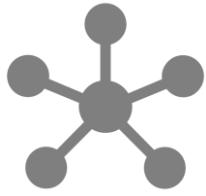


# Water Allocations in NSW



## How is water allocated in NSW?

The volume of water a licence holder can access each year depends on the **rules in NSW water sharing/resource plans**, the volume of inflows and whether **requirements for higher priority licences** have already been met.

The water allocation is **dependent on a range of factors** including dam storage levels, river flows and catchment conditions.

At the start of each new water year, WAL holders are provided with an **opening allocation**. This may be anywhere between zero or 100 per cent of their full entitlement.



## How do we determine how much water is available?

1

How much water is **in storage** and how much of that is carried over from the previous year (including undelivered inter-state trades)?

2

How much water is **expected to flow into storages** from natural inflows over the forecast period?

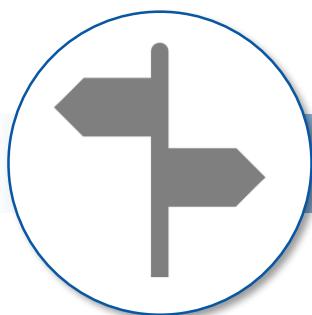
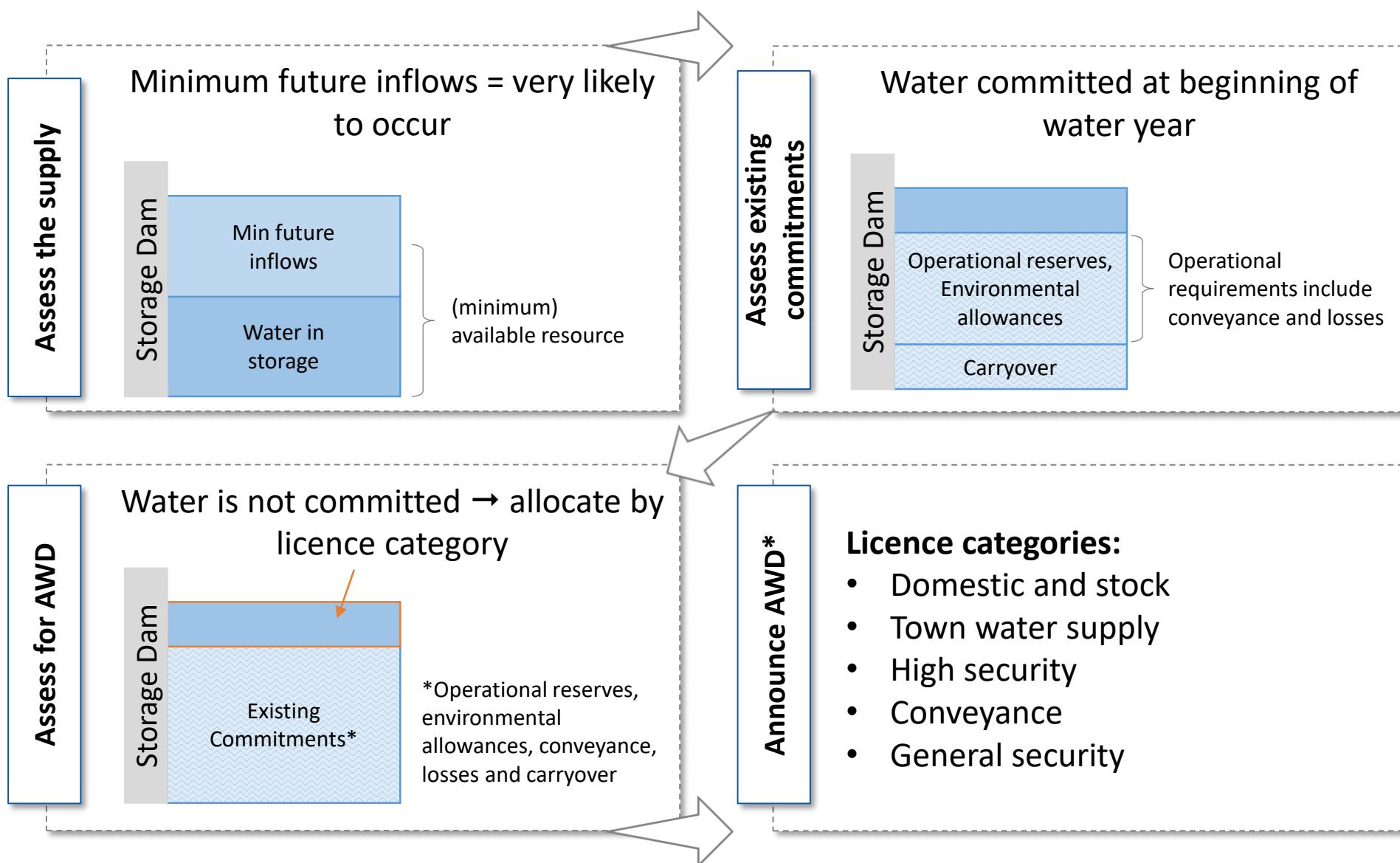
3

The **volume required to run the river**, including end of system flows, transmission losses and evaporation losses.

4

**Other requirements**, including storage reserves and credits to environmental water allowances (where applicable).

In making a water resource assessment, the **lowest recorded inflow sequence** (i.e. at the commencement of the first Water Sharing Plan in an individual valley) is used so that the NSW Government (Department of Industry – Water) only allocates water that is **very likely** to flow into the storages. However, not all inflows contribute to increasing allocations.



## Allocation process in the NSW Murray

The water allocation process in some river valleys is more complicated than others due to their interstate water sharing obligations. The NSW Murray valley is a good example:

Water in the Murray River and related water storages is shared between NSW, Victoria and South Australia under the Murray-Darling Basin Agreement. The NSW water share is then allocated for consumptive use and the environment under the Water Sharing Plan for the NSW Murray and Lower Darling Regulated Rivers Water Source 2003.

It is the responsibility of the Murray-Darling Basin Authority (MDBA) to estimate the amount of water available in the system including future inflows, less system losses (e.g. evaporation and seepage) and less existing commitments (e.g. operational requirements, reserves and each State's obligation to South Australia). The remaining water is then divided between NSW and Victoria according to the rules in the Murray-Darling Basin Agreement.

It is then the responsibility of the NSW Government to allocate the NSW water share according to the Water Sharing Plan. During severe water shortages, the water sharing plan may be suspended, during which time the priorities for the NSW water sharing are undertaken in accordance with the *Water Management Act 2000 (NSW)* and the *Basin Plan 2012 (Cth)*.

\*AWD: Annual Water Determination.



## Main licence categories

1 Stock, domestic and town water licences

2 High Security licences

3 Conveyance licences

Generally receive 95%-100% allocation in all but severe drought years.

4 General Security licences

Don't always receive full allocation.

- Most susceptible to seasonal climate variations and last to receive water allocations, therefore least secure category.
- Can start the year with low or zero allocation and typically receive incremental improvements as the year inflows commensurate with rainfall and runoff.



## 'Supplementary water'

Surplus flow that can't be captured

Regulated rivers become temporarily unregulated

Announcement of "Supplementary Access" period

- Supplementary water licence holders: Can pump water during these periods.
- Other category licence holders: Can pump water as usual.
- General security licence holders: May under some circumstances pump "without debit".