

Oakey Creek Groundwater Management Area

Water sharing rules

Seasonal water assignment rules

Water licence transfer rules

WSS/2013/647

Version 4.04

23/07/2018

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Version History

Version	Date	Comments
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1.02	30/10/2008	Convert to new Policy Register template
2.00	06/05/2009	Amendment to content and structure
2.01	13/03/2012	Attach latest version of Water use assessment report form and Forward Draw form. Change references to Appendix to Attachment. Update contact details in Metadata. Ensure title of document reflects Water Regulation 2002.
3.00	10/02/2012	Amendments to provide for the interim plan under the Commonwealth Water Act.
3.01	07/03/2014	Updated departmental references. Changes stock and domestic and meter malfunction content. Changed policy ID number from WAM/2005/2213 to WSS/2013/647.
4.00	29/06/2015	Insertion of Water Licence Transfer Rules, amendment to Seasonal Water Assignment Rules and update contents to meet current policy.
4.01	13/07/2015	Minor amendments to correct formatting.
4.02	06/12/2016	Section references updated to be consistent with the changes from the Water Reform and Other Legislation Amendment Act 2014.
4.03	18/06/2018	Updated references to the <i>Planning Act 2016</i> (which replaced <i>Sustainable Planning Act 2009</i>). Update departmental names. Minor amendment.
4.04	23/07/2018	Minor amendment to update name of form W2F125.

Approval

Position	Name	Date
Director, Operations Support, Water	Ian Gordon	23/07/2018

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1 Overview

This document defines the management arrangements and rules for accessing and using underground water in the Oakey Creek groundwater management area as prescribed in section 27 of the Water Regulation 2016 (the Water Regulation), and the seasonal water assignment rules, as prescribed in section 39 of the Water Regulation. Section 31 of the Water Regulation prescribes the water licence transfer rules.

Water sharing rules and seasonal water assignment rules are prescribed under the Water Regulation for a water licence not managed under a water management protocol. Water sharing rules describe the management arrangements under which water within a water management area can be accessed.

A list of terminology used in these water sharing rules is defined in the Dictionary at the end of the document.

2 Purpose

The rules detailed below establish a framework for water access, seasonal and permanent trading and water use accounting. These rules apply to the use of underground water within the groundwater management area.

Water sharing rules articulate the arrangements for access to water and water use accounting within a water management area.

Seasonal water assignment rules enable landholders to temporarily trade water on a seasonal basis while maintaining the overall level of extraction from the resource.

Water licence transfer rules allow landholders to permanently trade water licences to restructure their water businesses or realise the market value of their existing water entitlements.

3 Description of the groundwater management area

3.1 Plan of the groundwater management area

The Oakey Creek alluvium underground water is a sub-artesian aquifer associated with the Oakey Creek and its tributaries, including Westbrook, Gowrie, Cooby, Meringandan and Gomaren Creeks. It is managed through a water management area known as the Oakey Creek groundwater management area. The Oakey Creek groundwater management area also forms part of the Upper Condamine Alluvium Tributaries Sustainable Diversion Limit (SDL) area in the Commonwealth's Murray-Darling Basin Plan (Basin Plan).

The Oakey Creek groundwater management area encompasses an area from Cooby Dam at the upstream extent to Mt Tyson Road, Jondaryan at the downstream extent and has an area of approximately 21,200 hectares.

The groundwater management area is divided into four sub-areas. These areas are defined based on hydrological characteristics that can impact on water availability.

The geographical boundaries of the groundwater management area, sub-areas and cadastral boundaries are identified in map AP14708.

An indicative map is provided in Attachment 1. The exact location of the groundwater management area boundaries are held in digital electronic form by the Department of Natural Resource and Mines (the department) and may be inspected at the department's Toowoomba office.

3.2 Water to which these rules apply

These water sharing rules, seasonal water assignment rules and water licence transfer rules apply to the use of underground water from the Oakey Creek Alluvium within the groundwater management area.

4 Water sharing rules

4.1 Annual entitlement

The annual entitlement is calculated by multiplying the nominal entitlement (the volume stated on the water licence) by the announced entitlement.

If, throughout the water year, water sharing options (e.g. seasonal water assignment) are approved in relation to a particular water licence, the annual entitlement will be adjusted appropriately.

