

Allocation Announcement

Monday 1 August 2016



DPI Water announces eight percent increase

DPI Water has today announced an increase of eight percent to NSW Murray General Security allocations, bringing the total allocation to 12 percent.

This announcement comes on the back of a wetter than average July.

Murray Irrigation has prepared the following information for customers to consider when preparing their summer cropping program and the potential to exercise Snowy Advance options (deadline 5.00pm today).

When considering the potential for future allocations, customers are reminded of the following:

- The Barmah-Millewa Environmental Account is fully borrowed. This account commences to be repaid when NSW Murray General Security allocations reach 30 percent. This means that General Security allocations do not increase beyond 30 percent until the account is repaid.
- Menindee Lakes continues to be offline. While Menindee Lakes is expected to receive its highest inflows in three years, under the current rules the storages must increase to 680GL before they are again included in the shared resource assessment.
- Tributary flows. All flows from the Murrumbidgee River into the Murray system are credited to NSW Share, while Goulburn, Campaspe and Loddon River flows are credited to Victoria. Best endeavours are taken by river operators to re-regulate these flows and use them to either fill Lake Victoria or to meet downstream delivery requirements. Some of the earlier Murrumbidgee translucent flows were re-regulated into the Murray and contributed to our resource assessment underpinning the four percent allocation in mid-July.
- Supplementary flows are announced when river flows are in excess of those required to meet planned environmental water, stock and domestic, towns and high reliability supply and the flows cannot be stored in Lake Victoria. There is currently supplementary flows available to the Murray Irrigation offtakes until at least 4 August 2016.

Trade limits

- The trade limit for trade from upstream of Barmah Choke to downstream reached zero on Friday 29 July 2016 and will remain **closed** until such time as there is a volume of water traded from downstream to upstream: <http://www.mdba.gov.au/managing-water/water-markets-trade/interstate-water-trade/barmah-choke-trade-balance>
- The Murrumbidgee inter-valley trade limit has reached 100GL which means trade from the Murrumbidgee into the Murray is **closed**. Trade from the Murray into the Murrumbidgee is **open**: <http://www.watersw.com.au/customer-service/trading/murrumbidgee>
- Trade from NSW into Victoria is limited to the lesser of 200GL or the volume that keeps the risk of spill below 50 percent. The limit is currently defined by the volume needed to keep the risk of spill below 50 percent. The limit can be viewed online at: <http://waterregister.vic.gov.au/water-trading/allocation-trading#AllocationTradeOpportunities>

Snowy Advance

Customers considering their Snowy Advance options are reminded that the deadline for exercise is **5.00pm today 1 August 2016**.

Customers are reminded that the total water use limit in the NSW Murray is 110 percent comprised of allocation plus carryover. Therefore, customers who have carried over more than 30 percent are advised to consider their total account balance when looking at their options to exercise.

