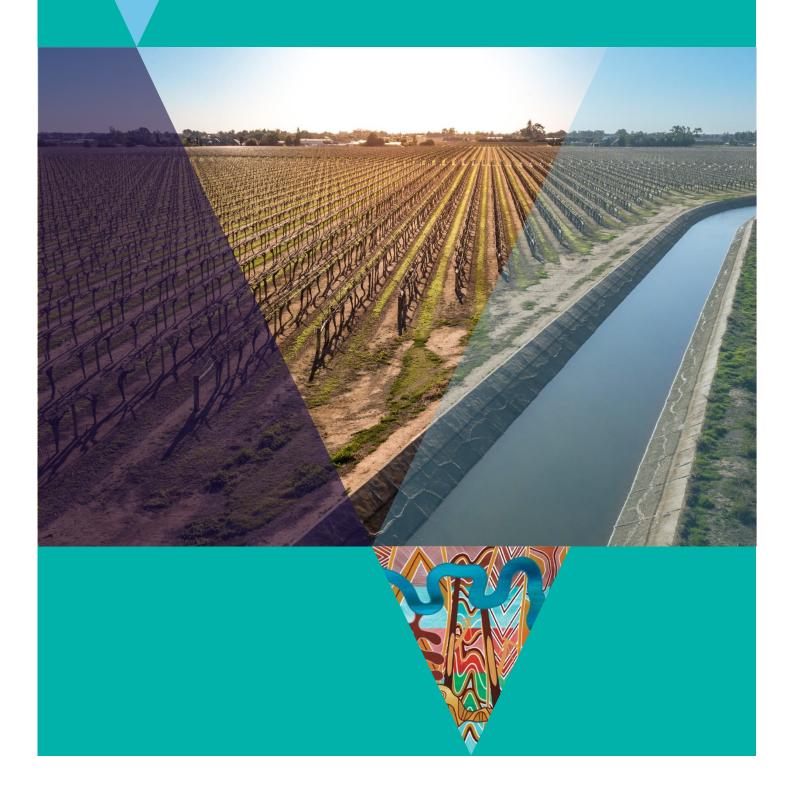
Delivery Share Review

Outcomes and actions snapshot 2018-2022





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Acknowledgment

We acknowledge and respect Victorian Traditional Owners as the original custodians of Victoria's land and waters, their unique ability to care for Country and deep spiritual connection to it. We honour Elders past and present whose knowledge and wisdom has ensured the continuation of culture and traditional practices.

We are committed to genuinely partner, and meaningfully engage, with Victoria's Traditional Owners and Aboriginal communities to support the protection of Country, the maintenance of spiritual and cultural practices and their broader aspirations in the 21st century and beyond.



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Reviewing delivery share for northern Victoria

The Delivery Share Review has adjusted the use of delivery share in Northern Victoria to help irrigation districts respond to changing customer needs

The review resulted from the Victorian Government's commitment to help irrigation communities adapt to rapid change and reduced water availability.

Examining how delivery shares were working and how they could support affordable and resilient irrigations districts for the future was the main aim of action 4.3 in Water for Victoria: Help irrigation districts adapt.

The review started in 2017 and examined delivery share arrangements in the Lower Murray Water (LMW) and Goulburn Murray Water (GMW) irrigation districts.

Preliminary findings were released in July 2018.

After community consultation and targeted engagement with GMW and LMW customers, individual outcomes and actions were reported for each water corporation's districts. The outcomes were released as two reports on 28 October 2018.

The review found that delivery shares were working as intended, but there was scope to adjust and strengthen delivery share arrangements.

Major and continuing changes in water and land use in irrigation districts have offered new ways for irrigators and rural water corporations to manage shared infrastructure.

The Department of Environment, Land, Water and Planning (DELWP) has been working with LMW, GMW and irrigator representatives to carry out the review's actions and support the recommended outcomes.

Consulting and working together on solutions

Goulburn Murray Water, Lower Murray Water and independent experts worked on the review. The irrigation community's essential contribution was made through feedback and in formal submissions responding to the Preliminary Findings Report and Community Discussion Paper released in mid-2018.

Consultation included

- three open community forums in Mildura, Kerang and Shepparton
- workshops with irrigator committees
- an active online portal providing information and asking for feedback through a detailed questionnaire.

