



Moira
Board of
Management

Moira Private Irrigation District

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MPID WATER TRADING RULES

2016/2017

Permanent Transfers Into MPID

Current Irrigation members

An Irrigation member may apply to MPID to purchase Delivery Right, which will allow the member to increase their General Irrigation Entitlement (GIE) and transfer water into MPID permanently.

All introduced water shall be under the control of MPID in accordance with the Water Management Act 2000, be set aside for the Farm No. nominated, be recorded in the Assessment Book, be available in accordance with the rules relative to Permanently Introduced Water and in every respect, be subject to the rules and regulations of MPID.

Prior to application, members must ensure their properties and means of supply meet the strict criteria of the Board's Permanent Transfer Policy. i.e. channel capacity, environmental concerns

Delivery Right gives you the right to access your entitlement
Entitlement is the amount of megalitres you can access through allocation.

1. Transference of Permanent water into MPID is subject to meeting all statutory requirements within the relevant Act and will be at the expense and risk of the member.
2. A member can apply for an amount of Delivery Right, which in total does not exceed 15% of the property's Delivery Right as at 1st January 2012. Any request above this requires Board approval. Delivery Rights may be purchased from the Board, or from members who have Delivery Rights in excess of their needs.
3. Permanent Introduced Water becomes a part of the current MPID licence and therefore will contribute 15% to the MPID conveyance licence. The Water shall incur the same costs, and variable delivery losses each year as original water and be subject to the same terms and conditions in every respect as other members.
4. All expenses incurred in the purchasing of Permanent Introduced Water are to be at the member's cost.

5. Delivery right for permanent water i.e Entitlement put onto the MPID licence, is set by the Board each season so please refer to your MPID Schedule of Charges. The fee for NEW delivery right is a “once off” and seasonal administration per Delivery Right will apply on a per annum basis.
6. MPID will issue a new certificate when the Delivery Right has been purchased and the Permanent Introduced Water has been included on the MPID licence. Water will not be available prior to this time.
7. Prior to sourcing water, potential purchasers **MUST** notify the Board of their intention to ensure knowledge of necessary detail and any changes to these regulations.
8. Permanent Introduced Water can be temporarily transferred within the District as per normal temporary transfer policy.

Permanent Transfers within MPID

Water access entitlement (or a portion thereof) may be relinquished and transferred/reallocated subject to certain criteria.

1. Access must be relinquished in writing.
2. The vendor has three sale options:-
 - * Private sale
 - * Seeking Expressions of Interest at a nominated price or
 - * Sale by tender

Private Sale: A member may make his/her own arrangements to sell to another member or members at an agreed price then seek Board approval for the transfer of the water, keeping in mind the criteria in (Point 3) below

Expressions of Interest: The relinquishing landholder will advise MPID of his/her desire to sell water, and complete the appropriate form, stipulating a sale price for the entitlement. The Board will then notify all landholders to ascertain their interest in purchasing at the price set by the vendor. All written expressions of interest will be considered at the Board’s next meeting. The Board of Management will be responsible for consideration and resolution of any disputes relating to the sale/transfer process.

Sale by Tender: Members wishing to sell by tender will be required to complete the appropriate form which will be distributed to all members for a set period. Those lodging tenders should clearly mark the envelope TENDER DOCUMENT so that it is set aside for opening on the pre-determined date. The seller has the right to decide which, if any, of the tenders is accepted
3. All transfer applications will be considered and re-allocated by MPID taking into account the following.
 - ❖ Channel capacity
 - ❖ Access entitlement on both properties after the transfer
 - ❖ Environmental concerns, i.e. water table, salinity and drainage issues
 - ❖ Need for additional structures or the upgrade of existing structures to facilitate the transfer
 - ❖ Need for easements, if necessary, to be registered.