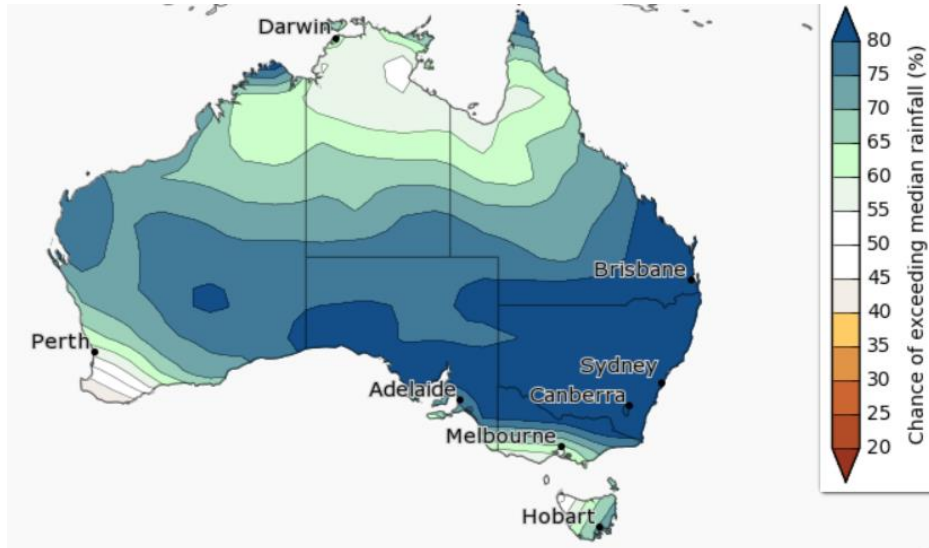
Allocation Announcement

Monday 1 August 2016



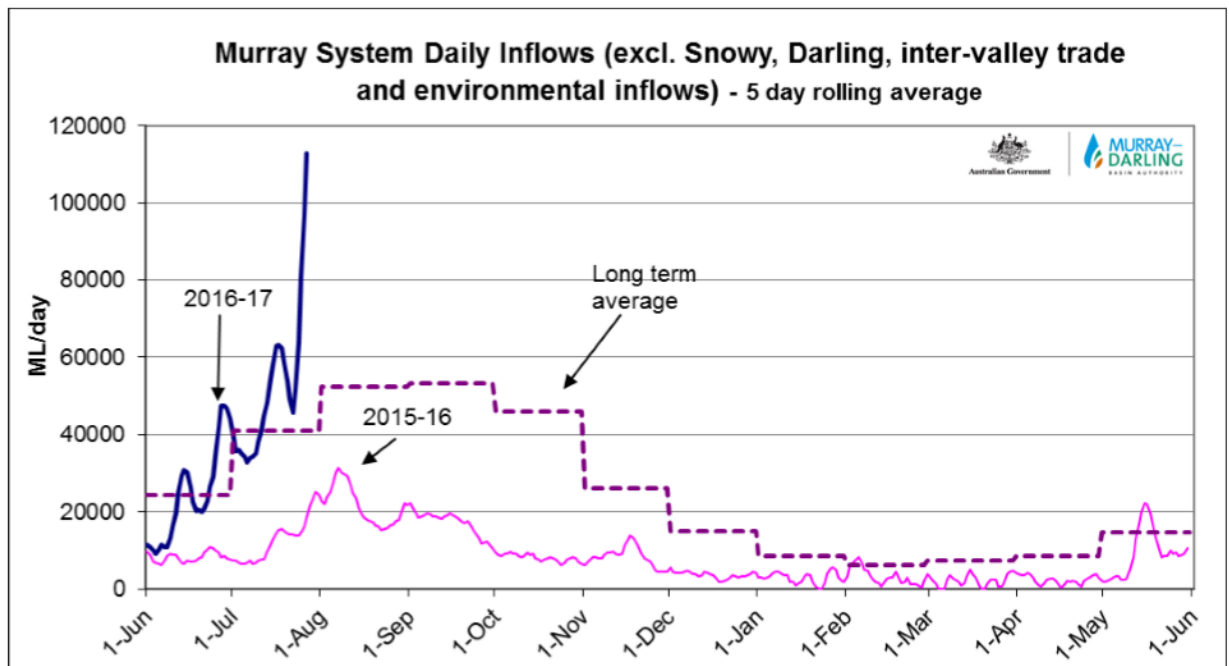
Seasonal climate outlook

The Bureau of Meteorology is forecasting wetter than average conditions for the period July to September with average temperatures in this part of the state.



Current inflows

Inflow conditions have significantly improved for the start of the season, currently tracking just above average. Several upper Murray tributary locations have exceeded minor and moderate flow levels over the past week with further rain forecast. Total active MDBA storage is currently 51 percent.



Allocation Announcement

Monday 1 August 2016

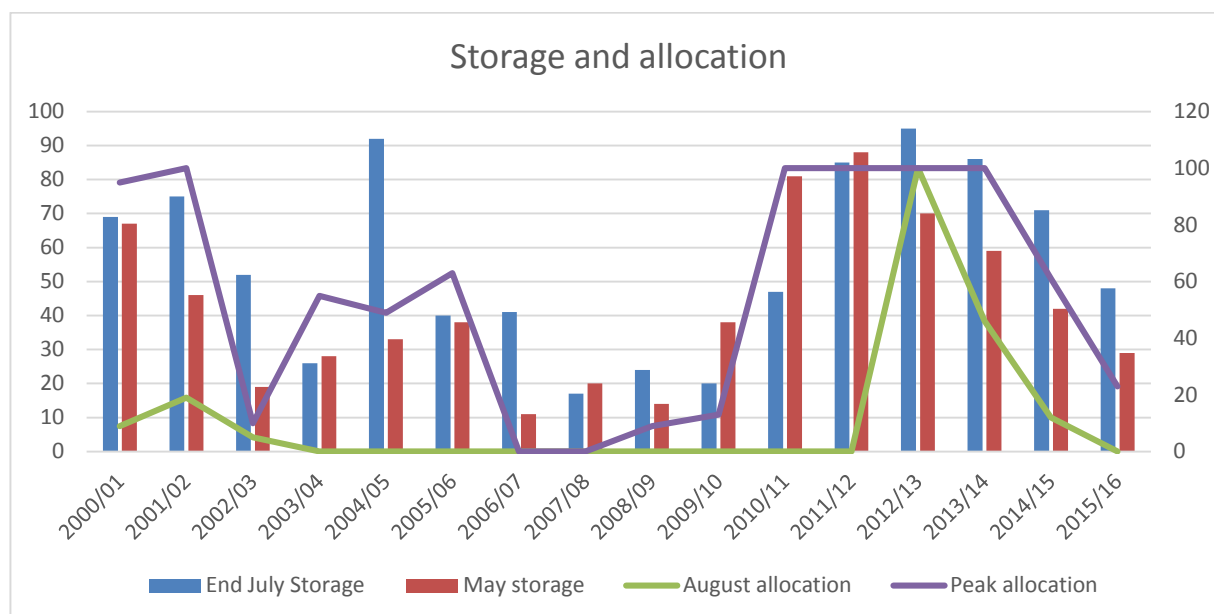


Storages and allocations

Active storage in the Murray shared resource is currently 51 percent. This is the total volume in storage and includes the Victorian storage share and the volume required for river operations, South Australian entitlement, South Australian deferred entitlement and reserves.

Murray Irrigation has reviewed NSW Murray General Security annual allocations and storage information dating back to season 2000/01. On the occasions storages have been at similar levels, the different inflow and climate scenarios that ensued resulted in widely varying peak allocations in the year that followed.

- 2002/03 July storages 52 percent into a dry phase, peak allocation reached 10 percent
- 2005/06 July storages 40 percent, allocations peaked at 63 percent.
- 2006/07 July storages 41 percent into a dry phase, allocations peaked at 0 percent.
- 2010/11 July storages 47 percent into a wet phase, allocations peaked at 100 percent.
- 2015/16 July storages 48 percent into a dry phase, allocations peaked at 23 percent.



This information is being provided to customers for reference only and is a review of past events. In providing this information, Murray Irrigation is not interpreting any forecast or future storage conditions or allocations.

Links:

www.mdba.gov.au

www.bom.gov.au

www.water.nsw.gov.au

A handwritten signature in black ink, appearing to read "Michael Renehan".

Michael Renehan
Chief Executive Officer