

Pre-Allocation Update

SOUTHERN CONNECTED SYSTEM

Key Events

Key market events since the previous allocation announcement (1 September)

Contact your broker to discuss how this could impact your water requirements

*All forecast information sourced from the most recent releases by NSW DPI Water and VIC Resource Manager. The last forecast update released by DPI Water and by VIC Resource Manager was on 15 August, 2016.

RISK OF SPILL UPDATE

The risk of spill in the Murray system is effectively 100% and there is a current spill event for Lake Hume (first in six years). The risk of spill from Lake Eppalock in the Campaspe system is about 22%. The MDBA is still pre-releasing water from Lake Hume, which means Carry Over on HR VIC Murray accounts will be spilling. The volume to be deducted from spilled accounts will be provided by the NVRM with the allocation update on September 15. [Full press release](#)

DAM STORAGE LEVELS

Water storage levels in the MDB increased by 1,460GL over the last fortnight and are currently at 69% capacity. This level is the highest in over 32 months, and is 4,356GL more than at the same time last year.

Well above average rainfall during winter 2016 has greatly reduced the area of Australia affected by severe and serious rainfall deficiencies. The rainfall provided much needed relief from the multiyear rainfall deficiencies which had developed in the 2012 to 2015 period.

From 1 to 13 September 2016, above average rainfall anomalies in excess of 10mm were seen across the Southern Connected System, mainly in the Murrumbidgee. Rainfall totals exceeding 15mm are forecast next week for much of NSW, VIC, and south-eastern SA.

The Barmah Choke remains closed and out trade from the Goulburn to the Murray is moving towards the trade limit with approx. 34.5GL remaining.

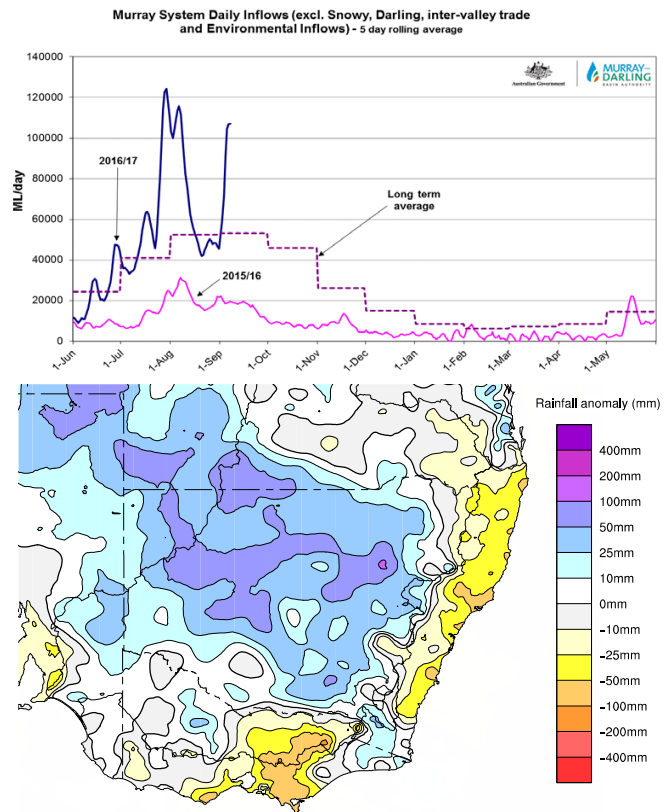


Image Sources: Murray-Darling Basin Authority, Bureau of Meteorology

TEMPORARY WATER PRICE (\$/ML)[^]

NSW Murray 10 \$ 105 ↓

NSW Murray 11 \$ 110 ↓

NSW Murrumbidgee \$ 75 ↓

VIC 6 \$ 110 ↓

VIC 1A/7 \$ 120 ↓

SA Irrigation \$ 120 ↓

- ABOVE BARMAH CHOKE -

- BELOW BARMAH CHOKE -

[^]Prices compared to 31 August.

By 1 October 2016		By 1 December 2016		By 15 October 2016		By 17 December 2016	
NEW SOUTH WALES		NEW SOUTH WALES		VICTORIA⁺		VICTORIA	
9 in 10 probability of getting		9 in 10 probability of getting		9 in 10 probability of getting		9 in 10 probability of getting	
Murrumbidgee HS	-	Murrumbidgee HS	-	Goulburn HR	61%	Goulburn HR	75%
Murrumbidgee GS	5%	Murrumbidgee GS	57%	Campaspe HR	55%	Campaspe HR	57%
NSW Murray HS	-	NSW Murray HS	-	Murray HR	75%	Murray HR	83%
NSW Murray GS [^]	30%**	NSW Murray GS [^]	30%**	Loddon HR	45%	Loddon HR	54%
3 in 4 probability of getting		3 in 4 probability of getting		3 in 4 probability of getting		3 in 4 probability of getting	
Murrumbidgee HS	-	Murrumbidgee HS	-	Goulburn HR	88%	Goulburn HR	100%
Murrumbidgee GS	56%	Murrumbidgee GS	62%	Campaspe HR	100%	Campaspe HR	100%
NSW Murray HS	-	NSW Murray HS	-	Murray HR	95%	Murray HR	100%
NSW Murray GS [^]	33%	NSW Murray GS [^]	44%	Loddon HR	88%	Loddon HR	100%

** Payback of Barmah-Millewa Environmental Water Allowance (232 GL) commenced

[^] Currently tracking at a 1 in 4 probability - Wet Scenario

⁺ Currently tracking at a 1 in 2 probability (Average scenario), excluding VIC Murray, Broken, Goulburn and Bullarook which are tracking between Average and Wet (1 in 10 probability of Wet scenario)