- ❖ Financial indebtedness to MPID beyond approved terms by all parties (buyer and seller)
4. A Member may relinquish his/her entire access entitlement. However, if water is to be retained, it must be a minimum of 100mgs on a 100acre block.
 5. All allotments in a subdivision of a licensed area of land must have either no entitlement or a minimum 100mgs of entitlement.
 7. Sellers will be required to provide proof of ownership of property. They must ensure that everyone who holds a legal or equitable interest in the property approves of the permanent sale within MPID and sign the document giving consent to the permanent transfer.
 8. MPID will issue copies of its updated official Membership Certificates to the purchaser/s/vendor when transfer/s is/are complete. Transferred water will not be available prior to receipt of this advice.
 9. The MPID Board of Management Policy & Criteria relating to permanent transfers are subject to on-going review.

New Irrigation Member Policy.

New members and current Stock and Domestic members

A landholder, or stock and domestic member, within MPID may apply to MPID to purchase Delivery Right, which will allow them to obtain General Irrigation Entitlement (GIE) and transfer water into MPID permanently.

Delivery Right gives you the right to access your entitlement

Entitlement is the amount of megalitres you can access through allocation.

1. A transfer of Permanent water into MPID is subject to meeting all statutory requirements within the relevant Act and will be at the expense and risk of the purchaser.
2. The minimum amount of Delivery Right for a new member is 100 megalitres. A new member can apply for Delivery Right that they require above the 100 megalitres but the amount will need to be passed by the board given the limitation on pumping and or delivery constraints.
3. Permanent Introduced Water will contribute to a conveyance licence which is currently set at 15%. The water will also incur the same costs, and variable delivery losses etc each year as original water and will be subject to the same terms and conditions in every respect as other members.
4. The Delivery Right charge for permanent water entitlement put onto the MPID licence, is set each season, please refer to your MPID Schedule of Charges. Delivery Right charges will apply on a per annum basis.
5. All expenses incurred in the purchasing of Permanent Introduced Water are to be at the applicant's cost. Any easements or infrastructure required to receive delivery will also be at the applicant's expense.
6. Permanent Introduced Water becomes a part of the current MPID licence. Applicants should fully acquaint themselves with MPID policy.

7. MPID will issue a certificate when Delivery Right has been purchased and Permanent Introduced Water has been included on the MPID licence. Water will not be available prior to the issue of the certificate.
8. Prior to sourcing water, potential purchasers **MUST** notify the Board of their intention to ensure knowledge of necessary detail and any changes to these regulations.
9. Permanent Introduced Water can be temporarily transferred within the District as per normal temporary transfer policy and seasonal allocation against entitlement can be traded externally under the External Transfer of Seasonal Allocation Policy .
10. Permanent Introduced Water can be traded permanently within MPID and externally under the existing MPID transformation policy
11. Once permanent water is accepted into MPID it shall be treated in all respects as 'original' water.
12. MPID Board of Management Policy & Criteria relating to permanent and temporary transfers of this type into the District are subject to ongoing review and may well change over time. MPID reserves the right of final acceptance/refusal and interpretation of the above rules.
13. Delivery Right for Permanent transfers above 333 megalitres will entitle that landholder to one additional vote at the time of an election for the Board of Management.
(Members with permanent Delivery Right up to 333 get two votes, those above 333 get three votes)

MPID External Trade of Seasonal Allocation Policy

1. MPID will retain losses at a level greater than 15% on water being traded out of the District. Any reduction in these losses will be reflected in the Members' tradable water balance.
2. The Net tradable water available will be determined periodically by the Manager and members will be notified.
3. All yearly Administration charges (currently \$15.50 per Meg), and any accounts must be paid in full prior to any water being approved for temporary transfer out of MPID.
4. An Application and Processing Fee of \$90, plus \$8 per megalitres will be charged. Gvt charges also apply.
5. The minimum volume transferred at any one time will be 10 megalitres.
6. All interested Parties, Directors or Signatories with an interest in a Member's water must sign the application form giving consent to MPID to allow any particular parcel to be transferred out of MPID.

