

Pre-Allocation Update

SOUTHERN CONNECTED SYSTEM

Key Events

14.08.2017

Key market events from the last fortnight

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

FORTNIGHTLY ALLOCATIONS

The next Allocations for NSW & VIC will be announced on 15 August 2017.

TRADING RESTRICTIONS

The Barmah Choke remains closed. **Goulburn to Murray** trade limit was reached on 11 July, which restricts trade out of the Goulburn and into the Murray system.

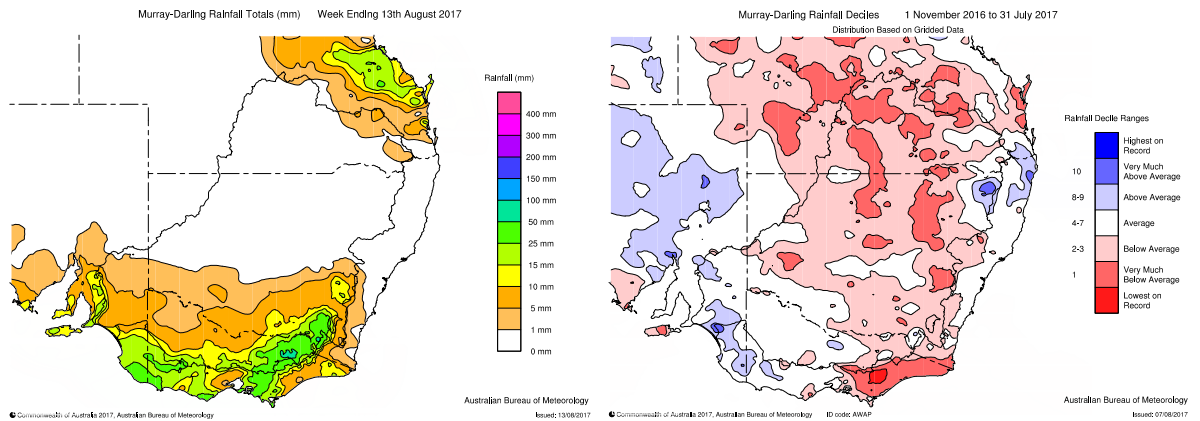
Trade from NSW to VIC is currently limited to the volume traded from VIC to NSW because the risk of spill in the Murray system is above 50%.

Murrumbidgee IVT limit is currently at 72.4GL. Trade out of the Murrumbidgee into the Murray system remains open. In the past week, prices have softened to ~\$145/ML.

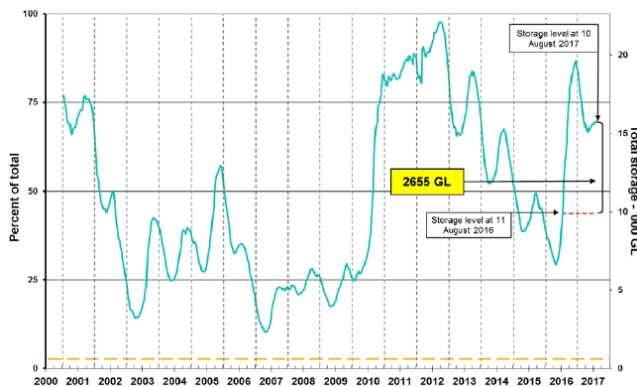
Goulburn Risk of Spill was declared as low (below 10%). NVRM Resource Manager Dr Mark Bailey stated, "Water in spillable water accounts in the Goulburn system will be made available for use or trade." This equates to an additional 711GL of water in the Goulburn.

RECENT RAINFALL

The MDB experienced some rainfall over the past week. However, the previous 9 months (November 2016 to July 2017) highlight the average to dry conditions.



WATER STORAGE IN THE MURRAY-DARLING BASIN



Storages in the MDB increased slightly during the week. The last time storages were at a similar level at this time of the season was in 2014 (slightly lower), which was classed as an Average year. During that season, temporary pricing increased under the conditions.

ABARES, 10 August 2017.

TEMPORARY WATER PRICE (\$/ML) | CHANGE SINCE JULY 31

| | | |
|-----------------------------|-----------------------------|--------------------------------|
| NSW Murray 10 \$120↓ | NSW Murray 11 \$140↓ | NSW Murrumbidgee \$145↓ |
| VIC 6 \$125- | VIC 1A \$127↑ | VIC 7 \$142↓ |
| SA Irrigation \$142↓ | | |
| - ABOVE BARMAH CHOKE - | - BELOW BARMAH CHOKE - | |

CURRENT ALLOCATIONS | 1 AUGUST

| NEW SOUTH WALES | | VICTORIA | | SOUTH AUSTRALIA | |
|-----------------|-----|-------------|------|----------------------------|------|
| Murrumbidgee HS | 95% | Goulburn HR | 40% | SA Irrigation (Class 3) | 100% |
| Murrumbidgee GS | 20% | Campaspe HR | 100% | Stock & Domestic (Class 1) | 100% |
| NSW Murray HS | 97% | Murray HR | 66% | Industry (Class 5) | 100% |
| NSW Murray GS | 13% | Loddon HR | 40% | Recreation (Class 4) | 100% |