

## Irrigators Share Distribution

### Q. What is the irrigators' share?

A. The irrigators' share is the component of water recovered through the Connections Project that the Victorian Government committed to provide to irrigators in the Goulburn Murray Irrigation District (GMID). The irrigators' share is 77 gigalitres (GL) of water, measured as long term annual average yield (LTAAY).

### Q. Is the irrigators' share distribution on track?

A. Yes, the project is on track to deliver on schedule. The irrigators' share will be distributed based on the volume of delivery share that recipients held at the census date at 12:01 am on 1 October 2021.

Water shares and allocations are being distributed between 16 – 31 October 2021.

Delivery share holders set to receive financial payment will receive a credit on their GMW fixed charges bill in July 2022.

### Q. How is the irrigators' share being distributed?

A. The irrigators' share is being managed as a once-off distribution, issued directly to delivery share holders in the GMID.

The Minister for Water announced in 2020 that GMID irrigators will receive their share either as water shares or financial benefit, in proportion to the volume of delivery share they hold:

- Customers with 0.25ML/day or more delivery share, water shares are being issued in October 2021 along with water allocations which have accrued against these entitlements since July 2021.
- Customers with less than 0.25ML/day of delivery share, financial benefits equivalent to the value of water shares will be distributed as a credit on their GMW fixed charges bill credit in July 2022.

### Q. When will the irrigators' share be distributed?

A. Water shares are being issued between 16 – 31 October 2021, along with water allocations which have accrued against these entitlements since 1 July 2021.

Around half of all GMID delivery share holders hold less than 0.25 ML/ day of delivery share. For these delivery share holders financial benefits will be issued as a credit on the GMW fixed charges bill in July 2022.

### Q. How will I be notified when my water shares have been issued?

A. Water shares are being issued up until 31st October 2021. Delivery share holders will receive a copy of record and approval letter via mail once the shares have been issued. It may take up to 10 business days for the recipient to receive their letter.

### Q. My neighbour has received their water shares, but I haven't. When will I receive my water share?

A. Water shares will be issued between the 16 - 31 October 2021. All water shares may not be issued on the same day. If you have not received your water shares by 31 October 2021, contact GMW through email [ISDProject@gmwater.com.au](mailto:ISDProject@gmwater.com.au) or by calling the team at 1800 013 357 and they will assist you further.

# Frequently Asked Questions

## **Q. I don't agree with what I have received, who should I contact to discuss it?**

**A.** GMW has established a dedicated irrigators' share distribution customer enquiries and support service. You can contact GMW through email [ISDProject@gmwater.com.au](mailto:ISDProject@gmwater.com.au) or by calling the team at 1800 013 357. A reviews process is available for all eligible delivery share holders and will be open for six months after you have received your benefit.

## **Q. I haven't received my water shares and allocation and it is after 31 October, what should I do?**

**A.** Get in touch with GMW's support team at the Enquiries Centre, and they will be able to help you investigate the matter further. You can contact GMW by emailing [ISDProject@gmwater.com.au](mailto:ISDProject@gmwater.com.au) or by calling the team at 1800 013 357.

## **Q. Why are there no water allocation with the water shares I have received?**

**A.** Water shares and allocations will be distributed between 16 – 31 October 2021, but they may be issued on different days. If you have not received the water allocation by 31 October 2021, contact GMW and they will assist you further.

## **Q. Can I make changes to the water shares that I have received?**

**A.** The Water Act 1989 (Vic) provides that, in certain circumstances, a water share may be varied or cancelled and re-issued. You, together with any other holders of the water share, will be responsible for seeking any such changes to your water share once it has been issued. GMW can provide you with further advice on how to make changes to your water shares.

For example, all water shares issued to more than one person are being issued to those persons as joint tenants. Ownership arrangements can be changed if all owners agree to have the water share cancelled and a new water share issued to the owners as tenants in common.

Also, all water shares will be issued as "unassociated" water shares i.e. the water share will not be associated with land specified in a water-use licence or a water-use registration. The owners of a water share can apply to have the water share associated with land under Part 10 of Part 3A of the Water Act 1989 (Vic).