7. The trader is to offer the water to the MPID membership at the same price being sought outside MPID for 14 days.

General Rules for Transformation

Note: These rules are the Moira Board of Management's interpretation of the New Water Market Rules and may be subject to future changes at the Board's discretion

1. A member currently holds a General Security Irrigation Entitlement, a General Security Conveyance Entitlement and a Delivery Right. A member who **transforms all water entitlements & terminates all delivery rights** relinquishes membership. Conveyance water cannot be transformed.
2. A member who **transforms** 100% and retains Delivery Rights can continue to irrigate in MPID. The Member will have to obtain a Water Access Licence and will have to temporarily transfer from that WAL onto the Moira Licence to enable delivery. Delivery arrangements will be essentially the same as pre-transformation i.e. The transfer will not be permitted unless the transferee is financial and water will not be available until the Manager is advised by WaterNSW that the transfer has been completed. Water may then be ordered as previously. In the event that demand exceeds supply, rotations may be introduced.
3. If a member **partially transforms**, and transfers a portion of his entitlement onto his own Water Access Licence, membership will relate only to that part of the entitlement which remains on the MPID licence, and voting eligibility will relate only to that amount. If the Member wishes to use the transformed water within Moira, it will need to be temporarily transferred from the Member's new WAL onto Moira's Licence to enable delivery. Delivery arrangements will be essentially the same as pre-transformation – i.e. The Member must be financial and water will not be available until the Manager is advised by WaterNSW that the transfer has been completed. Water may then be ordered as previously. In the event that demand exceeds supply, rotations may be introduced.
4. Seasonally allocated water in the account of a transforming member, who is terminating their delivery right, must be used or sold prior to transformation or it will be considered surrendered.
5. A Delivery Right will not reduce upon transformation, therefore MPID administration charges still apply to all your delivery rights until you terminate part or all your delivery rights.
6. Members have the right to discuss any of the Transformation Rules with representatives of the MPID Board. Should there be a dispute, Members should follow the 'Dispute Resolution' guidelines which include a mediation procedure. These can be obtained from our office or by referring to the Water Market Rules 2009.

7. Alternative arrangements may be necessary to access Stock & Domestic Water supply after termination.
8. Members need to provide security for payment of ongoing administration fees and delivery rights. Security will be required for all irrigators who have transformed their water, and have left more than five times as many delivery rights as the water entitlements. All security arrangements will be approved and formalised by MPID's appointed Solicitor.
9. MPID reserves the right to change these rules at any time as and when required and in accordance with the WMR 2009.
10. MPID will not carry over water brought into the scheme by non-members. Carry-over restrictions will apply to all members as is current policy. Therefore partially transformed members will only be allowed to carry over on MPID licensed water. i.e. if there are 100mgs left on their MPID account and carry-over was 10% the allowable carry-over will be 10mgs.
11. Unused temporary water that has been brought in for delivery must be sold or will be forfeited.

Steps for 100% Transformation & Termination

For Members wishing to Transform MPID entitlements and Terminate their Delivery Rights, the process will be as follows:-

1. Write to the Moira Board of Management seeking clarification of their entitlement.
2. The Board will reply, advising entitlement details as well as the Termination Fee and the conveyance entitlement which is excluded from transformation.
3. Write to the Board requesting an Application for Transformation Package.

4 Complete the form and lodge it with the Board, along with the \$300 application fee. * Contact the Office for other costs involved in the Transformation Process

5 Provide proof of ownership of property. Ensure everyone who holds an equitable interest in the property approves 100% transformation and 100% termination and has signed the document, giving consent to transformation. i.e. owners, mortgagees etc.

- 6 Ensure all fees and charges owed to MPID are paid.
7. Pay Termination Fee.
8. Provide details of new or existing Water Access Licence No. (WAL)
9. Once the applicant has fully complied with the requirements set out in the Application for Transformation, the Board will apply to DPI Water to assign the water share component to the new WAL.

10. Any seasonally allocated water left in your account must be sold or used within MPID prior to transformation and termination of Delivery Right or it will be considered surrendered.

