

# Guide to the application to assign daily flow shares between water access licences

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## General instructions

Use this guide to assist you in completing the *application to assign daily flow shares between water access licences*.

## How to answer questions in the application form

The application form has a number of sections. In each section are questions which are identified by a number on the left hand side of the form (for example, B4 is question 4 in section B). The information provided in the guide corresponds to the references in the application form.

Ensure that you provide all the information requested in this application form. If your application form is incomplete it may not be accepted.

WaterNSW may contact you to request further information in relation to your application.

## How to complete the application form

There are three options for completing your application – you can either:

- Apply online using our quick and easy, interactive Water Applications Online service. If you use the online service you can complete the application form online and pay online. This means an officer can start to process the application while waiting for the signed application form to come by post. You can also track the progress of your application using a unique log in. An [iPhone app](#) is available to track applications; Or
- Complete a 'fillable' PDF application form. Use Adobe Acrobat Reader (version 11 or higher) which will enable you to fill out part of the application form, save it and complete it later. Download Adobe Acrobat free of charge; or
- Print the PDF application form and fill it out by hand in capital letters with a black/blue pen.

The completed application form must be signed by all applicants. If you are applying online or completing the fillable PDF, you will need to print the completed application form for it to be signed.

## How to pay application fees

Information on fees is available at [www.waternsw.com.au](http://www.waternsw.com.au) under Applications and fees.

You can pay the application fee by providing your **credit card** details:

- when completing the online application form, or
- at the end of the PDF form or the hard copy application form, or
- when you phone WaterNSW.

You can also pay the application fee by enclosing a **cheque** or **money order** for the application fee made out to WaterNSW when posting the hard copy application form.

Application fees are exempt from GST.

## How to submit the completed and signed application form

Post the completed and signed application form to WaterNSW.

## Contact us

Phone: 1300 662 077

Email: [Customer.Helpdesk@waternsw.com.au](mailto:Customer.Helpdesk@waternsw.com.au)

[www.waternsw.com.au](http://www.waternsw.com.au) for more information about changing a water access licence.

## Compliance with NSW water management laws, regulated activities, offences and penalties

Find out how compliance with water management laws applies to you at [www.water.nsw.gov.au](http://www.water.nsw.gov.au).

## Register a dealing with NSW Land Registry Services (LRS)

Assigning extraction components between water access licences is a water access licence dealing under the *Water Management Act 2000* (WM Act).

If the Minister grants consent to this dealing it does not take effect until the transaction has been registered in the Water Access Licence Register which is administered by NSW Land Registry Services (LRS).

WaterNSW will provide a set of documents, including a Notice of Determination and a Notification form, to the applicant. The applicant is responsible for taking these documents to LRS and registering the dealing.

The water access licence Certificate and the consent of any holder of a security interest must also be provided to LRS for registration.

The applicant must lodge the forms with LRS within six months of the date when WaterNSW granted consent, otherwise the consent to the dealing will be revoked.

LRS charges fees to register Water Access Licence dealings on the Water Access Licence Register. Contact LRS on 1300 052 637 or go to [www.nswlrs.com.au](http://www.nswlrs.com.au) for more information on registering a dealing with LRS.

## Tax implications

This dealing may have tax implications. You are encouraged to seek your own independent advice regarding any potential tax liability that may arise.

## Information specific to applications to assign extraction components between water access licences

An application to assign extraction components between water access licences under section 71Q of the *Water Management Act 2000* (WM Act) must be between two access licences of the same category and in the same water management area or water source.

*IDECS can only be assigned to WALs within the same WSP river zone or section, i.e. no movement of IDECS between river sections is allowed. The WALs receiving the IDECS must also have the same or more restrictive take conditions (c64(3) of the Barwon-Darling WSP). For example, as Unregulated river class B licences have more restrictive take conditions the Unregulated river class A licences, IDECS from a class B licence cannot be assigned to a class A licence.*

Licence From	Licence To	Allowed
Class A	Class A	Yes
Class A	Class B	Yes
Class A	Class C	Yes
Class B	Class A	No
Class B	Class B	Yes
Class B	Class C	Yes
Class C	Class A	No
Class C	Class B	No
Class C	Class C	Yes

## **SECTION A: Water access licence – extraction component to be reduced**

Section A identifies the water access licence whose extraction component is to be reduced.