Active irrigators, industry groups and water corporation customer committees made 101 submissions to the review.

Community feedback led to further technical assessments and clear aims for improving delivery share arrangements in each irrigation region, supported by specific actions.

The unique management of delivery shares in Sunraysia and Goulburn-Murray districts led to separate outcomes and actions being proposed to suit each region. These were published in individual reports.

Highlights

Two-step policy development

- Preliminary Findings Report and Community Discussion Paper
- Final Outcomes and Actions reports released - October 2018

Strong community engagement

- · More than 100 submissions from the
- Three community forums in Mildura, Kerang and Shepparton
- water corporation customer

Goulburn Murray Water's irrigation districts

Outcomes to address community concerns about delivery share costs, changing land use and water trade impacts

Delivery share requires GMW to maintain channel capacity and deliver water to more than14,000 irrigation customers in the Goulburn-Murray Irrigation District (GMID).

This review set six outcomes to strengthen how delivery share works in the Goulburn Murray irrigation districts:

- Help irrigators adjust their delivery shares to give clearer signals for managing infrastructure to meet irrigation needs
- 2. Set tariff and pricing principles that help adjust the infrastructure footprint
- 3. Provide clear benefits in service and system operation for irrigators holding delivery shares
- 4. Improve information, communication and transparency about delivery shares
- Ensure the clarity and transparency of GMW pricing
- 6. Capture delivery shares up front in property transactions.

Putting the review into action

There were 19 actions to help achieve all six outcomes set for the GMID. Actions either completed or made part of GMW's normal operations include:

- Three outcomes that work together to examine relationships between delivery share, infrastructure management, asset investment, service level and water use.
- One outcome that explored pricing and revenue structures linked with delivery share, connected with GMW's 2020-2024 price review.
- Two outcomes that supply current information and build customer understanding on how delivery share is being used in the GMID.

This section highlights major achievements and changes from actions in the review. A complete

list of actions and their current status is in the Goulburn Murray Water irrigation districts summary table.

Progress on 19 actions

- 12 actions are fully completed and closed out
- 5 actions are embedded into continuing business practices
- 2 well-advanced actions are continuing with suitable project plans and resources

Help irrigators adjust delivery shares to better signal infrastructure requirements

Five recommended actions were designed to give irrigators more pathways to change their delivery share. These included progressing trade in delivery share and finding cost-effective ways of reducing infrastructure used to deliver water.

Actions 1.1, 1.3, 1.4 and 1.5 are now complete. There is active delivery share trade and tools are being used to transparently assess where termination fee discounts and limited term contracts can be applied to benefit customers.

GMW case study: details how the decisionsupport tools work and are used to inform GMW's asset management strategy.

Action 1.2 limiting the issue of new delivery share is being done through GMW's policies and processes. These actively direct customers wanting delivery share to the market.

GMW will review and update its processes at the end of the 2020-2024 pricing period. This will build on learnings since the limit was introduced in late 2018, trends in water use and delivery share ownership and strategic asset management plans.

GMW will continue to steer customers to the market for delivery share when they want to increase how much delivery share they hold or add delivery share to a new outlet or property. This supports trade as an alternative to termination for customers who want to reduce their delivery share or exit irrigation and can

financially benefit irrigators taking up delivery share through the market.

Distributing the irrigators' share

The \$2 billion Connections Project extensively modernised irrigation infrastructure, recovered water and created a more efficient delivery system in the Goulburn Murray Irrigation District (GMID).

The project included a commitment that one-third of the water recovered would be used to benefit GMID irrigators.

The Irrigators' Share Consultative Committee formed through the Delivery Share Review recommended the benefits be distributed as water shares and GMW bill credits, based on delivery share.

From October 2021, 77 GL of water shares were distributed to almost 7,000 GMID irrigators, linked to the amount of delivery share they held.

Set tariff and pricing principles that help adjust the infrastructure footprint

GMW has pulled apart its tariff and pricing structures with customer representatives. They explored options to manage infrastructure more efficiently and lower costs based on principles of fairness and transparency.

Changes to GMW's tariffs and pricing structures were worked through in the 2020-2024 price review and are part of the framework for future reviews. This embeds actions 2.1 and 2.2 into continuing business practices.

