 percent by March 2016 under wet conditions. The same forecast showed under dry conditions (75 percent chance) allocations may only rise to 20 percent.

### Channel operations

Due to the low water allocation and dry seasonal outlook, Murray Irrigation is operating to conserve water without significantly affecting services for our customers. Channels with low demand will operate at around 150mm above sill level and channels not requiring irrigation water will be empty unless meeting stock and domestic requirements. Any concerns should be discussed with your Channel Attendant in the first instance.

Channels servicing summer cropping, rice and pasture, will be kept at a height to maintain service at an optimum level; however to do so, advance notice (minimum four days) of irrigation intentions is preferred to assist delivery of the ordered flows.

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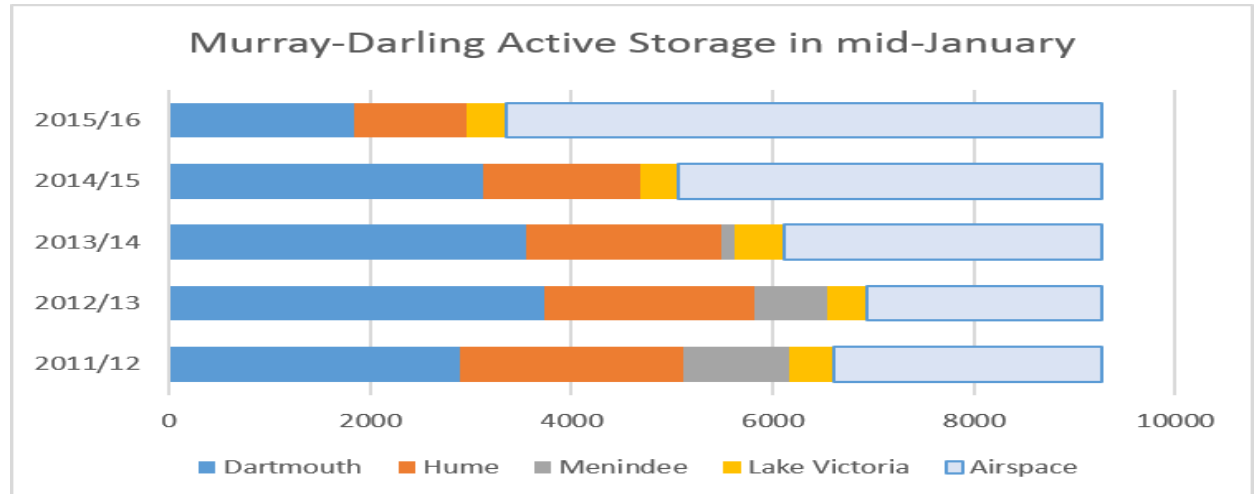


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## State of storage

Storage has been declining since 2012/13 and is now at a similar level to 2005.



Despite rain over NSW during January, there has been little improvement in the state's storages as [reported on ABC](#) recently.