## **Q. How can I be confident in the process?**

**A.** The irrigators' share distribution is the largest single issue of water shares since the Victorian Water Register was created and has required significant technical work to enable water shares to be issued to the correct delivery share holders.

A 'readiness for service' independent assurance review was completed before the water shares were issued in October 2021. The review was undertaken by an external third party to provide additional assurance that the Victorian Water Register and associated processes were ready for distribution.

## **Q. How do I know if I am eligible to get part of the irrigators' share?**

**A.** At census date, 12:01 am 1 October 2021, if you held delivery share within any of the six areas of the GMID and contribute to the cost of operating and maintaining the GMID by paying the common Infrastructure Access Fee (IAF), you are an eligible GMID delivery share holder.

As recommended by the Irrigators' Share Consultative Committee, the census date was set as close as feasible to the date when the water shares were issued. Doing so helped to maximise the accuracy of delivery share information and ensured that the benefits of the irrigators' share were distributed to those that will continue to contribute to the ongoing cost of the GMID.

The irrigators' share customer guide contains important information on the distribution. The guide can be accessed on [GMW's website](#).

# Frequently Asked Questions

## Q. What do I need to do to make sure I get my share?

**A.** Information on delivery share ownership was taken from the Victorian Water Register on census date, at 12:01 am on 1 October 2021.

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. If the names are not the same, there will be a delay in issuing these water shares until the records are updated.

If you are an eligible delivery share holder with 0.25 ML/day of delivery share and have not received your water shares by 31 October, contact GMW.

If you hold less than 0.25 ML/day of delivery share, no action is required. GMW will get in touch if they need any further information. The financial benefit will be distributed in July 2022.

An ISD Customer Guide was posted to all GMID delivery share holders in April 2021. This guide contains important information about the project. It can also be found on [GMW's website](#).

## Q. What happens if my records were not updated before census date?

**A.** At census date, 12:01 am 1 October 2021, information about delivery share ownership was taken from the Victorian Water Register. Water shares will only be issued if 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. If the names were not the same, water shares would not have been issued until the records are updated. Therefore, you should contact GMW by emailing [ISDProject@gmwater.com.au](mailto:ISDProject@gmwater.com.au) or by calling the team at 1800 013 357 and they will assist you on what to do next.

## Q. How much are delivery share holders receiving?

**A.** The exact make-up of the irrigators' share was confirmed at census date on the 1 October 2021, when information on delivery share ownership was taken from the Victorian Water Register.

Irrigators in the Murray system will receive 3.97 megalitre (ML) of high reliability water share and 2.37 ML of low reliability water share per ML per day of delivery share. For irrigators in the Goulburn system, these figures are 4.00 ML of high and 2.21 ML of low reliability water shares. Water shares are being issued in the trading zone where the delivery shares are held.

Water shares are recorded to one decimal place in the Victorian Water Register. Conventional rounding (rounding up or down to the nearest number) was used to determine the final volume of water shares delivery share holders are receiving. This rounding occurred after the water shares per ML/day delivery share had been multiplied by the individual delivery share rate.

Type of water share	Long-term water recovery per ML/day of delivery share (all trade zones)	Goulburn		Murray	
		LTDLE factor	Volume of water share per ML/day of delivery share	LTDLE factor	Volume of water share per ML/day of delivery share
HRWS	3.87 ML	0.967	4.00 ML	0.974	3.97 ML
LRWS	1.29 ML	0.583	2.21 ML	0.543	2.37 ML

## Q. Why are irrigators in the Goulburn and the Murray systems receiving different amounts of HRWS and LRWS?

**A.** Water recovery is calculated as a long-term average annual yield (LTAAY) which needs to be converted into an equivalent entitlement volume in the system to be issued as water shares.

# Frequently Asked Questions

Delivery share holders across the Goulburn and Murray systems will receive equal share of long-term water recovery related to the volume of delivery share they hold.