The annual entitlement formula is:

$$\text{Annual entitlement (AE)} = \text{NE} \times \text{ANE} - \text{FD (previous year)} + \text{CO} \pm \text{SWA} + \text{FD (next year)}$$

Where:

- AE – annual entitlement
- NE – nominal entitlement
- ANE – announced entitlement (as percentage)
- FD – forward draw
- CO – carry over

SWA – seasonal water assignment

An example of how to calculate annual entitlement is shown in Table 1.

Table 1 – Example of how to calculate annual entitlements

Nominal entitlement	Announcement entitlement	Annual entitlement
100 megalitres	70 %	70 megalitres
50 megalitres	50 %	25 megalitres

4.2 Announced entitlement

The chief executive must decide an announced entitlement for the groundwater management area. The announced entitlement will be decided before the start of the water year.

A different announced entitlement may be decided for each sub-area depending on the availability of water at the time in each of the sub-areas.

The announced entitlement may be increased during the water year.

The announced entitlement does not apply to licences with the purpose of urban or town water supply unless specified in the notice.

4.2.1 Considerations

When determining the announced entitlement, the chief executive must decide the volume that may be taken in a particular water year, having regard to:

- the Baseline Diversion Limit (BDL) specified under the Basin Plan for the Upper Condamine Alluvium (Tributaries) SDL Area
- long term average sustainable yield¹
- trends in underground water levels
- historical water use
- anticipated water use
- seasonal weather outlook
- the total nominal entitlement
- alternative water sources
- any other relevant considerations by the chief executive
- any recommendations made by a relevant stakeholder body.

4.2.2 Notifications

Before the start of the water year and prior to changing the announced entitlement during the water year, the chief executive must either:

- give notice of the announced entitlement to the holders of the water licences to which the entitlement relates; or
- publish the announced entitlement in the Toowoomba Chronicle and Oakey Champion (Saturday editions), or
- publish the announced entitlement on the Business Queensland's website.

¹ The long term sustainable yield considered here is **not** the SDL as defined by the Basin Plan.

5 Water products

5.1 Carry over

Water licence holders in the Oakey Creek groundwater management area are authorised to carry over any unused portion of the announced entitlement volume from the previous water year.

Entitlement holders must contact the department's water services team in Toowoomba to confirm the volume of underground water they are authorised to carry over.

An application is not required to carry over water to the next water year.

5.1.1 Rules

The carry over volume has effect from the commencement of the next water year.

The carry over volume can only be accessed within the water year immediately following the water year for which the announced entitlement was available (that is the carry over only applies for one year).

In the event of the sale of a property any unused carry over is transferred to the new owner of the water licence.

In the event that a water licence is sub-divided, the unused carry over will be transferred to each of the new licences in proportion to the volume of nominal entitlement authorised under each new water licence (unless the parties agree otherwise and inform the department).

Any unused carry over cannot be carried over to the subsequent water year.

5.2 Forward draw

Water licence holders in the Oakey Creek groundwater management area are authorised to forward draw from the following water year's nominal entitlement.

A notification is required prior to commencing to take water under the forward draw provisions. The 'Forward draw notification' form (W2F089), is available from the department's Toowoomba office and on the Business Queensland website.

5.2.1 Rules

A maximum volume of 20 per cent of the following year's nominal entitlement is allowed to be taken under forward draw arrangements.

Water is allowed to be taken under the forward draw arrangement only after the annual entitlement has been used.

In the event that a water licence is sub-divided, the unused forward draw will be transferred to the new water licence holders in proportion to the volume of nominal entitlement authorised under each new water licence (unless the parties agree otherwise and inform the department).

Any unused forward draw cannot be seasonally assigned.

Oakey Creek groundwater management area, Water sharing rules, Seasonal water assignment rules, Water licence transfer rules, Department of Natural Resources, Mines and Energy, **WSS/2013/647**, Version 4.04, 23/07/2018

5.3 Seasonal water assignment

This product is intended for meeting additional short-term water needs. Under this water accounting arrangement, some or all of the announced entitlement volume available under a water licence or seasonal water assignment notice can be assigned to another person.

There is no limit to the number of assignments of unused water that can be made in any water year. Any unused part of the assigned water can be reassigned to a third party during the remainder of the water year.

The holder of a water licence or seasonal water assignment notice may apply for a seasonal water assignment using the 'Application for seasonal assignment of a water licence' form (W2F016). The form is available on the Business Queensland's website and must include all details requested on the form and be accompanied by the prescribed fee.

Following the approval of the application, the volume assigned to the buyer is deducted from the seller's annual entitlement for the current water year.

