

Quick reference guide to water trading

This information is valid for the 2016-17 irrigation season. This guide is to assist water entitlement holders with undertaking entitlement trades. If there are any inconsistencies between this guide and your water entitlement contracts, the terms under the water entitlement contracts prevail.

Types of transfers

Trade type	Description	Impact	Fees (inc GST)	Form
Short term transfer	Wholly within one season	Current allocation	-	Short Term Transfer form
Limited term transfer	For one or more seasons	Current entitlement	\$66.00	Limited Term Transfer form
Permanent transfer	Permanent change of ownership	Base entitlement	\$66.00	Permanent Transfer form

These forms are all located on our website. Upon execution, the forms must be submitted to Tasmanian Irrigation:

Email: Watertrading@tasirrigation.com.au
 Mail: Tasmanian Irrigation Pty Ltd
 PO Box 84
 EVANDALE TAS 7212
 In Person: Level 2, Terminal Building
 Launceston Airport
 WESTERN JUNCTION TASMANIA

Tasmanian Irrigation will endeavour to process all complying transfers and return a confirmation to you within 5 business days.

Entitlements and allocations

Water entitlements come in two categories;

1. Irrigation Rights (“IR”): volume of water for use during the irrigation season. This is represented as ML; and
2. Delivery Rights (“DR”): right to have the IR volume delivered through TI infrastructure at a set flow rate during the season. This is generally reflected as ML per day, but can also be shown as a percentage of the scheme capacity.

Trading will impact the volume of water and/or flow rate which you can access at any point in time:

Base entitlement	The volume or flow rate owned outright
Current entitlement	Base entitlement +/- any limited term transfers
Base allocation	Current entitlement volume x Season Allocation % (normally 100%)
Current allocation	Base allocation +/- any short term transfers

Season allocation percentages are applied if there is not enough water to supply the whole scheme for the season.

Irrigation Rights and Delivery Rights can be traded together or separately.

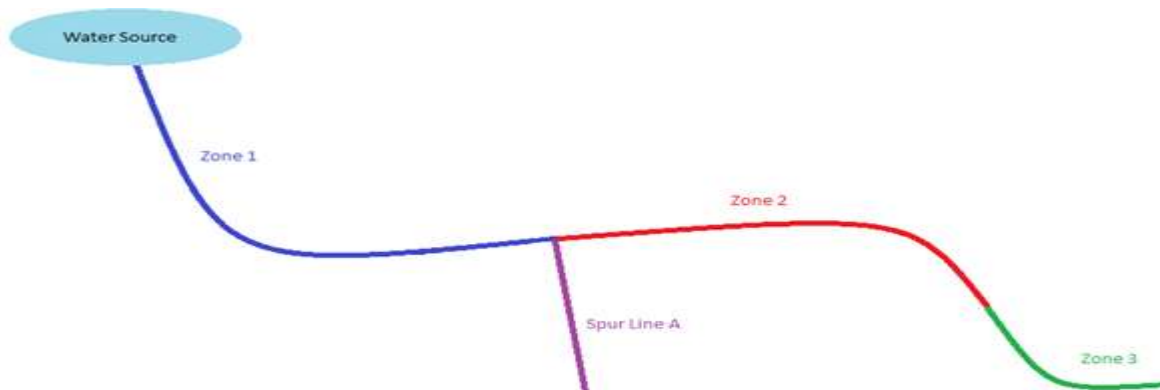
Trading Rules

The rules for trading within the District are guided by the terms of any Irrigation Right or Delivery Right contracts, the *Irrigation Clauses Act 1973* and scheme By-Laws.

Transfer conditions

1. If transferring Irrigation Right volumes, both parties must be in the **same District**
2. If transferring Delivery Right flow rate, either:
 - a. Both parties must be in the **same trading zone**; or
 - b. **Access location**: Access to the flow must be at a point where the water would otherwise flow past. See the illustration below.
 - c. Where there are multiple delivery periods within a scheme, the source and recipient Delivery Right must be in the **same delivery period**.
3. All amounts owing to TI must be **paid in full** – for both the transferee and transferor.
4. The parties to the transfer must disclose the **sale/lease price** for the transfer, allowing TI to assess the water trading market. This information will remain confidential.
5. Must be consistent with **legal requirements**, including Statute, By-Laws and any water management plans.
6. If it's a permanent transfer, TI must be satisfied with the **credit worthiness** of the recipient.
7. If the source entitlement has a registered **Security Interest** (mortgage), and the transfer is for more than 12 months, then the Security Interest holder must provide consent.

Illustration 1: Access to water entitlements in different zones



You can access your volume of water using delivery rights in any trading zone which would normally be delivered past your location:

		Delivery right			
		Zone 1	Spur A	Zone 2	Zone 3
Zones: can be accessed	Zone 1	Yes	Yes	Yes	Yes
	Spur A	No	Yes	No	No
	Zone 2	No	No	Yes	Yes
	Zone 3	No	No	No	Yes

Questions?

For more information about water entitlements and trading, please contact our office on 03 6398 8433 or Watertrading@tasirrigation.com.au.