

# MEDIA RELEASE

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## Relaxation of water trading rules through Barmah Choke extended until June 2010

The Murray-Darling Basin Authority today announced that the relaxation of the trading rule controlling the transfer of water allocations from upstream of the Barmah Choke downstream to other stretches of the Murray River will be extended from 1 October 2009 to 30 June 2010.

Chief Executive Mr Rob Freeman said the decision, supported by all Basin governments, was based on the extended drought and the low water resource outlook for the 2009/10 water season.

“It is highly unlikely that channel capacity will be reached between 1 October 2009 and 30 June 2010 as a result of extending the relaxation of the Barmah Choke trading rule,” he said.

Net trades from above to below the Choke and the low water resource availability for the last two seasons have had limited impact on channel capacity. In general the Victorian Murray Valley allocations are often the best indicators of resource improvement. The highest available allocation for this valley in the last two seasons was 40 % which had limited impact on channel capacity of the Choke.

The outlook for the Murray system for the remainder of the 2009/10 season shows that there is a low risk of exceeding the channel capacity of the Choke.

Mr Freeman said extending the relaxation rule would continue to enable entitlement holders above the Choke to sell their water allocations downstream.

The relaxation of the trading rules will be reconsidered based on improved system inflows, available allocation levels in the Victorian Murray Valley and net trades from above to below the Choke.

“However, any allocation transfers approved up until that time would be honoured,” Mr Freeman said.

The Barmah Choke constrains the volume of water that can pass for downstream users and delivery of additional flows from trading water allocations from upstream to downstream cannot be guaranteed. Because of the extended drought conditions and the lower than normal flows in the river, transfers of allocations are guaranteed.

Trade in entitlements from above to below the Choke will continue to be prohibited. An announcement on this relaxation will be made on the 15 June 2010.

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