

# Carryover of Commonwealth environmental water from 2012-13 into 2013-14 – Northern Victoria



Australian Government

Commonwealth Environmental Water Office

## What is meant by carryover of water?

Carryover is provided for in regulated parts of the Murray-Darling Basin and allows water entitlement holders to hold water in storages so that it is available in subsequent years. Carryover therefore provides water entitlement holders with greater flexibility to manage their own water availability across years.

## How is carryover governed?

The States have created rules that apply to the carryover of water. The rules manage the impact that water entitlement holders may have on other entitlement holders through their carryover decisions.

The Commonwealth environmental water holdings are a set of water entitlements and associated allocations. The Commonwealth Environmental Water Holder, supported by the Commonwealth Environmental Water Office, manages these water holdings under the same rules and pays the associated fees and charges as other entitlement holders do with respect to their holdings. The Commonwealth can carry over water in the same way as occurred when the water entitlements were managed for agricultural use. So:

- carryover that was previously available to the water entitlements is now held by the Commonwealth and its acquisition for environmental purposes does not affect the maximum carryover in dams overall or associated with these entitlements; and
- the Commonwealth, like any other water holder, cannot fill up dams to the exclusion of other water entitlement holders.

In northern Victoria, there are rules for 'spillable water accounts' in larger catchments (Murray, Goulburn, and Campaspe), and carryover limits in other catchments. Water up to the entitlement volume can be stored in 'allocation bank accounts'. A spillable water account allows the storage of water over and above the entitlement volume but if the associated dam spills then water is deducted from these spillable water accounts first.

For example, in the Goulburn catchment, storage of volumes of water over and above the entitlement volume is secure in spillable water accounts as long as Eildon Dam does not spill. In contrast, in the Loddon and Broken catchments, the rules are different and the maximum carryover from one year to the next is limited to 50 per cent of the entitlement volume.



# Spillable water accounts

In the Murray, Goulburn and Campaspe catchments, there are spillable water accounts. During each year, any available water in addition to the entitlement volume is assigned to a 'spillable water account' and this water is not available for use or trade until a declaration of low risk of spill is made by the Northern Victorian Resource Manager. The maximum amount of water in a spillable water account will equal the entitlement volume, except in 2013-14 when Victoria will allow greater carryover in the Victorian Murray system.

In making this declaration of low risk of spill, the volume of water in storage and possible future inflows under prevailing climatic and catchment conditions are taken into account. If there is a spill from either Hume Reservoir (for the Murray system), Eildon Reservoir (for the Goulburn system), or Eppalock Reservoir (for the Campaspe system), then water is 'forfeited' from spillable water accounts on a proportional basis. An illustration of this is shown in figure 1.

Further information regarding spill rules is available at the Victoria Water Register website (see <http://waterregister.vic.gov.au/Public/SpillableAccountExamples.aspx>).

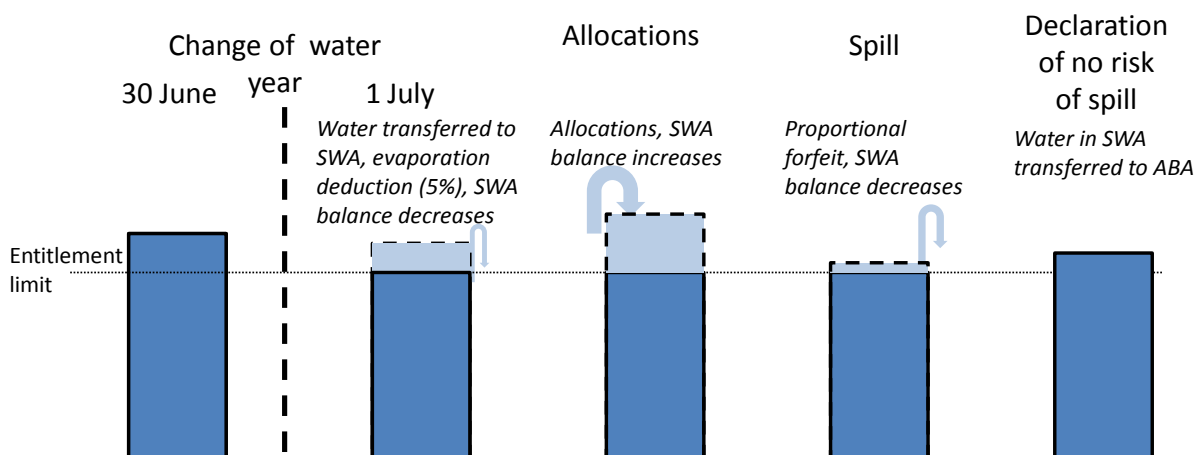


Figure 1: How spillable water accounts operate in Northern Victoria.

Notes: SWA – spillable water account. ABA – Allocation bank account.

## Carryover limits

Carryover limits apply in a number of the smaller catchments in northern Victoria. In the Ovens catchment, no carryover is permitted. In the Broken and Loddon catchments the carryover limit is 50 per cent of the entitlement volume and the account limit is 100 per cent. Therefore, if a Victorian entitlement holder carries over 40 per cent of their entitlement volume in the Broken or Loddon catchments, then the allocations in the next year that could be received by that entitlement holder would be a maximum of 60 per cent. The water that otherwise would have been received by that entitlement holder would be re-allocated to other entitlement holders.

## Commonwealth carryover in northern Victoria

2012-13 was a relatively dry year, and many entitlement holders drew on their carryover reserves. The Commonwealth drew down its carryover in the Victorian Murray from 163 GL on 1 July 2012 to 87.6 GL on 1 July 2013. As the total Commonwealth entitlement<sup>1</sup> totalled 255 GL, the carryover equated to 34 per cent of entitlement. If the Victorian Murray allocation reaches 100 per cent, the volume that would be transferred to spillable water accounts is this volume. 87.6 GL is 0.9 per cent of the capacity of major storages in the River Murray System.

The Commonwealth carried over 15.3 GL in the Goulburn system on 1 July 2013, a slight increase from 11 GL on 1 July 2012.

## Annual reporting of carryover

The [Commonwealth Environmental Water Office annual carryover report](#) provides further information about the volume of water that has been carried over in the Basin each year. Over the longer term it is expected that the percentage of Commonwealth environmental water that is carried over will be similar to other water entitlement holders - although like all water entitlement holders it will vary from year to year.

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<sup>1</sup> that is, the sum of the High Reliability Water Share and Low Reliability Water Share held by the Commonwealth