

# Groundwater Update

August 2011



More than half of Victoria's groundwater resources are located within our region with more than 7,818 customers owning more than 460,000 ML of groundwater entitlements. Nearly 80% of these resources are accessed by customers located within G-MW's Irrigation Areas. Groundwater is a vital resource for many irrigators, commercial businesses and towns across the region. The following provides an update on groundwater resources, management and trading in our region.

## Some definitions:

- GMU** – Groundwater Management Unit
- GMA** – Groundwater Management Area
- WSPA** – Water Supply Protection Area
- LMR** – Local Management Rules

## Start Of Season Update - Allocations

### How often are allocations updated?

Groundwater aquifers do not respond to changes in weather as rapidly as surface water. In most cases G-MW will only make an annual allocation.

### How are groundwater levels measured?

The State Observation Bore Network (SOBN), owned and maintained by DSE, is made up of 1065 monitoring bores across our region. DSE checks each bore every quarter and G-MW undertakes a further 8 checks per year at around 300 of the SOBN bores. This information is used to calculate the volume of water that can be accessed from the aquifer and is the basis for making seasonal groundwater allocations. These bores are also important for determining the health of groundwater systems and helping understand how changes occur over time.

### Groundwater Management Unit

### Allocation Date

Groundwater Management Unit	Allocation Date
Katunga WSPA	70% allocation announced on 1 August*
Lower Campaspe Valley WSPA	By 15 August
Loddon Highlands WSPA	By 15 September
Mid-Loddon GMA	By 30 September
All other GMUs and unincorporated areas (full list available from G-MW's website)	100%

Allocation expressed as % of licensed entitlement.

\* Maximum allocation possible in accordance with the Katunga WSPA groundwater management plan.

## Groundwater licences, entitlements and trading

### Does everyone need a licence?

If a landowner wishes to drill a bore for domestic and stock purposes, they must first apply for, and be issued with, a licence to construct works. Landowners who access groundwater solely for domestic and stock purposes or for a garden of less than 0.4 hectares do not need an extraction licence. The taking of groundwater for domestic and stock purposes is a right defined in the *Water Act 1989* and, unlike licensed use, is not subject to fees and charges.

### Can I trade my groundwater?

Customers within declared groundwater management units (GMA or WSPA) may be able to access more groundwater by buying licence entitlement from other customers in the same groundwater management unit. G-MW is not involved in the negotiations between a buyer and a seller, but is required to assess and approve the application to trade in line with the relevant trading rules.

The trading rules can vary between GMUs. Visit G-MW's website or office to obtain an information pack or talk with your broker or adviser.

Outside of a GMA or WSPA, customers may access additional entitlements by making a direct application to increase their entitlement to G-MW.

### Why do groundwater trades take longer to approve?

G-MW endeavours to process groundwater trade applications within 8 weeks. However groundwater trading is more complex than surface water because shifting the point at which water is extracted can impact on neighbouring bores, local groundwater levels and also local salinity levels. For this reason, some trade applications require additional assessments and possibly onsite inspections before the transaction can be approved. The costs are charged to the applicant.

## What are Groundwater Management Plans and Local Management Rules?

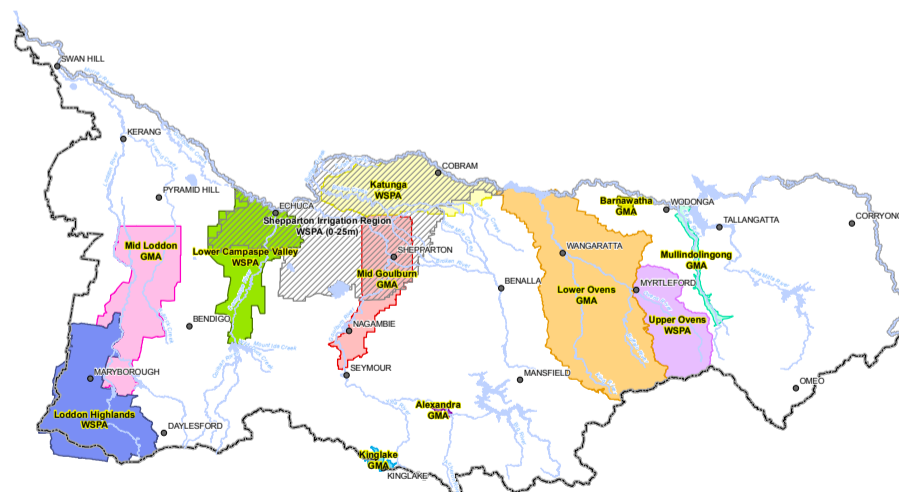
There are currently 12 groundwater management units across G-MW's region. Of these, 5 have been declared WSPAs because they are subject to decline, stress or intensive extraction. In consultation with local customers, G-MW has developed statutory GMPs for 2 WSPAs and will complete plans for 3 more over the next few years. GMPs balance the security of customer entitlements with the long term sustainable management of groundwater in the area.

LMRs are used in all GMAs. LMRs are often not as comprehensive as GMPs. Their key role is to define resource sharing rules that apply during times of shortage such as drought.

### Why do we need GMPs and LMRs?

Statutory GMPs and LMRs provide clear direction and certainty for all users. These arrangements have enabled the development of trading rules and even carryover, such as in the Mid-Loddon GMA and within part of the Loddon Highlands WSPA.

Both GMPs and LMRs will be important to protecting and defining customers' groundwater entitlements under the proposed Murray-Darling Basin Plan.



Groundwater Management Units

## Fees and charges

A fee applies to new groundwater licence applications and licence renewals. These fees recover the costs of any assessments required in order to approve your application.

The costs of groundwater metering, monitoring and compliance are shared across all groundwater customers via a base fee. Intensive management fees apply to each ML of licensed entitlement held by licence holders in GMAs and WSPAs.

The intensive management fees recover the costs associated with the development, implementation and administration of LMRs and GMPs. A single fee spreads these costs across all groundwater customers in GMPs and WSPAs. For a full list of groundwater licence fees please visit the G-MW 2011/12 price list at [www.g-mwater.com.au](http://www.g-mwater.com.au)