Provide clear benefits to delivery shares in service and system operation

GMW continues to explore opportunities internally and with customers to expand how delivery share is used. This embeds action 3.1 into service delivery and operational reviews.

Specific benefits are now being provided to GMID delivery share holders though action 3.2. This

action led to the formation of the Irrigators' Share Consultative Committee, which recommended an approach to the Minister for Water to distribute the benefits of the irrigators' share of water recovered through the Connections Project.

The committee was chaired by Paul Weller, with members appointed to represent the Torrumbarry, Rochester-Campaspe, Central Goulburn, Murray Valley, Loddon Valley and Shepparton Irrigation Areas, and the Victorian Farmers Federation.

The Minister accepted the committee's recommendations in August 2020.

Improve information, communication and transparency on delivery shares

GMW gives its customers more clarity (action 4.1) by pulling apart what makes up fees and charges and transparently exploring costs and prices through the four-yearly price review process.

This involved working with Water Services Committees to break down the Infrastructure Access Fee during the 2020-2024 price review.

This fee makes up most of the fixed costs paid by irrigators and is charged on the basis of delivery share. GMID irrigators raised it as a high priority concern in the Delivery Share Review's consultation.

Spatial systems and decision-making (action 4.2) have been developed to combine the aims of the Delivery Share Review with those of <u>GMW's transformation process</u>. The transformation of GMW's business practices and operations was recommended by a Strategic Advisory Panel appointed by the Minister in 2017.

GMW is applying systems to develop a spatial information platform for the GMID. This expands on the intent of action 4.3, joining spatial information in a portal across agencies and programs to better meet the needs of irrigators. More details are in GMW case study: using spatial information.

Ensure clarity and transparency of GMW pricing

Four actions (5.1, 5.2, 5.3 and 5.4) have been taken to make sure that GMID irrigators had the information they wanted about GMW's pricing. These led to changes in pricing structures through the 2020-2024 price review, with resulting prices approved by the Essential Services Commission and now in place.

These approaches will continue, formalising existing processes to reinvest in the irrigation network to make the most of the long-term benefits to remaining irrigators.

Processes have been included in operations as part of GMW's business transformation, for confidence that irrigation pricing is based on upto-date information to support the GMID's ongoing viability.

Capture delivery shares up front in property transactions

Since early 2019, DELWP and GMW have had processes to make sure that the delivery share on a property and its associated charges are fully disclosed in the Statement of Information provided in property transactions. This completes action 6.1.

DELWP is liaising with the Department of Justice and Community Safety (DJSC) to publish guidance on information to be provided in a Section 32 vendor statement ahead of the sale of properties in designated irrigation districts. This information will be included when DJCS releases the next update of its guidance note for conveyancers preparing a Section 32 statement, completing action 6.2.

GMW case study: making informed decisions about irrigation infrastructure

GMW's new decision-support tool has a transparent and repeatable process for evaluating and comparing options to maintain or decommission water delivery assets.

These options include offering termination fee discounts (action 1.4), limited term contracts (action 1.5) and other financial incentives.

Both actions had to pull apart the costs involved and compare them against any savings generated. It was critical to make sure that offering a termination discount or pricing a contract would not increase costs to other customers.

GMW engaged specialists to develop protocols and systems to generate and assess this information in a transparent and repeatable way. The resulting tool draws on information on asset use and condition from the channel-by-channel spatial tool that GMW developed during its business transformation, and which links with action 4.2 from the Delivery Share Review.

The decision-support tool can compare different asset management options for their potential infrastructure savings, impacts on system operations and costs to remaining customers.

It can be used in future to target how water recovery can produce infrastructure savings and improve system efficiency while reducing water losses.

Figure 1: GMW's new evaluation tool helps to pull apart the costs and savings linked to decommissioning assets like this end-of-system channel and make decisions that support the GMID's long-term future.



GMW case study: using spatial information

Spatial information provides the ability to visualise and analyse data geographically. This means that insights can be gained, and decisions made based on information at a specific location and scale.

Information in spatial formats helps irrigators and GMW make informed business decisions. This data helps to communicate complex concepts and explore how decisions will play out at local, regional and district scales. It also helps manage irrigation infrastructure to get the most value out of investments.

When GMW was developing spatial information tools and systems for actions 4.2 and 4.3 of the Delivery Share Review, it expanded on the concept, partnering with other government agencies and irrigation stakeholders to share more spatial information for irrigation business decisions through the One Data Platform project.