5.3.1 Rules

The rules for seasonal water assignment that apply in the Oakey Creek Alluvium groundwater management area include:

- A seasonal water assignment application can be made following the commencement of the current water year.
- Any unused seasonal water assignment does not carry over to the following water year.
- The assignee/buyer must provide works, meter details and meter readings for all meters that have been used to take the water or could be used to take the water after assignment.
- The seasonal water assignment notice is subject to the conditions of the seller's water licence.
- Carry over from the previous water year and forward draw from the following water year is not allowed to be the subject of seasonal water assignment. Only the volume of water available to a licensee from the announced entitlement is allowed to be seasonally assigned.
- Due to the hydrological characteristics of the aquifer system, the seasonal sale of water is limited as follows:

Sub-area 1

Water held in sub-area 1 is only allowed to be assigned to a person or place in sub-area 2, 3 and/or 4. Seasonal water assignment is not allowed into sub-area 1 nor is seasonal water assignment allowed within sub-area 1. The maximum volume of water available to be assigned from sub-area 1 is the unused portion of the announced entitlement.

Sub-areas 2, 3 and 4

The maximum volume of water that is allowed to be assigned within sub-areas 2, 3 and 4 is either - the lesser of the unused portion of the announced entitlement or 100 ML.

5.3.2 Approval

The seasonal water assignment notice has the effect from the day the information notice is given to the applicant. The notice only applies for the remainder of the water year in which the assignment takes place.

In deciding the application the chief executive must:

- if the application is in accordance with the seasonal assignment rules—approve the application, with or without conditions
- if the application is not in accordance with the seasonal assignment rules—refuse the application
- give the applicant (assignor/seller) an information notice as soon as practicable after deciding the application
- if the application is approved—as soon as practicable after approving an application give the assignee/buyer a seasonal water assignment notice, with or without conditions for the current water year.

Note: Applications for seasonal water assignment cannot be made retrospectively to cover excess water use. Any unauthorised water use in excess of the annual entitlement may result in compliance action under the provisions of the *Water Act 2000* (Water Act).

5.3.3 Conditions

The seasonal water assignment notice that is granted to the assignee/buyer will be subject to the conditions:

- to which the water licence (from which the water was assigned) is subject
- prescribed under a regulation that the chief executive decides to impose for the particular seasonal water assignment notice.

Provisions under the Water Act allow the take of water under a seasonal water assignment notice to be limited.

A seasonal water assignment notice does not attach to land. If the holder of a seasonal water assignment notice sells the land, the new owner of the same land does not automatically acquire the seasonal water assignment notice.

However, the holder of a seasonal water assignment notice may apply to re-assign the unused part of the seasonally assigned water to the new owner (or to another water entitlement holder in the Oakey Creek groundwater management area), subject to these seasonal water assignment rules.

5.4 Water licence transfer

A water licence transfer is a permanent trade of water to an owner of land within the Oakey Creek groundwater management area and is available to be undertaken at any time.

The holder/s of a water licence that attaches to land in the groundwater management area may apply to permanently transfer (relocate) the water licence to other land. All or part of the licence may be relocated to other land within the same sub-area. Approval of the transfer is subject to relocation rules.

The relocation of a water licence may include the following:

- a change of the point of take from that described on the licence to other land
- a change in the area of supply from that described on the licence to other land
- a change of licensee from that stated on the existing licence to the proposed new licensee (owner of the proposed land).

The holder of a water licence may apply for a water transfer to other land using the 'Application to permanently transfer all or part of water entitlement to other land' form (W2F125). The form is available on the Business Queensland website and must include all details requested on the form and be accompanied by the prescribed fee.

Information about the current water licence transfer market is available on the Business Queensland website. Landholders wishing to participate in the water licence transfer market can contact a third party broker or other means to determine potential buyers and sellers.

5.4.1 Water licence transfer rules

The transfer of a water licence will only be permitted if:

- the proposed relocation point is within the same sub-area as the original licence
- the existing licence states a nominal entitlement in megalitres (ML)
- the assessed impact on the metered works (bore) of any existing water licence holder, other than those owned by the transferor or transferee, is less than 0.3 metres drawdown in the standing water level².

Any bore (new or existing) intended to take water under a relocated entitlement must be assessed to ensure the impact on any metered works (bores) in the Oakey Creek groundwater management area (which are not owned by the transferor or transferee) is less than 0.3 metres drawdown in the standing water level.

