

15 May 2023

NSW Murray and Lower Darling

Water allocation update

This water allocation statement affirms no changes to current full allocations this water year and provides the final outlook for potential opening 2023/24 allocations on 1 July 2023.

While disclosed herein are potential increases in general security allocation under various inflows conditions to 1 September and 1 November 2023, water users are reminded that these forecasts are indicative only and not guaranteed allocations, and therefore should be used with caution.

Suppressed demand and rainfall in upper catchments has again increased the spill risk from Hume Dam and unregulated flow conditions have resumed for a majority of the valley. Under the water sharing plan rules, late season interstate trade is closed between 1 May and 30 June, regardless of the risk of spill in Hume. However, due to the new elevated spill risk at Hume, NSW is monitoring a potential need to extend the interstate trade restriction beyond 1 July into the new water-year to protect NSW water users. Further information is provided below under the trade section and a timely public announcement will be made if necessary.

The resources available to the NSW Murray valley are currently higher than the same time last year, driven by better water available to NSW in Dartmouth, producing a likely better start to general security allocation this year (1 July) than last.

The opening allocations for the NSW Murray and Lowering Darling valleys for 2023/24 will be incorporated in a Water Allocation Statement covering all regulated valleys on 1 July.

Year to date allocations for 2022/23 (current water year)

2022/23	High Security	General Security	Average Carryover
Murray	100%	110% [#]	46% [*]
Lower Darling	100%	100% [#]	7% [*]

[#] Availability of allocation on individual licences is subject to account limits as per the rules in the water sharing plan.

^{*} Carryover in private accounts can be considered forfeited and replaced by allocation when full allocations are announced.

Murray storage levels (as at 15 May 2023)*

- Dartmouth Dam is 96% full – stable – holding 3,715,000 megalitres (ML)
- Hume Dam is 91% full – stable – holding 2,730,000 ML
- Lake Victoria is 55% full – stable – holding 370,000 ML
- Menindee Lakes System is 82% full – falling – holding 1,415,000 ML

* The NSW Murray share of this water is approximately 49%, 49%, 37% and 32% for these storages respectively, or 46% in total (averaged across all storages).

Climatic outlook

The Bureau of Meteorology's seasonal outlook for June to August shows that rainfall is very likely to be below median. Daytime and overnight temperatures are expected to be hotter than median.

The Bureau's El Niño-Southern Oscillation (ENSO) index outlook indicator is on El Niño Watch, meaning there is around a 50% chance that El Niño conditions could form in 2023. Should El Niño conditions develop, rainfall will likely be drier than median conditions.

Further details at: www.bom.gov.au/climate/outlooks/#/overview/summary

Trade

In the Murray, trade across the Barmah choke remains restricted to 'no net trade downstream'. Downstream trade opens to the extent of the volume of any upstream trade. Water users are advised to monitor the Murray-Darling Basin Authority (MDBA) website (www.mdba.gov.au) for information about the trade balance and status of trade across the Barmah choke.

Temporary trade between the Lower Darling and the Murray is open and will likely remain open until the Menindee Lakes system next falls below 480 gigalitres (GL). Trade within the Lower Darling regulated river water source remains open.

Trade **out of the Murrumbidgee is closed** and trade **into the Murrumbidgee is open** (as of 15 May 2023). Water users should monitor the WaterNSW website (www.watarnsw.com.au) for daily information about the IVT account balance, the status of trade, and other information including seasonal trade closures. The Murrumbidgee IVT account is operated between its normal 0 GL and 100 GL range. The Murrumbidgee IVT balance can rapidly fluctuate, and information presented in this statement is current at the time of its writing.

Interstate Trade

A temporary restriction on interstate water trades (clause 71V of the *Water Management Act 2000*) into the NSW Murray, Lower Darling and Murrumbidgee regulated river water sources from other states was announced on 5 August 2022. This temporary restriction lapsed on 31 March 2023 as the spill risk from Hume subsided. However, currently, from 1 May to 30 June 2023, interstate trade is restricted in accordance with the water sharing plan, irrespective of the risk of spill in Hume.

Interstate trades are typically accompanied by a reassignment of physical water (resource) in storages from the selling state to the buying state. When storages are full or near full, there is limited capacity to hold reassigned resource and a high risk that any resource which is reassigned will spill. Therefore, interstate trades into NSW cannot be safely underpinned by resource. Should NSW accept incoming interstate trades, it is likely to adversely impact existing NSW Murray allocations and water users. Therefore, in such circumstances, NSW will place a temporary restriction on interstate trades to protect NSW water users.

With a high risk of spill returning to Hume, a 71V (interstate) trade restriction may be necessary from 1 July 2023, to again protect NSW water users. Conditions are being closely monitored and a timely public announcement will be made in June if necessary.

More information on temporary water restrictions can be found at:

www.industry.nsw.gov.au/water/allocations-availability/temporary-water-restrictions

Next announcement

The next water allocation statement will be published on Saturday 1 July 2023. This statement will cover all regulated valleys in NSW and communicate the commencing allocation for all regulated entitlements in the state, including the NSW Murray and Lower Darling valleys.

Following the 1 July 2023 water allocation statement, regular fortnightly statements will commence on 17 July 2023. Fortnightly statements thereafter are typically published on the 1st or 15th day of the month, or the next business day, until full allocations are reached.

