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RIVER MURRAY WATER RESOURCES AND CARRYOVER UPDATE

South Australia has received five consecutive months of above average inflow for the first time in more than a decade as conditions continue to improve in the River Murray system.

Total inflow during November is expected to be around 1,560 GL which is well above the long-term November average of 780 GL and higher than the 920 GL previously estimated for November by the Murray-Darling Basin Authority.

Minister for the River Murray Paul Caica said River Murray system inflow from June 1 this year to the end of November was expected to be 8,370 GL which is also above the long-term average of 7,200 GL for the same period.

“As previously announced, South Australia will receive its full entitlement flow of 1,850 GL in the 2010-11 year.

“Improved inflow in the Murray system and increasing volumes in storage will continue to build reserves to give South Australia, along with the other states, a good start to the 2011-12 water year.”

Mr Caica said The Murray-Darling Basin Authority has also provided a preliminary assessment of the potential water availability in the next water year, which indicates that there is a high probability that South Australia will again receive its full 1,850 GL Entitlement Flow in 2011-12.

“Given the improved water resource conditions in 2010-11, and the favourable outlook for 2011-12, the current drought-specific policy of providing carryover for River Murray water users will end on June 30 next year,” he said.

“Announcing this decision to end carryover, a drought contingency measure, now gives those with carryover more than six months to make appropriate business decisions with respect to any water still held and to plan ahead for new operating arrangements.”

The State Government has started consulting with industry and stakeholder groups about a new long term carryover system that will be established within the appropriate legislative, administrative and operational framework.

Mr Caica said the State Government is also negotiating access to long-term water storage, but this was not likely to be finalised by 2011-12.

Temporary carryover arrangements were introduced as a drought measure in 2007 so River Murray water users could manage their annual inter-seasonal risks during the drought.

These arrangements were continued and expanded in 2008-09 and 2009-10, based on projected low inflows continuing.

Carryover was only made available after South Australia successfully negotiated the capacity to temporarily retain some water in upstream storages for delivery the following year.

This arrangement no longer applies and all states have reverted to the normal Murray-Darling Basin Agreement arrangements, which do not yet include the appropriate arrangements to support the storage and delivery of private carryover for South Australia.

Mr Caica said the underuse or purchase of water for carryover had always been an individual business decision, and water users had been informed that carryover was not a permanent arrangement and was subject to review each year.

General allocations will remain at 67 percent during 2010-11. This, coupled with this year's 228 GL carryover already allocated, takes the state to its water allocation cap.

“The only way to maximise security for water access entitlement holders under the current operating arrangements, and to remain within our 650 GL allocation cap, is to stop providing carryover,” Mr Caica said.

“Improved inflows in the Murray system and increasing volumes in storage will continue to build reserves and give South Australia, along with the other states, a good start to the 2011 water year”.

The current volume in Hume, Dartmouth, Menindee Lakes and Lake Victoria is 7,460 GL (80 percent capacity) compared to the long-term average for this time of year of approximately 7,310 GL (78 percent). The current storage volume includes a large volume of water for 2011-12 reserves and environmental water entitlements.

South Australia has received more than 1,900 GL of Unregulated Flow since early September 2010. This Unregulated Flow is expected to continue into January 2010. This has provided an opportunity to release water into the Coorong and has significantly improved salinity levels at a number of other locations.

Flow into South Australia is expected to remain at about 50-60 GL/day for about the next 2 weeks, depending upon river operations, water use and weather conditions upstream of South Australia.

For more information about conditions in the River Murray or wider Murray-Darling Basin visit www.mdba.gov.au