

Enquiry Notice relating to possible Transformation of Entitlement



What is this notice for?

Use this form to obtain information from Goulburn-Murray Water regarding details of irrigation rights and delivery rights associated with the possible transformation of water entitlements held by a syndicate or members of syndicate under supplies by agreement established under section 124(7) of the Victorian *Water Act 1989*.

What to do:

- Read the accompanying explanatory notes before you fill out the form.
- Complete the form in full ensuring all relevant information is provided.
- Send the form and any required documentation to: Goulburn-Murray Water, PO Box 165, TATURA , VIC 3616.

Assistance with completing this notice:

Read the information included in the attached explanatory notes and if you need further assistance, contact the Licensing Unit between 8.00 am and 4.45 pm Monday to Friday

- Telephone: 1800 013 357 (free call from most fixed line phones)
- Facsimile: (03) 58 24 5501
- Email: rocsrland@gmwater.com.au

Notice Check list

<input type="checkbox"/>	Name of Applicant: Syndicate Name (if different from Applicant):.....
<input type="checkbox"/>	The Enquiry Notice Relating to Possible Transformation of an Entitlement form has been completed and is attached.

1. DETAILS OF PERSON/ENTITY REQUIRING DETAILS

Formal Name of Syndicate:

.....

Name of member of Syndicate (For partial transformation application)

.....

Postal Address:

Postcode:

Telephone number: ()

Mobile number:

Email:

2. DETAILS REQUESTED

Details are requested by the Applicant in relation to the following (please tick applicable box/es):

<input type="checkbox"/>	Irrigation Rights
<input type="checkbox"/>	Water Delivery Rights

3. TRANSFORMATION SCENARIO

The transformation scenario relevant for this Application is identified below (please tick applicable box):

<input type="checkbox"/>	A member(s) of a syndicate seeks to hold separate entitlements and discontinue supply through the works of the syndicate.
<input type="checkbox"/>	A member(s) of a syndicate seeks to hold separate entitlements and continue supply through the works of the syndicate.
<input type="checkbox"/>	A member(s) of a syndicate seeks to hold separate entitlements and continue supply through separate works.
<input type="checkbox"/>	A member(s) of a syndicate seeks to reduce their entitlement within the syndicate and hold a separate entitlement while continuing supply through the works of the syndicate.
<input type="checkbox"/>	A syndicate seeks to disband and no longer obtain supply.
<input type="checkbox"/>	A syndicate seeks to disband and some or all members individually require continued supply through separate works.
<input type="checkbox"/>	A syndicate seeks to disband with continued supply through the syndicate works to one member only.
<input type="checkbox"/>	Other

4. DESCRIPTION OF THE PROPERTY

Property address:

GMW Property Number:

Name of syndicate on GMW fixed charges account:

5. SOURCE OF SUPPLY

Name of Irrigation Area or District:

6. USE/S OF WATER

- Domestic and/or Stock Supply (includes one garden/lawn area per property up to 0.1 hectare (one-quarter acre))
- Irrigation Supply (watering a garden/lawn area exceeding 0.1 hectare per property qualifies as irrigation use)
- Other (please specify):

7. ACKNOWLEDGEMENT OF PERSONS SUBMITTING NOTICE

I acknowledge that Goulburn-Murray Water may release information contained in this application, at the discretion of G-MW to relevant parties and organisations in accordance with applicable legislation.

Signature of Person Requiring Notice:

.....

Printed name: Position Date:

Signature of Person Requiring Notice:

.....

Printed name: Position Date:

Protecting your privacy

Goulburn-Murray Water (GMW) protects your privacy by collecting and handling your personal information in accordance with the requirements of the *Privacy & Data Protection Act 2014*. Your personal information is collected on this form and will be used for the purpose of administering this application and updating our records. Information collected is usually disclosed to staff involved in processing your application, contractors, connection staff and other relevant GMW staff. Failure to provide the information sought may result in processing delays or non acceptance of your application. It may also limit our ability to be able to provide various programs or services. You may gain access to and correct your personal information. For further information please refer to our Privacy Policy at www.g-mwater.com.au or call 1800 013 357 to obtain a copy of this policy.

General information and explanatory notes

What is transformation?

Transformation is the process by which an irrigator permanently transforms their entitlement to water under an irrigation right against an Irrigation Infrastructure Operator (IIO) into a water entitlement. Transformation effectively separates an irrigator's share of the IIO's water entitlement and establishes a separate entitlement that is held directly by the irrigator.

The *Water Market Rules* 2009 established under the *Water Act* 2007 (Cth) provide for transformation of certain entitlements and the Australian Competition and Consumer Commission monitors compliance with these rules.