² As calculated by the Oakey Creek trade assessment tool, or alternatively as proven by a hydrogeological assessment to the satisfaction of the chief executive.

5.4.2 Approval

The date of issue of the proposed licence is the date that the transfer (relocation) is deemed to take effect.

Once a relocation has been approved, the new licence holder can commence taking the unused volume of the annual entitlement under the authority of the transferred (relocated) licence:

- after the date the transfer (relocation) takes effect
- if the new owner has works (a water bore) authorised to take water from the Oakey Creek groundwater management area
- if the authorised works are fitted with an approved meter.

In the event that an entitlement is transferred (relocated), any unused annual entitlement will be transferred on a proportional basis between the licences being transferred (unless the parties agree otherwise and inform the department), and is available for use during the remainder of the water year.

The transfer (relocation) of a licence will result in that licence being subject to the announced entitlement rules from the commencement of the next water year.

6 Management and accounting

6.1 Water Accounting

The water used in each water year is deducted from the client's water account balance in the following order:

1. Stock or domestic allowance (if applicable)
2. Announced entitlement
3. Carry over
4. Seasonal water assignment
5. Forward draw

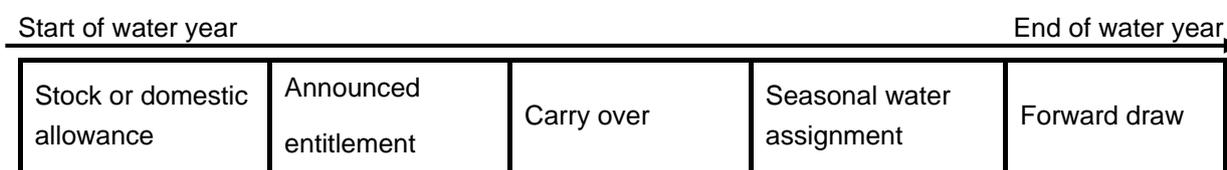


Figure 1 – Order of water account balance use

The holder of each water licence is billed annually. The current annual licence fee is available on the Business Queensland's website.

There is currently no charge for each ML of water taken in the Oakey Creek groundwater management area.

6.2 Drilling a bore to access underground water

The drilling of a new bore is required to meet the provisions under the *Planning Act 2016* and the current State Development Assessment Provisions (SDAP). The SDAP can be accessed at this website, <https://planning.dsdmip.qld.gov.au/>. Under these provisions, a development permit may be required before a water bore can be drilled.

Water bores in Queensland must be constructed by a licensed water bore driller. The driller's licensing requirements under the Water Act ensure all water bore drillers are properly experienced to drill a water bore.

6.3 Stock and/or domestic allowance

The take of stock and/or domestic water is authorised under section 96 of the Water Act. The take of stock or domestic water is separate from the nominal entitlement associated with the water licence.

Water authorised to be taken under a stock or domestic allowance is not subject to these water sharing rules and is therefore not affected by the announced entitlement.

The take of stock or domestic water may be stipulated on a water licence that has a volumetric entitlement. The holder of a metered entitlement may also notify the department of the stock or domestic allowance claimed. The 'Stock or domestic allowance notification form' (W2F062) is available on the Business Queensland website.

The stock or domestic allowance is accounted as the first volume taken in a water year³.

6.4 Installation, maintenance and validation of meters

The volume of water taken in the groundwater management area is measured using an approved water meter. Water entitlement holders are required to manage the purchase, installation, maintenance and validation of their own water meter(s). The water meter can be purchased and installed by the entitlement holder or by a private company of the holder's choice.

A water validation certificate is required to be completed by an authorised meter validator and submitted to the department by the water entitlement holder. This certificate validates the meter is in accordance with the Queensland Interim water meter standard for non-urban metering. The lodgement of this completed certificate verifies that the holder has a metered entitlement with an approved meter installed.

Approved meters are required to be revalidated by a validator in accordance with schedule 11 in the Water Regulation. The water entitlement holder must provide evidence of the revalidation to the department using the validation certificate once the repair/inspection is completed.

³ Water taken for stock or domestic purposes under section 96 of the Water Act cannot be traded.

6.5 Meter readings

Entitlement holders are required to provide up to two readings within a water year to the department for each approved water meter. These readings will be required after the eighth month and at the end of each water year.

The entitlement holder is also required to provide meter readings—

- with any application for seasonal water assignment or forward draw;
- with any application for water licence transfer; or
- in the event of the sale of a property
- as requested by the department.

