



Temporary water for sale on the Latrobe

The old “unallocated water” on the Latrobe River system (held in Blue Rock) is now a drought reserve.

Southern Rural Water will sell temporary water from this reserve every month, available for downstream irrigators to buy.

More water will be available during dry times.

Costs for Blue Rock water shareholders will decrease slightly when temporary water is sold.

What is the Latrobe Reserve?

Until recently, some of the water held in Blue Rock Reservoir was not allocated for anyone's use.

The Gippsland Sustainable Water Strategy (in 2011) recommended that this water be turned into a drought reserve.

The drought reserve, known as the Latrobe Reserve, has now been established and is managed by Southern Rural Water.

It's designed to provide better reliability during drought to water users along the Latrobe system, including irrigators, power companies, Gippsland Water and the environment. As an example, when the drought reserve is full, there would be about 750 ML available for downstream irrigators to buy on a temporary basis.

How will the temporary sales work?

Southern Rural Water has established a set of rules for selling temporary water every month from the Latrobe Reserve.

Equity

Firstly, to ensure equity, the available water has been split into two parcels:

- one for power companies, Gippsland Water and the environment
- one for irrigators along the river.

How much water

Southern Rural Water will look at conditions and inflows every month, as well as how much water is actually sitting in the reserve, before deciding how much to release for sale:

When...	SRW will sell... (minus losses from evaporation etc, and other commitments)
Allocation in Blue Rock is above 75% (a wet year)	Only expected inflows
Allocation in Blue Rock is between 50-75% (normal year)	50% of the drought reserve, plus expected inflows
Allocation in Blue Rock is less than 50% (dry year)	75% of the drought reserve, plus expected inflows

What is the process?

When Southern Rural Water has calculated how much water is for sale each month, we will send a text message to all those who have registered their interest, and put the information up on our website. If you are interested in purchasing water, you then contact Southern Rural Water.

The water will be sold either by tender or by water broker, with a reserve price. The process will be as quick as possible, because we recognise that at most times, people will want this water urgently in drought conditions.

Why is the water being sold and not allocated?

By selling the water, we are making sure that it's going to those who really want it. Under an allocation system, not all the water may get used.

What happens to the money generated from sales?

This is a not-for-profit system. Any money generated from sales, after paying for costs, will be used to reduce the amount that shareholders in Blue Rock pay for its management.

This means that when drought reserve water is sold, there is a benefit for everyone in the system whether they buy water or not.

More information or to register interest in buying

For more information, or to register your interest in buying water when it becomes available, please contact Southern Rural Water on **1300 139 510**.