# **GMW Brokers and Solicitors seminar**



## Summary of seminar held 1 September 2021

## **Background**

It is important that Goulburn-Murray Water (GMW) regularly engages with customers and stakeholders on topics that matter.

As part of GMW's 2021 Customer Engagement Plan and following on from the success of the virtual conversation with local Catchment Management Authorities in July 2021, GMW hosted a three hour seminar with local solicitors and water brokers on 1 September 2021, on a number of topics relevant to them to assist when working with GMW customers.

#### **Format**

The seminar ran from 9.00am to 12.00pm and topics included information on Goulburn to Murray Trade Rule changes, compliance and enforcement, an update on the Irrigators' Share Distribution, a seasonal outlook and a question and answer session.

A recording of the webinar can be found at <a href="https://www.gmwater.com.au/yoursay">www.gmwater.com.au/yoursay</a>.

## **Summary**

GMW Corporate Secretary Chris Dalton facilitated the session and conducted welcomes and closing comments, and ran the Q&A session after each presentation and at the end of the seminar.

The following presentations were delivered:

## Working with GMW's Customer Experience Team

Presented by Lisa Dudley, Manager Customer Experience (GMW)

Lisa described GMW's Customer Experience teams for all customer needs including:

- The Customer Contact Centre which covers many different functions including responding to incoming calls and incoming and outgoing mail, accounts receivable enquiries and other functions;
- The Land and Licensing team which covers groundwater and surface water license applications, delivery share and water use licenses including the restructure of water services and works licenses; and
- The Water trading and change of ownership team which covers all allocations including water shares and change of ownership functions.

The following changes to fixed charge accounts that are relevant for GMW customers include:

- Customer Fee replaces the Service Fees on customers' accounts. This means that customers will only pay a single fee as a customer. Previously the Service Fee was applied to each service a customer received from GMW. (\$130 / customer)
- Water Register Entitlement Fee is charged to us by DELWP on the basis of customer entitlement records stored in the Victorian Water Register. Previously this fee was recovered by the Service Fee which all customers received regardless of the number of entitlements they held in the Water Register. (\$13.62 / entitlement)
- Account Layout Customers with multiple services and the same account information have received a new consolidated account. Customers can 'opt-in' or 'opt-out' of consolidated accounts to meet their needs.

For more information, call 1800 013 357 or email reception@gmwater.com.au

### Goulburn to Murray Trade Rule Changes

Presented by Alex Murray, Senior Policy Officer Retail Water Entitlements and Markets (DELWP) and Joe Banks, Retail Water Markets and Entitlements Manager (DELWP)

After extensive consultation with stakeholders and customers in March through to May this year on the Goulburn to Murray Trade Review, the Interim measures were announced by Acting Minister for Water that ensure sustainable trade levels and reduce environmental risk while we learn more this year:

- Interim operating rules for 2021-22 similar volumes as last summer/autumn year but with lower base flow periods between pulses
- Trial two larger pulses of water to draw down remaining IVT not delivered in previous years, or winter/spring
- Funded monitoring and testing in partnership with Traditional Owners, scientists and environmental managers. Findings will be made public
- Interim tagging arrangements will continue
- Tagging exemption to continue for Lower Broken Creek through 2021-22 while we consult more. There will be no changes to the rules for the Lower Broken Creek this year.
- Interim trade rule from 1 July 2021 to draw down the IVT balance to avoid significant shocks to trade and delivery risks in 2022.
- Enduring rules will be made prior to 1 July 2022 to incorporate any lessons and improvements from the coming year.

