

Assignment of individual daily extraction component 71QA

Fact sheet

Under the *Water Management Act 2000*, the holder(s) of two water access licences may apply to assign the rights to individual daily extraction components (IDEC) between the licences. This can only include the individual daily extraction component.

An IDEC means an entitlement of the holder of a licence to take a specified volume of water on a specified day and may be limited to a single or combination of specified rates, specified days/periods or in specified circumstances.

Note: WaterNSW can provide general advice on water access licence dealings. Please seek independent advice that considers your specific circumstances. This dealing type may have tax implications and actions may be required to ensure that residual water remaining in a water account is not forfeited.

When might this dealing apply?

The whole or part of one or more daily individual extraction component can be assigned from one licence to another, subject to assessment by WaterNSW. A water access licence holder may wish to trade all or part of their individual daily extraction component to another licence holder.

IDECs can only be assigned to water access licences within the same water sharing plan river zone or section, i.e. no movement of IDECs between river sections is allowed. The water access licences receiving the IDECs must also have the same or more restrictive take conditions.

WaterNSW may specify that the trade of the IDEC is to have effect for a specified period, or in specified circumstances, or both. The assignment of a right to an IDEC does not entitle the assignee to take water more than the share component of the 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/increase in the extraction component will reduce/increase the value of all holdings in the water access licence, unless the applicant/s lodges the appropriate form with NSW Land Registry Service to re-align the individual holding units of the other holders of the water access licence.

More information on individual daily extraction components can be found in the [fact sheet](#) on the NSW Climate Change, Energy, the Environment and Water [website](#).

How do I go about it?

Use the [Application to assign individual daily extraction components between water access licences form](#) and [guide](#).

If an individual daily extraction component assignment involves a reduction in the extraction component of the water access licence, the written consent of any 'security interest holders' must be provided to NSW Land Registry Services to register the share assignment. Registered security interests include mortgages and company charges held by a bank or other lending institution. The Water Access Licence Certificate must be produced for registration.

Security interest holders' consent is not required to increase a share component of a licence and production of the Water Access Licence Certificate is not necessary.

WaterNSW prepares a Notice of determination and form. Forms must be lodged with [NSW Land Registry Services](#) within six months of consent, to register the dealing.

Need help?

[Schedule a meeting](#) with one of our Water Regulation Officers to discuss your dealing. If you need more information, please contact our Customer Service Centre on [1300 662 077](tel:1300662077), Monday to Friday between 8am-5pm or email Customer.Helpdesk@waternsw.com.au

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