

Water Act 1989
DETERMINATION OF SALINITY IMPACT ZONES AND SALINITY IMPACT CHARGES
2021

I, Lisa Neville, Minister for Water, as Minister administering the **Water Act 1989** make the following determinations.

1 Title

This determination is called the Determination of Salinity Impact Zones and Salinity Impact Charges 2021.

2 Authorising provisions

This determination is made under sections 232 (Determination of salinity impact zones) and 232B (Fixing salinity impact charges) of the **Water Act 1989**.

3 Commencement

This determination comes into effect on 1 January 2021.

4 Revocation

The Determination of Salinity Impact Zones and Salinity Impact Charges 2019 dated 16 December 2019 and published in the Victoria Government Gazette on 27 December 2019 (G52) at pages 2656 to 2659 is revoked on the day this determination commences operation.

5 Definitions

In this determination

Act means the **Water Act 1989** (Vic).

standard water-use conditions means the Ministerial determination entitled '*Standard Water-Use Conditions 2008*' made under section 64Y of the Act on 20 June 2007, as amended or re-determined from time to time.

6 Determination of Salinity Impact Zones

In accordance with section 232 of the Act, the following land is determined to be a salinity impact zone:

- a) low salinity impact zone L1 is the land delineated and coloured blue on the plan lodged in the Central Plan Office and numbered LEGL./18-260.
- b) low salinity impact zone L2 is the land delineated and coloured green on the plan lodged in the Central Plan Office and numbered LEGL./18-260.
- c) low salinity impact zone L3 is the land delineated and coloured purple on the plan lodged in the Central Plan Office and numbered LEGL./18-260.
- d) low salinity impact zone L4 is the land delineated and coloured yellow on the plan lodged in the Central Plan Office and numbered LEGL./18-260.

- e) high salinity impact zone HIZ is the land delineated and coloured red on the plan lodged in the Central Plan Office and numbered LEGL./18-260.

7 Determination of salinity impacts charges

This clause fixes the salinity impact charges for the purposes of section 232B of the Act.

7.1 Capital works salinity impact charge

The capital works salinity impact charge is calculated in accordance with the following formula:

$$\text{Salinity impact charge} = \text{Volume} \times \text{Rate}$$

where:

Volume means:

- A. in the case of the grant of a new water-use licence, the annual use limit of that new water-use licence in megalitres; or
- B. in the case of a variation of a water-use licence, the amount by which the annual use limit of that water-use licence has increased in megalitres; and

Rate means:

- A. where the water-use licence holder has elected to pay the capital works salinity impact charge as an upfront payment, the rate is set out in column 2 of the table in clause 7.1.2 for the salinity impact zone in which the subject of the water-use licence is located; or
- B. where the water-use licence holder has elected to pay the capital works salinity impact charge in instalments, the rate is that set out in column 3 of the table in clause 7.1.2 for the salinity impact zone in which the subject of the water-use licence is located.

7.1.2 Capital works salinity impact charge

Column 1	Column 2	Column 3
Salinity impact zone	Upfront Rate	Ten Instalments Rate
L1	\$38.89	\$4.68
L2	\$99.81	\$11.98
L3	\$199.67	\$23.97
L4	\$399.39	\$47.95
HIZ	\$823.51	\$98.87

7.1.3 A capital works salinity impact charge may, at the option of the water-use licence holder, be paid in ten equal instalments or as a single upfront payment.

7.2 Annual salinity impact charge

7.2.1 The annual salinity impact charge is calculated in accordance with the following formula:

$$\text{Salinity impact charge} = \text{Volume} \times \text{Rate}$$

where:

Volume means:

- A. in the case of the grant of a new water-use licence or existing water-use licence, the annual use limit of the water-use licence in megalitres; and
- B. in the case of a variation of a water-use licence, the amount by which the annual use limit of that water-use licence has increased in megalitres.

Rate means the rate set out in column 2 of the table in clause 7.2.2 for the relevant salinity impact zone in which the land the subject of the water-use licence is located.

7.2.2 Annual salinity impact charges

Column 1	Column 2
Salinity impact zone	Rate
L1	\$3.62
L2	\$3.62
L3	\$3.62
L4	\$3.62
HIZ	\$3.62

7.2.3 An annual salinity impact charge is payable in equal quarterly instalments.

7.3 Salinity impact charges and subsequent reduction of annual use limit

7.3.1 If the Minister gives a notice to a water-use licence holder to pay charges under section 287A of the Act and the annual use limit of the relevant water-use licence is decreased after the notice is given –

- (i) the salinity impact charges due to be paid prior to the date of the reduction will remain payable;
- (ii) no refund will be made for any upfront payment due for payment prior to the date of the reduction; and
- (iii) no refund will be made of any instalments due for payment prior to the date of the reduction.