The Lower Broken Creek will continue to be subject to the Goulburn to Murray allocation trade rule. The exemption from tagged use restrictions will continue through 2021 – 22. Further consultation will be held with the Lower Broken Creek to discuss different options for managing trade between the Goulburn and the Lower Broken Creek. For more information, go to <a href="https://engage.vic.gov.au/goulburn-murray-trade-rule-review">https://engage.vic.gov.au/goulburn-murray-trade-rule-review</a>

## Zero tolerance on water theft, and compliance information

Presented by Stuart Critchell, Senior Manager Water Recovery and Compliance (DELWP)

Together with the Victorian Government's zero tolerance approach, and in response to significant public concern, GMW and Lower Murray Water (LMW) are implementing a zero

tolerance policy to unauthorised take (water theft). The following unauthorised take descriptors apply to GMW customers:

- Allocation account goes into negative allocation balance; or
- Takes water when their account is in negative balance
- Regardless of how much allocation a person has in other accounts, if one account is in negative, it is unauthorised take

New regulations introduced 1 July 2020 enable water corporations to fine for unauthorised take by issuing penalty infringement notices (PINs). Water corporations can issue a PIN for unauthorised take up to 10 megalitres. The maximum penalty under the PIN is \$2,181 and \$10,904 for a corporation. GMW and LMW will begin issuing PINs from 1 January 2022.

Water brokers need to be aware:

- Your client may need to secure water quickly to avoid a fine
- Your client is in unauthorised use even if just one of their accounts is negative and the others are in positive
- It is the account holders' responsibility to ensure a positive balance not GMW's or LMW's
- GMW and LMW will be resolute with enforcing the zero tolerance policy
- It is in the landholders' best interest to plan early to ensure they have a positive balance throughout the season.
- You may have a role in supporting your client on this

For more information, go to <a href="https://www.gmwater.com.au/compliance">www.gmwater.com.au/compliance</a> or to DELWP's <a href="https://www.gmwater.com.au/compliance">Non-urban water compliance and enforcement in Victoria</a> page.

More information is also available by emailing compliance@gmwater.com.au

## Irrigators' Share Distribution Update

Presented by Fabian McCloy, Project Manager Irrigators' Share Distribution Project (GMW)

Following the successful completion of the GMW Connections Project, \$300 million worth of benefits will be distributed back to Goulburn Murray Irrigation District (GMID) delivery share holders in October 2021.

- Customers with 0.25 (ML)/day or more of delivery share, will receive water shares in October 2021.
- Customers with less than 0.25 ML/day of delivery share, will receive a credit on their GMW fixed charges bill in July 2022.

Census date (1 Oct 2021) has been set as close as feasible to the date when water shares are issued. It is important to consider the distribution of shares in any decisions regarding trading or terminating delivery share, or when buying or selling land in the GMID.

Before Census date, customers need to:

• Check delivery share records. Make sure details are accurate as water shares can only be issued when the names of the delivery share holders recorded in the Victorian

Water Register are exactly the same as the landowners recorded in the land titles system.

- Consider your options you may wish to check or combine your delivery shares.
- Contact GMW if you wish to update your billing address, or discuss your Delivery Share Entity / Land Ownership, Allocation Account or Water Use Licence ownership.

For more information, go to www.gmwater.com.auy/irrigators-share

### Resource Availability and Outlooks

Presented by Mark Bailey, Resource Manager for Northern Victoria

Appointed under Water Act 1989, GMW makes seasonal determinations for all water corporations. As Resource Manager, GMW also:

- Assesses compliance with bulk entitlements
- Manages spillable water accounts
- Manages bulk trade accounts (for example, Goulburn inter-valley trade)

The GMW Board delegates the Resource Manager role to Manager Water Resources.

Mark outlined the current resource availability, catchment conditions and seasonal determination outlooks for 2021-22 which is generally optimistic with promising conditions including average to above-average rainfall forecast, good inflows and wet catchments.

Still to come may be a demand to increase with deliveries from Goulburn IVT (to open trade to Murray). For more information, go to https://nvrm.net.au

## **Participant questions**

Q: Is there a particular reason why only the applicant can obtain an Update on a Land Information Statement? If acting for a Purchaser and the Certificate is still current, it makes extra work for us to have to contact the Vendor's representative and ask them to obtain the update from GMW.