Long-term diversion limit equivalent (LTDLE) factors are used to convert LTAAY water recovery into an entitlement that can be held, like a water share of specific reliability within a system and trading zone.

As long-term diversion limit equivalent factors are specific to each system, there is a different set of high-reliability and low-reliability factors for the Goulburn and the Murray systems.

This means that when applied to equal volumes of long-term water recovery, the volume of water shares issued to a delivery share holder in the Goulburn will be slightly different to water shares issued to a delivery share holder with the same volume of delivery share in the Murray.

LTDLE factors have been used to convert water recovered from modernisation projects to water entitlements since the implementation of the Murray Darling Basin Plan, including water recovered by the GMW Connections Project.

## **Q. How do I work out what value these shares have?**

We recommend you seek personal advice for all financial and taxation matters relating to you receiving these water shares.

## **Q. Why don't the shares come with a value?**

Water shares are being issued to delivery share holders based on ownership details at census date, 12.01 am 1 October 2021. As these are new shares being issued, it is recommended that you seek personal advice for all financial and taxation matters relating to you receiving these water shares

## **Q. Will I get allocation against the water shares for the 2021-22 season?**

**A.** The irrigators' share is being distributed after the 2021-22 irrigation season has started. Water shares are being issued from October 2021 along with any water allocation which would have accrued against these entitlements since July 2021. While both water shares and allocation are scheduled to be distributed between 16 – 31 October, they may be issued on different days.

## **Q. Will I get water shares within my trading zone?**

**A.** Water shares are being issued in the trading zone where delivery shares are held for easy access to the water without extra costs.

## **Q. Can I consolidate my shares as part of the irrigators share distribution?**

**A.** No, it is not possible for recipients to nominate to have their new water shares consolidated with their existing water shares. Any consolidation of water shares will need to be managed by the recipient after the distribution and the standard fees and charges will apply.

## **Q. I am eligible to receive a bill credit in July 2022 – can I request to receive a refund instead?**

**A.** Once your GMW account had been credited in July 2022 you can contact GMW call centre and apply for a refund of the credit under GMW's standard refund processes.

## **Q. What is the census date?**

**A.** The census date is when information on delivery share holdings was taken from the Victorian [Water Register](#), and took place at 12:01 am on 1 October 2021.

## **Q. What amendments have been made to GMW's bulk entitlements?**

**A.** In June 2021, the Acting Minister for Water, the Hon Richard Wynne MP, approved GMW to amend its Goulburn and Murray river systems bulk entitlements under section 44 of the *Water Act 1989*.

# Frequently Asked Questions

The amendments are required to:

- a. reset baseline Murray loss allowances to implement the outcomes from the Torrumbarry and Murray Valley loss review which was undertaken by GMW in line with the provisions of the bulk entitlement.
- b. reduce loss allowances in line with the water recovered through modernisation works.
- c. enable GMW to set aside water during the seasonal determination process from 1 July 2021.
- d. set up accounting rules and arrangements for Lower Broken Creek
- e. set up new arrangements to facilitate the close out of the Murray and Goulburn offset accounts.

## Q. How will the amended bulk entitlements help irrigators?

**A.** The amended bulk entitlements reduced loss allowances so that GMW could issue new water shares to eligible delivery share holders without impacting on other entitlement holders' rights or the rights of the environment. The amendments also set up the accounting arrangements so that GMW could set aside water during seasonal determinations which were applied to the new water shares when they were issued from October 2021.

The changes also ensured that Lower Broken Creek delivery share holders were able to receive benefits from this project, and set up new arrangements to manage the Goulburn and Murray offset accounts.

Finally, the amendment also included changes to the Murray bulk entitlement to implement the outcomes of the Murray loss review recently completed.

If the entitlements were not amended, then the creation of water shares from October with allocation would have had a negative impact on other entitlement holders including the environment and therefore wouldn't have been possible under law.

## Q. How was the distribution approach selected?

**A.** The Irrigators' Share Consultative Committee, appointed by the Minister for Water in mid-2019, recommended a distribution approach for the irrigators' share to pass on the benefit to individual holders of delivery share in the GMID.