GMW has since connected with catchment management authorities and Agriculture Victoria to develop a regional spatial information platform to support irrigated agriculture in the GMID. GMW is actively contributing to the One Data Platform project to understand and respond to the spatial information needs of current and new irrigation customers.

The project partners are engaging with GMID irrigators to get the most value out of this joint approach. They are asking irrigators what kind of spatial information they need, what support is useful to interpret data and how irrigators would like to access the information. This increases the value of GMW's spatial data and helps irrigators make better informed business decisions.

The final product from this partnership will benefit users more widely beyond a GMW-specific system and offers better value by avoiding overlap and duplication across agencies.

From late 2023, the One Data Platform will provide GMW staff, customers, and stakeholders with a standardised, consistent and scalable data tool for decisions to benefit GMID irrigators and regional management and development.

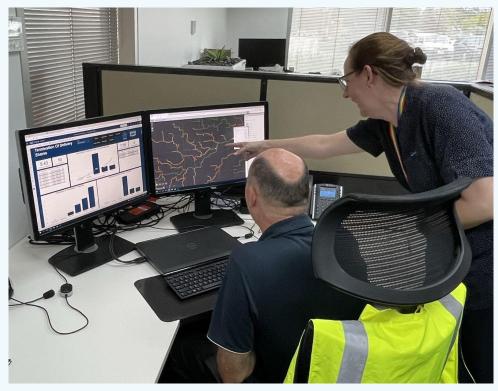


Figure 2: GMW staff explore spatial details of GMID infrastructure through tools developed as part of Delivery Share Review actions 4.2 and 4.3.

Lower Murray Water's irrigation districts

Outcomes for Lower Murray Water's Sunraysia irrigation districts respond to community concerns around having secure water access and managing delivery rights.

Changes in production systems and crop types and the expansion of diversion irrigation have increased water delivery requirements in the Lower Murray Water (LMW) districts.

Delivery share sets a minimum rate of water delivery that LMW provides over a 7-day period.

The Delivery Share Review set four outcomes to address community concerns about delivery share and increase growers' confidence that they can access their water when they need it.

- Facilitate markets, products and trade in delivery share
- 2. Improve tools for managing system operation and deliverability constraints
- 3. Improve information, communication and transparency on delivery share
- 4. Strengthen and clarify overarching principles for delivery share and termination fees.

The review proposed 12 actions to deliver on these outcomes.

Implementing actions in Sunraysia

All 12 actions have either been completed or included in LMW's business operations, in meaningful steps to support the four outcomes set by the review:

- Three outcomes are designed to work in combination to produce the best delivery capacity and system operation, including exploring new approaches to managing demand peaks and supporting changing customer needs.
- One outcome to make sure delivery costs, pricing and investment are managed transparently and effectively, supported by up-todate information on water ownership and use.

Full information on each action put forward for the LMW districts is in the Lower Murray Water irrigation districts summary table.

Progress on 12 actions

- 8 actions are fully completed and closed out
- 2 actions are now embedded into ongoing business practices
- 2 actions are continuing, following well-established project plans

More detail about major achievements and highlights includes a case study on outcome 2. This trialled an approach to managing water delivery fairly and transparently when demand exceeded system capacity.

Facilitate markets, products and trade in delivery share

Many areas are already operating at maximum capacity and LMW continues to work with customer representatives to explore using system capacity as efficiently as possible across all seasons.

Action 1.2 has been integrated into LMW's irrigation strategy as part of work responding to changes in crop types, production systems and water demands.

LMW has extended this work beyond the Delivery Share Review. It is linking with state-wide projects and initiatives investigating how to better manage capacity constraints and support growers as they respond to new opportunities and market conditions.

Improve tools for managing system operation and deliverability constraints

The development and trial of set operating processes to manage constraints under action 2.1 has had conclusive success, as detailed in the LMW case study: trial of a capacity-sharing tool .

LMW has worked closely with customer representatives and built support for more active management of water delivery capacity that uses delivery share to manage system access. This has taken advantage of the original intent of delivery share as a tool for managing system operation.

Improve information, communication and transparency on delivery share

The Delivery Share Review consultation found that irrigators generally were not familiar with how delivery share worked as an entitlement, or its value

in providing secure access to a minimum rate of water delivery.

