

GMW Brokers and Solicitors Forum



# GMW Brokers & Solicitors Seminar Water use compliance and enforcement update

Monday 30<sup>th</sup> May 2022



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## Victoria's Zero Tolerance Approach

- Victorian Government and water authorities have a zero tolerance approach to unauthorised take
- A water user must ensure that they have a positive balance before using water
- It is not acceptable for water users to 'square off accounts' at the end of the water year
- Water users should plan early to ensure they have a positive balance throughout the season



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## GMW is responsible for compliance

 GMW's zero tolerance approach details a suite of tools and sanctions it may use



#### Actions

GMW's compliance and enforcement actions in 2020/21 were:

Compliance and Enforcement Action	s	
	2019-20	2020-21
Advisory Letter	778	582
Formal Warning	174	36
Notice of Contravention (s.151)	5	10
Notice of Entry (s.133)	0	0
Lockdown (s.141)	2	1
Prosecutions commenced	21	14
Prosecutions finalised	4	25
Total no. of breaches	4868*	4475*

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# Unauthorised take – exceeding entitlement approach

- If a water user exceeds their entitlement, in the first instance, GMW will work with the water user to rectify the problem and prevent future non-compliance. This may involve a phone call and/or official warning letter.
- If a water user does nor bring their account balance back into compliance or commits a second offence, GMW will take a stronger enforcement approach which may include issuing a PIN, prosecution or suspension/cancellation of licences.



## Water brokers need to be aware:

- Your client may need to secure water quickly to avoid a fine or prosecution
- Your client is in unauthorised take even if just one of their accounts is negative and the others are positive
- It is the account holders' responsibility to ensure a positive balance not GMW's
- GMW is resolute with enforcing the zero tolerance policy
- It is in the land holders best interests to plan early to ensure they have a positive balance throughout the season

ZERO tolerance on water theft Keep your account balance positive to avoid penalties. www.gmwater.com.au/compliance

#### GMW Brokers & Solicitors Seminar

#### Resource Availability and Outlooks

Monday 30<sup>th</sup> May 2022



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#### **Resource Availability and Outlooks**

Dr Mark Bailey Manager Water Resources (Delegated Resource Manager)

31 May 2022

A4398506

## Contents

- Seasonal determinations
- Storage volumes
- Climate outlook
- 2022-23 seasonal determination outlook
- 2022-23 risk of spill

#### **Seasonal Determinations**

System	HRWS	LRWS	Low Spill Risk
Murray	100%	100%	Not declared
Broken	100%	100%	-
Goulburn	100%	0%	Declared (Nov)
Campaspe	100%	0%	Declared (Oct)
Loddon	100%	0%	-
Bullarook	100%	100%	-
NSW Murray	100% (HS)	110% (GS)	-
NSW Murrumbidgee	100% (HS)	100% (GS)	-

#### **Resource Manager**

## **Storage Volumes (ML)**

Storage	27 May 2	2022	27 May 2021	
Dartmouth	3,610,686	91%	2,465,037	64%
Hume	2,740,634	91%	1,346,654	45%
Eildon	2,579,725	77%	1,844,773	55%
Nillahcootie	35,735	85%	28,608	71%
Eppalock	147,599	48%	105,962	35%
Cairn Curran	78,545	53%	55,412	38%
Tullaroop	44,987	62%	29,220	40%

#### **Resource Manager**

## **Rainfall Deciles (Jul-Apr 2022)**

Murray-Darling rainfall deciles 1 July 2021 to 30 April 2022 Australian Gridded Climate Data **Rainfall decile ranges** Highest on record Very much 10 above average 8-9 Above average 4-7 Average 2-3 Below average Very much below average Lowest on record

Base period: 1900—Apr 2022 © Commonwealth of Australia 2022, Bureau of Meteorology Dataset: AGCD v2

Issued: 21/05/2022

## Rainfall Outlook (Jun-Aug 2022)



## Goulburn HRWS Outlook 2022-23

Inflow Condition	1 Jul 22	15 Aug 22	17 Oct 22	15 Feb 23
Wet	82%	100%	100%	100%
Average	52%	88%	100%	100%
Dry	46%	58%	82%	100%
Extreme Dry	45%	47%	50%	56%

See also <u>www.nvrm.net.au/outlooks/outlook-comparison</u>



# Victorian Murray HRWS Outlook 2022-23

Inflow Condition	1 Jul 22	15 Aug 22	17 Oct 22	15 Feb 23
Wet	100%	100%	100%	100%
Average	100%	100%	100%	100%
Dry	91%	100%	100%	100%
Extreme Dry	87%	89%	91%	94%

See also <u>www.nvrm.net.au/outlooks/outlook-comparison</u>



## **Risk of Spill**

- Murray 100%
- Goulburn 70%
- Campaspe 40%



#### **Resource Manager**

# Wrapping Up

- Strong reserves built this season
- Wetter conditions are forecast to continue
- Good possibility for 100% HRWS early in all systems
- LRWS possible in Goulburn and Murray, but needs spills
- Risks of spill in play
- Important considerations for late-season carryover planning



#### Thank you

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**Resource Manager** 

#### **GMW Brokers & Solicitors Seminar**

#### Goulburn to Murray Trade Rule

Monday 30<sup>th</sup> May 2022



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- Final decision and announcement expected mid-June
- Announcement will be published on Victorian Water Register and Engage Victoria websites
- Questions (pre or post announcement) can be emailed to

water.markets@delwp.vic.gov.au

• Can organise further presentation of confirmed rules post decision

#### Important information for end of 2021-22 financial year

- This year the Victorian Water Register will close at midday (12.00 pm AEST) on 30 June 2022 and reopen at midnight (12.00 am AEST) on 1 July 2022.
- For interstate trades: 5.00 pm AEST on Friday, 17 June 2022 is the last day to submit online interstate allocation trade applications via the Broker Portal or the Broker API for guaranteed processing this season.
- For trades within Victoria: 5.00 pm AEST on Friday, 24 June 2022 is the last day to submit paper-based allocation trade applications to your water corporation for guaranteed processing this season.