If a meter is non-operational, the licensee must complete a 'Water use assessment report' form (W2F095). This will account for water used during the time the meter was malfunctioning or being repaired.

Meter readings supplied by the entitlement holder are subject to auditing to ensure that the supplied meter reading is accurate.

7 Responsibilities

Water entitlement holders

- Must ensure that water is taken in accordance with the conditions of the water licence and is consistent with the water sharing rules
- May apply for a seasonal water assignment in accordance with the seasonal water assignment rules
- May apply to transfer all or part of the licences nominal volume to other land in accordance with the water licence transfer rules
- Must install, maintain, arrange validation and read water meters, consistent with the requirements outlined in the requirements outlined in Water Regulation.

Department

- Must provide notification of the announced entitlement prior to the commencement of the water year and prior to the commencement of any subsequent variations to the announced entitlement
- Must decide an application for a seasonal water assignment in accordance with the seasonal water assignment rules
- Must decide an application for a water licence transfer in accordance with the water licence transfer rules.

8 Dictionary

The following terms and their meanings apply to the Oakey Creek groundwater management area.

Announced entitlement means the percentage of a nominal entitlement that a licence holder may take in a water year.

Annual entitlement means the volume authorised to be taken during a water year under a water licence. This is calculated by multiplying the nominal entitlement for the water licence by the announced entitlement and adjusting the volume for any carry over or forward draw that applies to the licence for the water year.

Baseline Diversion Limit (BDL) means the BDL identified for the Upper Condamine Alluvium (Tributaries) Sustainable Diversion Limit (SDL) area under the Basin Plan.

Basin Plan means the Murray-Darling Basin Plan, including any amended version of the plan.

Carry over means the unused volume of an announced entitlement that a water licence holder may access in the water year following the year for which the announced entitlement was available.

Forward draw means the volume, expressed as a percentage of the nominal entitlement of the water licence for the following water year, which the licensee may take during the current water year.

Nominal entitlement means the volume of water authorised to be taken during a water year under a water licence. The volume of water that a licence holder may use during a water year may be varied by an announced entitlement.

Oakey Creek trade assessment tool is the agreed tool to assess the potential impact of taking water from the Oakey Creek Groundwater Management Area for a water licence transfer (relocation).

The agreed values⁴ to be used in the Oakey Creek trade assessment tool for assessment of water licence transfers are:

Transmissivity -	300m ² per day (average value attributed to the whole GMA)
Specific yield -	8% (value for unconfined alluvial aquifers)
Drawdown impact - full supply level)	0.3 metres – the agreed maximum impact on the Standing Water Level (at
Pump rate -	100 days (365 days for urban/town water supply)
Entitlement value -	100% of nominal entitlement

Seasonal water assignment is a temporary trade where some or all of the available water from a water entitlement can be traded to another person or place in a water year.

Stock or domestic allowance means the take of stock or domestic water authorised under the *Water Act 2000*. Water authorised to be taken under a stock or domestic allowance is not subject to these water sharing rules. The take of stock or domestic water is separate from the nominal entitlement associated with the water licence and may be stated on a water licence.

⁴ These are the current values for which agreement has been reached between the Oakey Creek groundwater management area advisory committee and the department.

Underground water means water that occurs naturally in, or is introduced artificially into, an aquifer.

Upper Condamine Alluvium (Tributaries) SDL area means the area identified as the Upper Condamine Alluvium (Tributaries) SDL area in the Basin Plan⁵.

Water bore includes a bore, shaft, well, gallery, spear or excavation and any works constructed in connection with the bore, shaft, well, gallery, spear or excavation that taps an aquifer.

Water entitlement holder means a person holding a water licence, seasonal water assignment notice or other authorisation to take water in the groundwater management area.

Water Year means the 12 month period starting 1 July and ending 30 June.

9 Contact

For enquiries on water management within the Oakey Creek groundwater management area, please contact:

Position: Administration Officer, Water Services
Street address: Tor Street Centre, 203 Tor Street, Toowoomba, QLD 4350
Postal address: PO Box 318, Toowoomba, QLD 4350
Telephone: (07) 4529 1394
Facsimile: (07) 4529 1555
Email: WaterServices.Toowoomba@dnrme.qld.gov.au

⁵ A map showing the Upper Condamine Alluvium (Tributaries) SDL area can be viewed on the Murray Darling Basin Authority website.

Attachment 1– Oakey Creek groundwater management area map