The most significant step in giving customers meaningful information was the development of spatial information and tools. These show the capacity of LMW's channels and pipelines, the delivery share on issue, and where water access is available or already constrained.

Steps taken under actions 3.1 and 3.2 mean this information can now be provided to irrigators when they ask for it. There are programs in place to make this information more readily accessible and it is now part of LMW's information technology strategy.

Strengthen and clarify overarching principles for delivery share and termination fees

In closing out actions 4.1, 4.2 and 4.3, LMW now has processes to make sure that asset management, pricing and termination decisions are made fairly and transparently, based on current information.

These actions have increased customer confidence in LMW's pricing structures. They also assure the Victorian Government that pricing and asset management decisions are well informed and made using transparent and repeatable processes.

Collaborating to innovate

LMW has worked closely with irrigators to find new approaches to managing system constraints and changing water requirements.

This work involves

- developing solutions to managing risks
- exploring potential new water delivery approaches and opportunities.

Establishing a dedicated customer reference group has been essential for success in designing and carrying out the review's actions. The more challenging of these include considering seasonal delivery opportunities and sharing system capacity fairly in peak demand periods.

LMW case study: trial of a capacity-sharing tool

Managing peak water demand using delivery share

Finding a better way to manage access to shared water delivery infrastructure when peak demand exceeds the physical capacity of channels and pipes to supply water was a major outcome of the Delivery Share Review for LMW's Sunraysia districts.

Action 2.1 called for LMW to work with its customers to consider how to fairly share and manage access for growers in these demand peaks.

LMW has successfully designed and trialled a capacity-sharing tool that lines up a customer's delivery share with the maximum capacity of the infrastructure supplying the customer.

This sets a minimum flow rate for each customer when demand reaches or exceeds the channel's maximum capacity. Sharing the channel capacity in line with how much delivery share each customer holds means that - as a minimum - all customers can access water at a confirmed rate.

How the tool works:

- 1. LMW allocates a water delivery rate for each customer's outlets, based on their delivery share
- 2. Rules for LMW's water ordering system cap the volume of water that a customer can order within a 7-day period, in line with this rate.
- 3. Once all orders are confirmed for the 7-day period, any remaining capacity in the system is made available to all customers
- 4. The release of any un-ordered capacity in the final 48 hours of the ordering period allows irrigators to exceed their delivery share without reducing other irrigators' access to water.

An initial trial run during the 2020-21 irrigation season with 58 active irrigators on an over-committed channel spur in the Red Cliffs district proved effective. All irrigators on the spur could take water at the rate set by their delivery share entitlement throughout the trial period.

Customer feedback confirmed the tool provided better water availability over the season to all users compared with the previous approach, and it reduced or eliminated water access issues.

LMW has expanded the trial over the 2021-22 irrigation season to cover 180 active customers. It will use a targeted approach to roll out the tool to customers over upcoming seasons.

Clear and transparent rules for sharing channel capacity give irrigators confidence about how much water they can access and enable LMW to manage the delivery system more effectively.



Figure 3: LMW's capacity-sharing tool helps to manage water access when demand is close to or exceeds the delivery capacity of the irrigation infrastructure.

Summary of outcomes and actions

Goulburn Murray Water irrigation districts

Key:



Complete and closed out



Embedded in ongoing business practices



Continued development with project plans and resources in place

Action

Status

0-----

Outcome 1: Help irrigators adjust delivery shares to better signal infrastructure requirements

 Facilitated market in delivery shares to support asset rationalisation



Markets are established and trade – possible since 2008 – is actively promoted by GMW, with a small amount of trade supported following the Delivery Share Review. Trades are recorded in the Victorian Water Register and reported quarterly to monitor for trends.

Embargo on issue of new delivery shares to promote trade



Enacted as a restriction on the issuing of new delivery share, terms and conditions have been developed that meet the intent of the embargo. The restriction is operating through three phases:

- Enabling phase, to encourage development of the delivery share market.
- Rebalancing phase, to support delivery share adjustment following the distribution of water shares from the irrigators' share of water recovered through the Connections Project.
- Sunset phase, at the conclusion of GMW's 2020-2024 pricing period embed ongoing processes that promote delivery share trade.
- Support for delivery share market approaches



DELWP has prepared and released fact sheets to support delivery share trade, added the capability to record delivery share trade to the Victorian Water Register, and worked with GMW to implement the restriction on issuing new delivery share.