- A1** Enter the number of the water access licence (WAL) whose extraction component will be reduced. It is found in the top right hand corner of the access licence certificate or at the top of the access licence Statement of Conditions. It is a number preceded by the letters WAL.
- A2** Insert the current extraction component of the water access licence. The extraction component is expressed in units.
- A3** Enter the number of units you want to assign. This will be the number of units that will be deducted from the extraction component in the water access licence specified at A1.
- A4** Enter the price to be paid per unit assigned. This information is used to maintain the WaterNSW 'online' water trade registers.
- A5** Enter the name of the water source.

### **Important notes for reducing the share component of a water access licence**

In the case of a water access licence with multiple holders, the total extraction component is owned by all holders in proportion to their individual holdings. A reduction in the extraction component will reduce the value of all holdings in the water access licence, unless the applicant/s lodges a section 71M transfer form with LRS to re-align the individual holding units of the other holders of the water access licence. Refer to the example below for clarification. The section 71M transfer form is available from LRS.

If the set of documents provided by WaterNSW and a section 71M transfer form are lodged with LRS for registration, then only the consent of the security interest holder for the affected co-holding is required.

If only the set of documents provided by WaterNSW is lodged with LRS for registration (ie. a section 71M transfer form is not lodged), then the consent of all security interest holders recorded on the water access licence is required as this option will result in a reduction of units for all co-holders.

Reducing the extraction component will reduce the water allocation account limit for water access licences in some water sources. To avoid forfeiture of water allocations in excess of a reduced limit(s) it may be necessary to assign out some or all of the water allocations before the share assignment is registered.

For information on water account limits contact Customer Helpdesk for water access licences in regulated river water sources and major inland groundwater systems.

Also contact WaterNSW for information on water account limits for water access licences in other groundwater systems and unregulated river water sources.

## Example

**Water access licence XYZ has 100 units and is held by three co-holders:**

- Holder A has 2/4 share, Holder B has 1/4 share and Holder C has 1/4 share as Tenants in Common (unequal shares)
- 25 units are assigned out of the water access licence, and the sale benefit is exclusive to Holder A. Amended water access licence XYZ now has 75 units. The holders and the holdings (fractions) do not change
- If Holders A, B and C do not do any realignment of holdings, Holders B and C will each have a 1/4 holding in a water access licence with 75 units. The value of their holding will be reduced.
- If the holders agree that the holdings of B and C should be in the original proportions (ie retain their original values) they will need to re-align the individual holdings by lodging a section 71M transfer form with LRS, with the Section 71Q Notice of Determination and Notification form. The resulting water access licence records would then show the following:

Holder A has 1/3 share, Holder B has 1/3 share and Holder C has 1/3 share as Tenants in Common (equal shares).

## SECTION B: Water access licence – extraction component to be increased

Section B identifies the water access licence whose extraction component is to be increased.

- B1** Enter the number of the water access licence (WAL) whose extraction component will be increased. It is found in the top right hand corner of the water access licence certificate or at the top of the water access licence Statement of Conditions. It is a number preceded by the letters WAL.
- B2** Insert the current extraction component of the water access licence. The extraction component is expressed in units.

**B3** Enter the number of units you want to purchase. This will be the number of shares that will be deducted from the extraction component of the water access licence specified at A1.

**B4** Enter the name of the water source.

### **Important note for increasing the extraction component of a water access licence**

In the case of a water access licence with multiple holders, the total extraction component is owned by all holders in proportion to their individual holdings. Generally, an increase in the extraction component will increase the value of all holdings in the water access licence and may require the applicant/s to lodge a section 71M transfer form with LRS to re-align the individual holding shares. The section 71M transfer form is available from LRS.