Transform 100% & Remain in MPID Option

Members wishing to Transform their entitlement and retain water delivery rights within the Moira Private Irrigation District will be required to follow the following steps:-

1. Write to the Moira Board of Management seeking clarification of the entitlement.
2. The Board will reply, providing the entitlement details and advising of the conveyance entitlement which is excluded from transformation.
3. Write to the Board requesting an Application for Transformation Package.
4. Complete the forms and lodge with MPID, enclosing the \$300 application fee. *
Contact the Office for other costs involved in the Transformation process.
- 5 Advise whether Delivery Rights are still required, and if so, nominate the volume of delivery right to be left on the property.
5. Provide proof of property and water ownership ensuring all who have an equitable interest in the property are listed and have given consent for 100% transformation. i.e. property owners, mortgagees.
6. Advise the Water Access Licence number to which the entitlement is to be transferred.
7. Irrigators must ensure all MPID fees and charges have been paid. MPID approved security arrangements with regard to administration payments, must be made with MPID's appointed legal representative so that transformation can be approved.
8. Once the applicant has fully complied with the requirements set out in the Application for Transformation, the Board will apply to the DPI Water to assign the water share component to the new licence.
9. If the transformed water is to be used within Moira, it must be temporarily transferred onto the MPID licence for delivery. Delivery arrangements will be essentially the same as pre-transformation. i.e. The transferee must be financial and the water will not be available until the Manager is advised by WaterNSW that the transfer has been completed. Water may be ordered as previously. In the event that demand exceeds supply capabilities, a rotation system may be introduced.

Partial Transformation Option

Members have two options.

1. Transform part or terminate part of their entitlement and delivery right

Or

2. Transform part of their entitlement, allocate it to a Water Access Licence and then elect to have the transformed water delivered by MPID should the need arise. The non-transformed part of their entitlement will continue to be delivered under the existing arrangements as it remains within MPID.
1. Write to the Moira Board of Management seeking clarification of their entitlement. Members should be aware that if the entitlement left on a farm falls below 100 megalitres, they may be subject to specific delivery conditions relating to small volumes of water in low allocation seasons.
2. The Board will reply with the entitlement figures and advise of the Termination Fee. The conveyance water will be held in MPID and current administration charges will apply to the transformer. This conveyance water remains the transformer's property unless all delivery right is terminated, in doing so the conveyance water becomes part of MPID
3. Write to the Board and request an Application for Transformation Package.
4. Complete the forms and lodge with the \$300 application fee. * Check with the office for other costs involved in the Transformation Process.
5. List all people with an interest or equity in the property and ensure that all sign the form giving consent for partial transformation. i.e. mortgages etc Proof of property ownership is also required.
6. Indicate the amount of entitlement you wish to transform and whether you wish to retain your water delivery right. If delivery right is retained, nominate volume of Delivery Right to be left on the property.
7. A new or existing Water Access Licence from DPI Water will be required. Provide details to MPID.
8. Pay all MPID fees and charges and negotiate security arrangements in relation to ongoing MPID fees and charges if required.
9. Once the applicant has fully complied with the requirements set out in the Application for Transformation, the Board will apply to the DPI Water to assign the water share component to the new licence.
10. With your MPID entitlement you will continue to pay administration and delivery fees, receive delivery, buy or sell temporary water within and outside MPID, buy in temporary water from outside, buy in permanent water from outside – in other words – retain the status quo.
11. If you want to use any transformed water in Moira, it has to be temporarily transferred from your WAL onto the Moira licence for delivery. Delivery arrangements will be essentially the same as pre-transformation i.e. You must be financial and water will

not be available until the Manager has been advised by WaterNSW that the transfer has been completed. Water may be ordered as previously. If demand exceeds supply capabilities a rotation system may be introduced.

Dispute Resolution

In the event that a dispute arises between Moira Private Irrigation District and a Member wishing to transform part or all entitlement, the parties must first make a genuine attempt at resolving the dispute by way of mediation.

1. The Mediation procedure is:-

- (a) a party may start mediation by serving a mediation notice on the other party.
 - (b) The notice must state that a dispute has arisen and outline what the dispute is
 - (c) The parties must jointly appoint a mediator. If the parties fail to agree on the appointment within 7 (seven) days of the mediation notice, either party may apply to the New South Wales Law Society to appoint a mediator.
 - (d) Once a mediator is appointed, both parties must comply with the mediator's instructions.
 - (e) If the dispute is not resolved within 30 days of the appointment of the mediator, or any other period as agreed by the parties in writing, the mediation ceases.
2. The parties agree to equally bear the cost of the mediator
3. If the dispute is settled, both parties must sign the terms of the agreement, which is binding on both parties.