4. Termination fee discounts to reduce system costs



GMW has developed a new decision-support tool that identifies where termination fees may be discounted or waived to facilitate reconfiguration, without negative impacts on revenue that would need to be recovered from the remaining customer base. GMW's channel-by-channel tool provides the spatial information to identify where termination fee discounts may be suitable to offer.

For more details, see Error! Not a valid result for table...

5. Limited term contracts for delivery service



GMW has developed a new decision-support tool that assesses the costs and savings associated with implementing limited term contracts to facilitate reconfiguration. GMW's channel-by-channel tool provides the spatial information to identify where these contracts may be applied.

For more details, see Error! Not a valid result for table..

Outcome 2: Set tariff and pricing principles that help adjust the infrastructure footprint

6. Use cost-reflective tariffs that send strong signals



Tariff structures and reforms were discussed with stakeholders in GMW's price review for the 2020-2024 pricing submission. Tariff reform is embedded into the framework for exploration in future pricing reviews, integrating Delivery Share Review actions with established pricing submission requirements and processes.

Align tariffs more closely with use



As per Action 2.1

Outcome 3: Provide clear benefits to delivery shares in system and service operation

Action

Improve links between delivery shares and system operation



GMW is continuing to explore opportunties with customers to provide service or system access benefits on the basis of delivery share.

Distribute water efficiency dividends based on delivery shares



Water recovered through the Connections Project has been distributed to GMID irrigators as water shares or bill credits, with the amount received set by the delivery share they held. This approach was recommended to the Minister for Water by the Irrigators' Share Consultative Committee, which was formed in response to this action.

Outcome 4: Improving information, communication and transparency on delivery shares

10. Transparent information on costs and prices

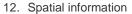


GMW has strengthened customer engagement and consultation approaches in its pricing reviews, providing breakdowns of its irrigation charges, including the infrastructure access fee that is calculated based on the rate of delivery share held. Information is being made more readily available and easier to understand through improvements to billing and information statements.

11. Spatial decisionmaking processes and toolbox



This action was integrated with spatial data improvements developed through GMW's Transformation process, resulting in a channel-by-channel spatial assessment tool that captures information on channel condition, water use and delivery share, among other characteristics. The channel-by-channel data informs GMW's strategic asset management, as well as supporting information-sharing with Water Services Committees and other stakeholders. For detailed information, refer to GMW case study: using spatial information.





GMW is collaborating with DELWP, Agriculture Victoria, Goulburn Broken CMA and other regional agencies to develop a single spatial information portal that integrates data across agencies to meet customer needs and support investment in irrigated agriculture in the GMID.

13. General information



DELWP and GMW have developed and released fact sheets, newsletter articles, information statements and other tools to improve the information available to irrigators. These materials are reviewed and updated periodically, with new materials developed in response to changing requirements.

Outcome 5: Ensure clarity and transparency of GMW pricing

14. Real information on water market trends, pricing and use



DELWP will continue to monitor and report on water market trends, water ownership and use. GMW will apply the most recent information available to inform its pricing and tariff structures.

15. Transparent and databased pricing principles that reflect changes in water ownership and use



GMW applied contemporary data to review pricing structures through its review of pricing for the 2020-2024 pricing submission. The Essential Services Commission endorsed the resulting pricing structure, which

- removed tariff differences between accounts that are linked to land and those that have been disassociated
- · moved storage fees to a system-based (Murray or Goulburn) pricing structure
- integrated prices across the GMID to set a single infrastructure access fee rate for all delivery share holders within this district (excluding customers on the Woorinen pipeline, which has a previously established pricing structure).
- 16. Billing systems built on real costs



GMW's billing systems have been updated and integrated with customer information systems and water use data to provide more accurate and up to date billing information.

Action

Status C

Comments

17. Termination fees used to manage system costs



GMW has put in place measures to ensure revenue from termination fees is separated from general revenue and used for activities that manage irrigation delivery system operations and costs. This is captured in annual financial reporting.