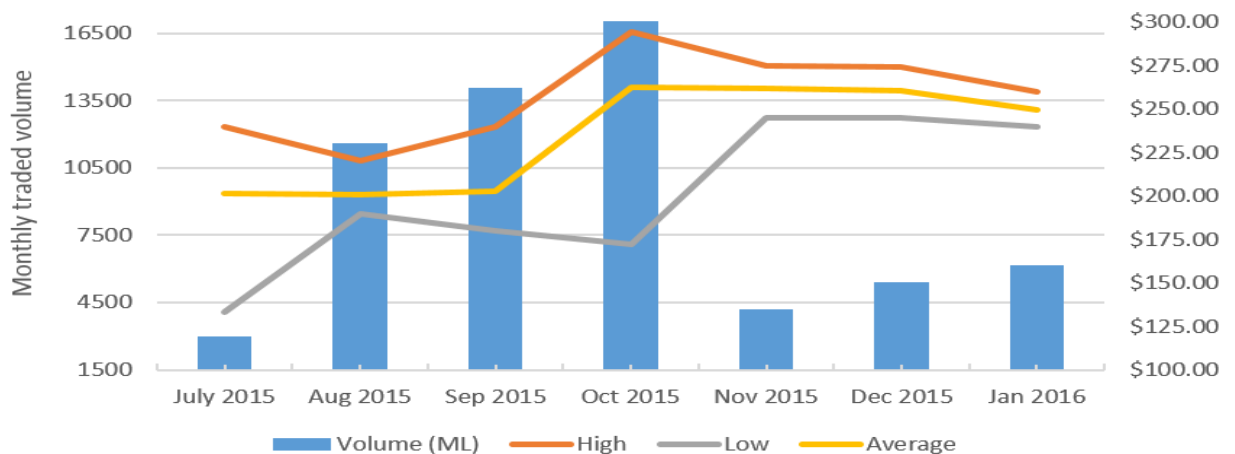
## Climate

The Bureau of Meteorology (BoM) has advised the 2015-16 El Niño is likely past its peak and likely to decline in coming months. Based on the 26 El Niño events since 1900, around 50 percent have been followed by a neutral year, while 40 percent have been followed by La Niña. Models also suggest neutral and La Niña are equally likely for the second half of 2016, with a repeat El Niño the least likely outcome. Historically, the breakdown of strong El Niño events brings above average rainfall to parts of Australia in the first half of the year. For details, visit: <http://www.bom.gov.au/climate/enso/>.

## Market

Trading volumes on the Murray Irrigation Water Exchange fell significantly in November, increasing slightly again in January. Prices peaked in October, decreasing steadily since.

### Murray Water Exchange Summary



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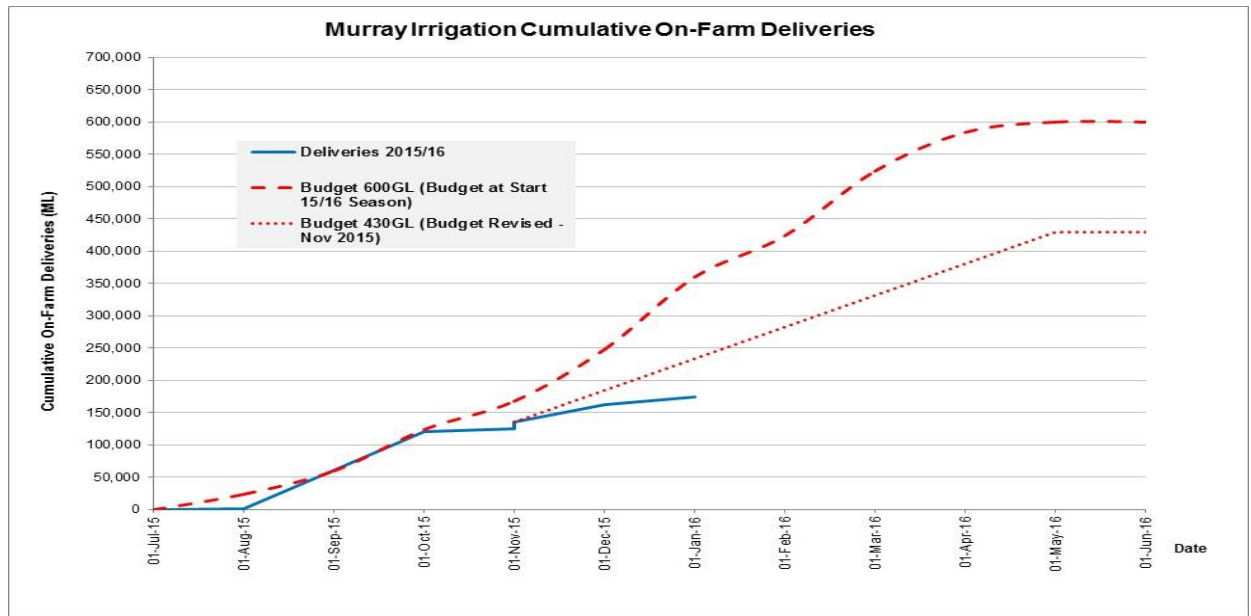


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## On-farm deliveries

The below graph displays Murray Irrigation's budgeted deliveries compared to actual deliveries to date.



Murray Irrigation's long-term budget is for an average of 600GL. Due to the low water allocation, the budget this year has been revised to 430GL on farm, however, current deliveries are tracking below budget.

## Customer service

Murray Irrigation's new structure focusses on customer service, including providing customers with more information to assist them to make informed business decisions as well as seeking more information from customers to help our business planning.

Murray Irrigation's customer service team will be making contact with all customers over the coming months to talk about autumn and winter cropping needs.

Murray Irrigation intends to provide customers with similar seasonal updates at the end of each quarter.

Michael Renahan, CEO