Note: NSW Murray statements are available online from about 2:30pm on publication day.

Outlook for 2023-24

A water availability outlook for the start of the next water year (1 July 2023) is provided below. The outlook is indicative only, not guaranteed, and should be used with caution. Nevertheless, it aims to help water users with their end of year water management decisions.

Key information

- This outlook for 1 July 2023 water availability is conservatively based on assumed dry (75th percentile) inflows for the remainder of this water year and extreme dry (99th percentile) conditions for 2023-24. The resulting indicative forecast general security allocations for September and November 2023 under a range of possible inflow scenarios are provided in the table below to assist water users to plan ahead, but they are not guaranteed.
- Due to wet conditions and low usage this water year, the maximum permissible carryover volume is assumed for the 2023-24 water year. That is, it is assumed NSW Murray general security carryover will be around 50% of entitlement, some 838,000 ML.
- There is some forfeit of 2022/23 account water assumed on 30 June 2023, which is boosting opening general security allocations on 1 July 2023. Should usage be higher than anticipated, and account forfeits lower than assumed, the opening general security allocation will be lower.
- The undelivered Murrumbidgee IVT balance at the end of this water year (2022/23) will be carried over unchanged to the next water year (2023/24). The IVT balance is held in Murrumbidgee storages and is a callable resource available to the NSW Murray.
- If wet conditions persist and storages are full, allocation improvements may be limited due to limited available airspace to the ability to capture new resource. Only when liabilities reduce, and new resource is captured, can allocations increase significantly.
- As usual, the Barmah Choke trade balance will be re-set on 1 July and will reflect the volume of annual Snowy Savings below the choke that will not need to be delivered downstream.
- Once the commencing allocations are announced on 1 July 2023, regular assessments will be undertaken and allocation announcements made fortnightly on the 1st and 15th of each month, or the following working day, as usual, until full allocations are achieved.

Indicative allocations on 1 July 2023 for 2023/24 – Lower Darling

- The Menindee Lakes System is around 85% full, holding some 1,460,000 megalitres (ML).
- The Menindee resource is currently shared with other states, under the Murray Darling Basin Agreement, as the system is holding more than 640,000 ML.
- Full (100%) allocation can be expected for all entitlements; **towns, domestic** and **stock** access licences, **high security** and **general security** entitlements in 2023/24.

- Full allocation for **supplementary** access licences can be expected and is available subject to announced periods of supplementary access.
- Given high storage volumes, **carryover** in accounts will be replaced by full allocations on 1 July as maximum account limits take effect.

Indicative allocations on 1 July 2023 for 2023/24 – NSW Murray

- Full (100%) allocation can be expected for **towns, domestic** and **stock** access licences, and **sub-category high security** entitlements.
- Full (100%) allocations for **supplementary** access licence holders can be expected and is available subject to announced periods of supplementary access (unregulated flow).
- There is likely to be a commencing **general security** allocation of around 50% of entitlement.
- Allocation to **high security** (excluding sub-categories) will likely be 97% of entitlement.
- Full general security **carryover** (50% of share component), some 838,000 ML, is deliverable.
- **Conveyance** is expected to be allocated in accordance with water sharing plan rules, commensurate with high security and general security allocations.
- The current **Barmah-Millewa Environmental Water Allowance (BMEWA)** account balance is approximately 200,000 ML. Typically, the BMEWA balance is borrowed to give an early boost to general security allocations, up to a general security allocation of 30%. With the forecast indicating a likely commencing general security allocation of 50%. no borrow (or subsequent payback) of the BMEWA will be required in 2023/24.
- Water can be expected to be set aside for environmental requirements in accordance with the rules of the NSW Murray and Lower Darling regulated rivers water sharing plan.

Chances of improvement

The chances of improved NSW Murray general security allocations after 1 July 2023, based on a repeat of historical inflows, are provided in the table below under a variety of conditions. The forecast is based on all available historical data, which gives a more realistic outlook in the current conditions than using just the driest years on record (dry tercile).

It is important to note that these estimates are indicative improvements only and are not guaranteed allocations. Estimates are likely to improve based on weather conditions, water user behaviour, water management decisions and other events. This means water users should use this information with caution and at their own risk, particularly as it projects many months ahead.

Forecast general security allocations (%)

(Any carryover water can be added to these indicative allocations)

Repeat of historical inflow conditions	1 Sep 2023	1 Nov 2023
99 chances in 100 (extreme) (99%)	50%	50%
9 chances in 10 (very dry) (90%)	110%	110%
3 chances in 4 (dry) (75%)	110%	110%
1 chance in 2 (mean) (50%)	110%	110%
1 chance in 4 (wet) (25%)	110%	110%

Note 1: Estimated values indicative only, not guaranteed and subject to change based on actual events unfolding.

Note 2: Statistical values reflect NSW share of inflows, not whole of system inflows.

Note 3: Forecast assumes 50% general security carryover.

Note 4: Forecast incorporates Murrumbidgee regulated end of system flows.

Note 5: Assumes BMA payback commences once general security allocations reach 30% as per the water sharing plan.

Water allocation guide

The NSW Department of Planning and Environment – Water has produced a series of guides to describe the water allocation methods for most NSW regulated river systems. The guide for the NSW Murray regulated system is available at: www.industry.nsw.gov.au/water/allocations-availability/allocations/how-water-is-allocated/resource-assessment-process

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