## Trade opportunities 1 July 2022

Trade limit	Opening time on 1 July 2022	Opening balance
Barmah Choke trade limit	12.05 AM (5 minutes past midnight)	~40,600 ML (please see MDBA announcement on opening Barmah Choke trade opportunity)
Goulburn to Murray trade limit	2.00 PM	~85,000 ML (please continue to monitor the <u>Victoria Water Register website</u> for an announcement on the new rule and expected opening trade balance)
Broken Trade Out Limit	2.00 PM	1,500 ML
Back-trade	12.00 AM (midnight)	For the Goulburn, Upper Goulburn and Campaspe, at 10.00 AM AEST on 1 July 2022, the NVRM will make allocations to entitlements historically traded out as exchange-rate trade
NSW to VIC trade limits	10.00 AM	Lesser of a net annual volume of 200 GL or a volume that keeps the risk of spill from Victoria's share of Hume and Dartmouth reservoirs below 50%
Intra-zone trade	12.00 AM (midnight)	N/A (no limit on intra-zone trade)

Forms, Trading and Irrigators Share Distribution update

May 2022



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#### End of Season Dates



Friday 17 June 2022	<ul><li>Last day for submitting:</li><li>water share applications</li><li>Interstate allocation trades</li></ul>
Friday 24 June 2022	<ul><li>Last day for submitting:</li><li>manual applications to trade allocation</li><li>manual applications to relinquish allocation</li></ul>
Thursday 30 June 2022 at <u>midday</u> (12:00pm)	<ul> <li>Last day for submitting:</li> <li>online applications to trade allocation</li> <li>online applications to relinquish allocation.</li> <li>Last day for ensuring allocation intended for carryover is in a linked allocation account (ABA).</li> </ul>
Friday 1 July at <u>midnight</u>	Access to all online services will be restored.

## **Carryover reminders**



- On 19th May 238 text messages were sent to customers with more than 10ML stranded in their Allocation Account (ABA)
- Second text message will go out in early June to all customers with excess allocation in there ABA's that they cannot carryover



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#### Water Shares Transfers



Please keep in mind that GMW's role is stage one of the water share transfer transaction process.

To complete the entire water share transfer transaction by midday (12.00 pm AEST) 30 June 2022, allow ample time to lodge the recording application with the Water Registrar after you have received the initial response from the GMW.

The Water Registrar aims to record all water share transfers that are submitted in recordable form as-soon-as-possible.

## Water Shares Transfers



You are reminded that when a water share transfer is recorded, the seller's allocation account(ABA) will no longer be linked to that water share. Unused water allocation can only be carried over to the next financial year if the allocation account is linked to an appropriate water share.

The owner of the Water Share on 1 July will be charged the Entitlement Storage Fee & Water Register Entitlement Fee.

Any Water Share transfer applications received after 1 July will require the 2022/23 entitlement storage fees & Water Register Entitlement fee to be paid prior to GMW approving the application.

#### Water Share Applications



#### Some common items that are left incomplete or are incorrect :

- Storage fees are required to be paid as part of any Water Share Transfer application
- Water Share & Allocation trade applications need to be hand signed electronic signatures of any kind will not be accepted
- Water Share Owner Identity Checks VOI documents will be accepted with Form 55's and with Form 1 applications when they relate to a change of ownership of land. Please note: VOI's will not be accepted with Form 1 applications that do not relate to the change of ownership of land.
- If you are ever unsure please call us



T- Approximately 13,000 water shares were odelivery share odelivery share T- Storage fee accounts sent for the water shares ssued in October

E-Water Trading Strategy for sale of below threshold & syndicate water started C - Finalise sale of below threshold & syndicate water to fund rebate CC - Approximately 6,500 customers will receive their financial benefit as credits on GMW fixed charge accounts Distribution of irrigators additional benefits arising from an additional 681.6 ML of long-term water recovery in the final audit for the Connections Project. A decision on the timing for the provision of these benefits is to be determined by the project governance group.



# **Questions?**

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# GMW Brokers & Solicitors Seminar Service Planning Update

Monday 30<sup>th</sup> May 2022



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#### **GMW Service Plans**



• Service Plans form the basis of GMW's 2024-2032 Pricing Submissions



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#### **Deliverables**



#### Understanding the current state

Determine our baseline and document a comprehensive summary of each prescribed service.



Bringing it all together and populating the service plans.



Identify and progress key pieces of work that will need to be developed for each service plan.

**3** Financial Modelling

> Bring together the deliverables from the work packages to create financial forecasts.

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#### **Financial Approach to Service Plans**









#### **Contact us**

<u>〜</u> 1800 013 357



www.gmwater.com.au



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#### Type your bold message here and centre text



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