8 Exceptions to liability to pay salinity impact charges

8.1 High evapotranspiration

If, in a season of high evapotranspiration, annual use limits in a salinity impact zone have been raised pursuant to clause 5(c) of the *Standard Water-Use Conditions* and the increase in annual use limit is only for one season, there are no salinity impact charges payable by each water-use licence holder in respect of the increase in the annual use limit from a seasonal adjustment for that season.

8.2 New Water-Use Licences that replace an existing water-use licence

Upon the grant of one or a number of new water-use licences, the holder of the new licence(s) is not liable to pay a capital works salinity impact charge if:

- a) each new licence applies to land the subject of one or a number of water-use licences, each of which were revoked or cancelled under sections 64S(2), 64AL and 64AM of the Act on or before the date the new licences were granted; and
- b) the sum of the annual use limits for the cancelled licences is equivalent to the sum of the annual use limits for all of the new licences such that it amounts to an actual or effective transfer of the annual use limits from the cancelled licences to the new licences;
- c) the sum of the annual use limits for all of the new licences is no greater than the sum of the annual use limits for the cancelled licences;
- d) the salinity impact zone for the new licences is of an equal or lower salinity impact than the salinity impact zone for the cancelled licences; and
- e) each of the new licences are held by the former holder or holders of the cancelled water use licences.

8.3 No change in use since 1994 – annual salinity impact charge

A holder of a water-use licence is not liable to pay any annual salinity impact charges if the annual use limit for the licence has not increased since 1 July 1994.

8.4 Annual use limits as part of conversion – capital works salinity impact charge

A water-use licence holder is not liable to pay a capital works salinity impact charges upon the grant of a new water-use licence if –

- a) the water-use licence is granted under Schedule 15 of the Act as a result of a water system being declared under section 6A of the Act; and
- b) the annual use limit set for the new water-use licence has not increased from the prior domestic and stock right, prior water right or prior joint right or take and use licence in force immediately before the appointed day (as that term is defined in Schedule 15 to the Act).

9 Transfer of annual use limit from one licence to another licence

9.1 Where there is a joint application under section 64AH(3) of the Act for the variation of two water-use licences by the holders of the water-use licences, being an application where:

- a) the holder of one water-use licence (**Party A**) is applying to reduce the annual use limit for the water-use licence held by that person; and

- b) the holder of the other water-use licence (**Party B**) is applying to increase the annual use limit for the water-use licence held by that person by the same amount; and
- c) Party A's land and Party B's land are in the same salinity impact zone or Party B's land is in a lower salinity impact zone than Party A's land –

then no capital works salinity impact charges are payable by either water-use licence holder in relation to that transfer.

9.2 Where there is a joint application under section 64AH(3) of the Act for the variation of two water-use licences by the holders of the water-use licences, being an application where:

- a) the holder of one water-use licence (**Party A**) is applying to reduce the annual use limit for the water-use licence held by that person;
- b) the holder of the other water-use licence (**Party B**) is applying to increase the annual use limit for the water-use licence held by that person by the same amount; and
- c) Party B's land is in a higher salinity impact zone than Party A's land

then, for the purpose of calculating the capital works salinity impact charge payable by the Party B, the rate is set out in -

- (i) column 2 of the table in clause 9.3, where the water-use licence holder has elected to pay the capital works salinity impact charge as an upfront payment; or
- (ii) column 3 of the table in clause 9.3, where the water-use licence holder has elected to pay the capital works salinity impact charge in instalments.

9.3 **Capital works salinity impact charges – Transfer of Annual Use Limit**

Column 1	Column 2	Column 3
Transfer	Upfront Rate	Ten Instalments Rate
From L4 to HIZ	\$424.12	\$50.92
From L3 to HIZ	\$623.84	\$74.90
From L3 to L4	\$199.72	\$23.98
From L2 to HIZ	\$723.70	\$86.89
From L2 to L4	\$299.58	\$35.97
From L2 to L3	\$99.86	\$11.99
From L1 to HIZ	\$784.62	\$94.20
From L1 to L4	\$360.50	\$43.28
From L1 to L3	\$160.78	\$19.30
From L1 to L2	\$60.92	\$7.31

Note

The rates set out in tables in clauses 7.1.2, 7.2.2 and 9.3 are subject to annual adjustment in the manner specified in section 232C of the Act.

Dated: 21/12/2020

A handwritten signature in blue ink, appearing to read 'Lisa Neville', with a stylized flourish at the end.

LISA NEVILLE MP
Minister for Water