## **SECTION C: Details of access licence holder/s – extraction component to be reduced**

These are the details of the registered holder/s that appear on the water access licence.

- C1-4** The name can be a person's name or the name of a legal entity, such as a company or corporation.
- C5** Insert the Australian Company Number (ACN) if it is an application by a company. Note that an ABN (Australian Business Number) is not permitted.
- C6** Insert the position of the person/s who is/are making the application for and on behalf of the company or corporation. If the applicant is a company this would be either a company director or company secretary. If the applicant is a corporation this would be the duly authorised officer.
- C7-11** Insert the address of the applicant. For companies or corporations, insert the address details of the registered office.
- C12-15** Insert the contact details for the applicant.
- C16-30** There can be more than one holder of a water access licence. The PDF form makes provision for two holders to apply. If there are more than two licence holders photocopy/print multiple copies of the page so that all licence holders can apply.
- C31:** This is the total number of licence holders listed on the water access licence (include all licence holders listed on copies of the form).

## **SECTION D: Details of access licence holder/s – extraction component to be increased**

These are the details of the registered holder/s that appear on the water access licence.

- D1-4** The name can be a person's name or the name of a legal entity, such as a company or corporation.
- D5** Insert the Australian Company Number (ACN) if it is an application by a company. Note that an ABN (Australian Business Number) is not permitted.

- D6** Insert the position of the person/s who is/are making the application for and on behalf of the company or corporation. If the applicant is a company this would be either a company director or company secretary. If the applicant is a corporation this would be the duly authorised officer.
- D7-11** Insert the address of the applicant. For companies or corporations, insert the address details of the registered office.
- D12-15** Insert contact details for the applicant.
- D16-30** There can be more than one holder of a water access licence. The PDF form makes provision for two holders to apply. If there are more than two licence holders photocopy/print multiple copies of the page so that all licence holders can apply.
- D31:** This is the total number of licence holders listed on the water access licence (include all licence holders listed on copies of the form).

## **SECTION E: Authorised contact person**

- E1-12** Insert the name and contact details of the authorised contact person. This will assist WaterNSW if it needs to contact someone to discuss the details of the application. If this section has not been completed WaterNSW will assume the first licence holder on the form is the authorised contact person and contact that person, if necessary, prior to the determination of an application.

## **SECTION F: Declaration**

### **Declaration of holder/s of access licence which will have its extraction component reduced**

Ensure you understand your legal obligations before signing this document. You may need to obtain independent legal advice for this.

Each applicant must provide their name, sign the completed form and write the date when it was signed. If the applicant is a company, the application is to be signed for and on behalf of the applicant by two persons in accordance with section 127 of the *Corporations Act 2001* (Cth). Select the position of the signatories which can be a company director or company secretary.

If the applicant is a corporation, insert the name of the corporation, select the position of the signatory, and ensure the application is signed by the duly authorised officer.

### **Declaration of holder/s of access licence which will have its share component increased**

Ensure you understand your legal obligations before signing this document. You may need to obtain independent legal advice for this.



Customer Helpdesk  
1300 662 077 | [Customer.Helpdesk@waternsw.com.au](mailto:Customer.Helpdesk@waternsw.com.au)

Each applicant must provide their name, sign the completed form and write the date when it was signed. If the applicant is a company, the application is to be signed for and on behalf of the applicant by two persons in accordance with section 127 of the *Corporations Act 2001* (Cth). Select the position of the signatories which can be a company director or company secretary.

If the applicant is a corporation, insert the name of the corporation, select the position of the signatory, and ensure the application is signed by the duly authorised officer.

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Disclaimer: The information contained in this publication is based on knowledge and understanding at the time of writing (October 2017). However users are reminded of the need to ensure that the information upon which they rely on is up to date and to check currency with WaterNSW or with the user's independent adviser.

Published by WaterNSW.