In the case of syndicates that hold water entitlements through supply agreements, the result of transformation is that water entitlements are issued directly to the syndicate (if the syndicate is a legal entity) or to one or more members of the syndicate according to the ongoing supply arrangements between the IIO and the syndicate. The entitlement under the syndicate's supply agreement is reduced by a corresponding amount following transformation.

When is transformation necessary?

In Victoria, following the unbundling process that took place in 2007, most water entitlements were recognised as individual and separate unbundled entitlements, dispensing with the need to transform these entitlements. However, entitlements that are held beneficially on behalf of irrigators, such as those held by IIOs on behalf of syndicates under supplies by agreement, could not be recognised as such. Therefore, transformation of entitlements may be needed in these cases.

Where can I find out more about unbundled entitlements?

Visit the Victorian Water Register web-site and go to the page titled 'unbundling'.
<http://www.waterregister.vic.gov.au/Public/Unbundling.aspx>

Who can transform water entitlements?

As a result of the unbundling process, transformation of water entitlements in G-MW's irrigation districts is only relevant for entitlements that are based on supply agreements. All other entitlements are held directly by the customer, typically as water shares if the water system is regulated (main streams where G-MW controlled storages regulate flows) or under licence in unregulated and groundwater systems.

Where a syndicate is a legal entity, it can apply for transformation of the syndicate's entitlement. Where a syndicate is not a legal entity, individual syndicate members must apply for transformation of the syndicate's entitlement. All syndicate members must consent to transformation in this case.

Alternatively, syndicate members may individually and independently apply for transformation of their share of the syndicate's entitlement.

What is a Supply Agreement?

Section 124(7) of the Victorian *Water Act 1989* (the Act) empowers G-MW to supply water to any person by agreement. These agreements – known as 'supplies by agreement' - are used where other provisions under the Act do not authorize G-MW to make supply available to customers and are limited to supplies from G-MW works.

What are Irrigation Rights?

This is the right that upon transformation is issued as a water share. It is the entitlement volume of the supply agreement for irrigation. G-MW formally records the total volume of supply agreements for syndicates, any records of individual member's irrigation rights are to be sourced from the syndicate manager.

What are Water Delivery Rights?

This is the right that upon transformation is issued as delivery share. It is entitlement to capacity from the delivery system expressed in megalitres per day. G-MW has recorded the total water delivery right for each supply agreement. Distribution of water delivery rights between syndicate members is a matter for the syndicate to determine.

What are syndicates?

G-MW has historically characterised syndicates as groups of independent landholders who join together to install common works for water supply. Some arrangements for the supply of water to syndicates are informal joint water supplies, while others involve community water supplies, owners' corporations or co-operatives.

Entitlement transformation scenarios

There are various scenarios in which entitlement transformation may be sought by syndicates. G-MW's requirements resulting from transformation applications vary for each scenario depending upon the ongoing syndicate structure. You will be advised of specific requirements upon enquiry or application.

Set out below are the most common entitlement transformation scenarios:

1. A member or members of a syndicate seek to hold separate entitlements and discontinues supply through the works of the syndicate.
2. A member or members of a syndicate seeks to hold separate entitlements and continue supply through the works of the syndicate.
3. A member or members of a syndicate seeks to hold separate entitlements and continue supply through separate works.
4. A member of a syndicate seeks to reduce their entitlement within the syndicate and hold a separate entitlement while continuing supply through the works of the syndicate.
5. A syndicate seeks to disband and no longer obtain supply.
6. A syndicate seeks to disband and some or all members individually require continued supply through separate works.
7. A syndicate seeks to disband with continued supply through the syndicate works to one member only.

Can part of a syndicate's entitlement be transformed?

Yes, any portion of an entitlement held by a syndicate can be transformed.

What are the ongoing supply options for my syndicate upon transformation?

There are two models for ongoing syndicate operation following transformation of the entire entitlement by a syndicate.

Model 1 – Supply Model: The supply model is only available when none of the use is for irrigation. Under this model, the syndicate holds and manages the water entitlement and seasonal allocation on behalf of members. The syndicate also provides services relating to the common works and delivery of water supply. A single water use registration and delivery share is held to cover supply to all members' lands.

Model 2 – Delivery Model: The delivery model must be used whenever irrigation occurs, but can be used by all syndicates. Under this model, each member can independently hold and manage their water entitlements (These comprise: water share, water use licence, delivery share and seasonal allocation). The syndicate exists to provide services relating to the common works and to delivery of the members' water and is responsible for water losses in providing these services to members. Under this model, a single water use registration and delivery share is held to cover losses incurred by the syndicate in supplying water to members.

Do I need to make formal application?

You should contact G-MW to enquire about requirements for transformation prior to deciding whether to formally apply. Upon receipt of your enquiry, G-MW will advise of the relevant requirements and costs. You may be contacted by telephone for further information; alternatively a site inspection may be required in order for G-MW to determine its requirements.