Outcome 6: Capture delivery shares up from in property transactions

Information in property sales – water corporations



GMW has updated the information automatically provided to new customers on a Section 158 information statement so that any delivery share on the property is noted, along with the associated charges.

Information in property sales – government



DELWP has made changes to the Victorian Water Register to ensure that delivery share is accurately captured when generating Section 158 forms.

Working with the Department of Justice and Community Safety (DJSC), DELWP has provided information on properties within designated irrigation districts – including delivery share – for the next update of the guidance note for Section 32 vendor statements. The guidance note is used by conveyancers to assist with the preparation of the Section 32 statement.

Lower Murray Water irrigation districts





Complete and closed out



Embedded in ongoing business practices



Continued development with project plans and resources in place

Action

Status

Comments

Outcome 1: Facilitate markets, products and trade in delivery shares

1.1 Facilitated market in delivery shares



Trade in delivery share is now well established in LMW's Sunraysia districts, with LMW actively assisting interested buyers to identify potential sellers. Trades have largely been at \$0 value, with one positive price transaction recorded.

1.2 Seasonal delivery shares



LMW is working with customers to explore the potential for seasonal delivery products. This work is ongoing as part of responding to changing customer needs and has been integrated into a new irrigation strategy to be implemented in the 2023-24 irrigation season.

Seasonal delivery products are also being explored as part of LMW's participation in state-wide initiatives that are addressing water delivery risks and opportunities to improve water market and Water Register capabilities.

1.3 Support for delivery share market approaches



DELWP has prepared and released fact sheets to support delivery share trade. Capability was also added to the Victorian Water Register to record delivery share trade.

Outcome 2: Improve tools for managing system operation and delivery constraints

2.1 Priority volumetric access



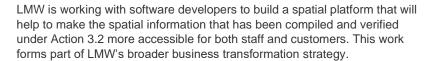
LMW trialled its new capacity sharing tool with Red Cliffs customers in the 2020-21 irrigation season. The trial was expanded to all irrigation areas in the 2021-22 season. Pending an evaluation of the trial outcomes, LMW intends to roll the tool out to all customers in the 2022-23 season to ensure channel capacity is fairly and transparently managed in peak demand periods. Priority volumetric access will be further rolled out in a targeted approach to customers over upcoming seasons.

Refer to LMW case study: trial of a capacity-sharing tool for more details.

Action Status **Comments**

Outcome 3: Improving information, communication and transparency on delivery shares

3.1 Spatial decisionmaking processes and toolbox



3.2 Spatial information



LMW stepped up to the challenge of fully digitising and verifying the full set of records on channel design, capacity and delivery share. This means that validated information is now easily accessed in answering customer enquiries and identifying spare cannel capacity or areas with risks of delivery constraints. This information is now incorporated into LMW's normal operations.

3.3 General information



DELWP and LMW have developed and released fact sheets, newsletter articles, information statements and other tools to improve the information around delivery share that is available to irrigators. These materials are periodically reviewed and updated, with new materials developed in response to changing requirements.

3.4 Information in property sales - water corporations



LMW has ensured that accurate information on any delivery share attached to a property, and the associated charges, is captured on the Section 158 information statement provided to new customers.

3.5 Information in property sales - government



DELWP has made changes to the Victorian Water Register to ensure that delivery share is accurately captured when generating Section 158 forms.

Working with the Department of Justice and Community Safety (DJSC), DELWP has provided information on properties within designated irrigation districts - including delivery share - for the next update of the guidance note for Section 32 vendor statements. The guidance note is used by conveyancers to assist with the preparation of the Section 32 statement.

Outcome 4: Strengthen and clarify over-arching principles for delivery shares and termination fees

4.1 Real information on water market trends. pricing and use



DELWP will continue to monitor and report on water market trends, water ownership and use. LMW will apply the most recent information available to inform its asset management and assessments of delivery risks. This information will also help to inform LMW's future pricing and tariff structures.

4.2 Termination fee guidelines - discounts



LMW has formalised guidelines to consider where a termination fee discount may be granted, based around the ability for LMW to realise cost reductions by retiring assets upon customer requests, rather than proactively looking to rationalise assets.

4.3 Termination fee quidelines - investment



Termination fees collected are allocated to consolidated revenue for the individual district from which they are collected.

This revenue is allocated back to the district in the following financial year to put downwards pressure on the district pricing.