A: GMW can only provide the information to the applicant of the information statement, however GMW will consider as a future process improvement.

Q: Given the move towards Treaty in Victoria, is there any intention to provide some of the savings in round two to Native Title Holders in the relevant areas?

A: Not at this stage.

Q: Have you dates for lodgement of delivery share forms/Restructure forms that guarantee approval by 30th Sept in time for 1 Oct Delivery Share issue?

A: Census date (1 Oct 2021) has been set as close as feasible to the date when water shares are issued. So lodgement before 1 October is required.

Q: Great presentation, thank you. General: is there any chance in the future that small D&S holdings will remain linked to the land and transfer with land upon a sale, and the

transfer register with a simple notice or form, similar to the NSW system? At present small residential holdings go through the same process that irrigation holders do. Not all conveyancers have the knowledge or experience to deal with GMW and errors inevitably occur.

A: This would require a change to the Water Act. We suggest using the Land and Water Transfer process to make these transfers as easy as possible.

Q: With regards to the IVT, will the volume of trade from Zone 7 to Zone 1A be limited in any way other than the IVT?

A: It is limited in a couple of different ways, with the amount traded so as not to cause a spill. It is determined by the Risk of Spill assessments. Best to check and view on the NVRM website by looking at the trade backups.

Q: Will the opportunity for trade open at the same time as the 'Cap' is announced on the 15th December?

A: That opportunity will be available with Seasonal Outlook announcement at 10am on 15 December. Will communicate this further to date.

Q: Can we go back to backtrade and talk about the how the volume will be displayed and how often it will be updated?

A: You can see the back trade opportunities all the time on those live links on the register website in terms of outcomes. After 15 December how much water is called out and will reduce the back trade ability.

Q: With the introduction of the charging for water share records customers would like to be able to consolidate water shares. One thing that holds up consolidation is mortgage on the shares. Would VWR consider changing rule to allow water shares to consolidate if mortgage was the same on all water shares (in addition to other rules for consolidation)?

A: Unfortunately the requirement to have the mortgage discharged under the Water Act is an enforced rule within the system, and something we cannot change.

Q: How soon after census date can property settlement occur without impacting on the issue to the original land owner?

A: Contact GMW - if you wish to discuss your Land Ownership, Allocation Account or Water Use Licence ownership.

Q: Thanks for the answer Fabian, one more question is about sale/purchase of land and GMW updating details - is 17th same date for these applications?

A: Yes

Q: Thank you, if parties have an agreement for the issue to go to a previous owner, assume they will have to complete a transfer between the parties at a later date - is that correct. and will that be a normal transfer application.

A: That's right. Form 1 application as per normal process.

Q: Are entitlement trades as part of a real estate transfer able to noted as such on the

#### register? Often these are outlier values and result in some confusion?

A: We don't at the moment. Effectively a land and water consolidation if people are selling as a package. But it is something we can look at in the future. We also still expect people to do their best on the true value of the water, to reinforce those requirements to put the right value on things.

Q: In regards to decreasing trade times and increase efficiencies for GMW (and LMW) customers regarding allocation trades, the current broker common rules state that

3.2 The Broker may only submit an Application where: (1) the Broker has a valid and signed Authorised Agent Form from each holder of an Allocation Account that the Broker is representing;

Having authorisations for vendors should be non-negotiable, but has there been any considerations to allow temporary purchases to ABA accounts without the purchaser to sign 39a/b if the purchaser were to provide authorisation for the lodging party to act on their behalf?

A: This may be a question about using the broker portal, when you need an authorisation form the buyer. Only need authorisation if doing a feasibility check to see who holds the account.

Can do if not using the feasibility check, to give confidence before submitting the trade. We would like to look at electronic systems down the track. Payment as implied authorisation?

Part of the reason we require this, is if you can do a feasibility without pushing through a trade, or using the broker portal, that they have the right authorisation from the customers. The extra visibility from the portal is to make sure the right authorisation.

Business process and design question to be taken away by DELWP to consider.