The committee worked through a range of distribution options and consulted extensively with the GMID irrigation community before making its recommendations to the Minister for Water.

The Minister announced her acceptance of the [committee's recommendations](#) in October 2020.

## Q. Can I request to receive water shares instead of a bill credit?

**A.** No. The Irrigators' Share Consultative Committee recommended to the Minister for Water a threshold level at 0.25 ML/day of delivery share. It suggested that 0.25 ML/day of delivery share would correlate to a water share package of around 1.0 ML of HRWS and 0.5 ML of LRWS.

This was considered the minimum viable parcel of water shares to issue where the value of water shares was not significantly eroded by transaction costs like storing, using and trading water shares.

This approach protects the value of the irrigators' share for all recipients while maximising the amount of water available for productive use.

## Q. What happens if I bought or sold a property with delivery share before the census date?

**A.** If you bought or sold a property with delivery share, the benefits of the irrigators' share are being distributed to the holder of the delivery share on the census date, 1 October 2021. Note that delivery share is tied to the land and will transfer with the property unless it is terminated or traded to another location.

# Frequently Asked Questions

## Q. Can I change the amount of delivery share I hold?

A. You can change the amount of delivery share you hold through trading on the market.

The issue of new delivery share for irrigation is currently restricted in the GMID in line with the delivery share review recommendations. All applications are subject to rules and channel flow rates capacities – contact GMW for more information.

## Q. What if my delivery share covers multiple outlets?

A. Water shares are being issued against a Delivery Share Entity.

If the Delivery Share Entity covers multiple outlets, the daily rate and trading zone on each outlet adds up to the total delivery share on which the distribution is being based on. If those outlets are spread across more than one trading zone, the daily rate in each trading zone are combined and water shares are being issued in both zones.

If the combined volume of daily rate in one or both of the trading zones is less than 0.25 ML/day a bill credit will be issued.

Customers who have delivery shares with outlets in two different trading zones have been contacted by GMW directly to discuss what this means for them.

## Q. What if I hold a different delivery share on another property?

A. If you hold different Delivery Share Entities on other outlets or properties, a separate water share or bill credit will be issued for each (depending on the daily rate).

## Q. Why are syndicates receiving a GMW bill credit?

A. Syndicate bodies contribute to the common Infrastructure Access Fee (IAF) and are eligible to receive the benefit. Syndicates hold delivery share but not in the same way as an individual land owner does.

In some circumstances, the syndicates include landholders unknown to each other, making it inappropriate to issue a water share as a jointly held asset.

For the majority, the number of landowners in a syndicate if broken down to an individual scale, each landowner would fall below the 0.25ML/day threshold.

Due to these reasons, syndicate bodies will receive a financial benefit issued as credit on their GMW fixed charges bill in July 2022.

GMW have been in contact with all syndicates who hold 0.25 ML/day or more of delivery share to advise them on this process.

## Q. Is the Connections Project now complete?

A. The Connections Project has successfully been completed and achieved its long-term water recovery target. The irrigators' share is part of distributing the water recovery benefits to the original project investors.

Melbourne's retail water corporations currently receive an annual allocation based on the audited volume of water recovered each year through completed works. They will receive their final entitlements after the irrigators' share has been issued and following the final water recovery audit.

The environment received its share already, as negotiated in 2011 as part of the Connections Project agreement with the Commonwealth, signed by the then Water Minister Peter Walsh.

## Q. How do I find out more about the distribution of the irrigators' share?

A. More information is available at [Engage Victoria](#) including:

- The ISCC's Recommendation Report to the Minister for Water
- The ISCC's Closing the Loop report on feedback received through consultation



# Frequently Asked Questions

- A short fact sheet about the ISCC's recommendation
- A DELWP fact sheet about the make-up of the irrigators' share.

There is information on [DELWP's website](#):

- A DELWP fact sheet about how the irrigators' share is being calculated, audited and distributed
- A Customer Guide

Important information is also available on [Goulburn-Murray Water's website](#).