



Fact Sheet - Water Delivery Rights

What is a Water Delivery Right (WDR)

Water Delivery Rights, issued by an Irrigation Trust, represent an irrigator's share in the capacity of a Trust's pumping and pipeline infrastructure. WDR's are a key component in the unbundling of water rights, and provide flexibility for irrigators to manage them separately from their Irrigation rights.

Issue of WDR

WDR's are issued by Trusts, initially on separation of water rights relative to existing water rights held, and subsequently on application.

- WDR's are allocated on a megalitre basis.
- WDR's are allocated to an owner of an irrigation outlet associated with a defined land parcel(s).
- The minimum number of WDR that can be held is 5 megalitres.
- WDR's limit the volume of water that can be extracted at an outlet per annum, unless otherwise agreed with the Trust.
- Issue of WDR's is subject to individual Trust and Pool WDR limits, and delivery of water in respect a WDR must be hydraulically possible.
- Where a Trust holds unallocated WDR's these will be issued, subject to Trust approval, for a \$0.00 value.

Transfer of WDR

Transfer of WDR's facilitates the movement of rights amongst holders subject to Trust approval. It provides flexibility to reduce or increase WDR holdings to meet individual requirements and does not require an associated Irrigation Right transfer.

- The transfer of WDR's is subject to Trust approval, and delivery of water in respect a WDR must be hydraulically possible.
- WDR's may be transferred to another owner where there is no change in the outlet and land parcels associated with the WDR.
- WDR's may be transferred to another outlet within the same WDR pool.
- WDR's may be transferred into another WDR pool within the same Trust where the transfer does not result in the volume of WDR in the receiving pool exceeding the WDR pool limit.
- WDR may be temporarily transferred into another pool in another Trust under very limited circumstances where no ownership change occurs and approval of the transfer does not result in the volume of WDR in the receiving Trust/pool exceeding the Trust or pool WDR limit.
- Any payment between the parties to the WDR transfer should be negotiated by the parties.

Termination

Should a WDR holder no longer wish to retain some or all of your WDR's, the surplus WDR's can either be transferred to another person or terminated to your Trust. However there is no guarantee that a terminated WDR will be available for reissue to the terminating outlet or owner.

WDR termination requires formal application to your Trust, and is subject to payment to the Trust of a termination fee to 10 times the annual service charge.

Where terminated WDR are reissued to a terminating outlet held by the terminating owner the Trust will pro-rata refund termination fees paid by that owner in respect those reissued WDR.

WDR and Property Sales

When a property with related WDR's is sold it is critical that WDR holders and/or their Conveyancer provide advice to the Trust on the CIT application form to confirm what is to occur with the WDR. Whilst this will depend on the specific circumstances of each property transfer, available options are:

1. All or portion of the WDR can be transferred to the new property owner, or
2. All or portion of the WDR are transferred to another outlet/land parcel, or
3. All or portion of the WDR can be terminated.

Until such time as an application to vary a WDR holding has been approved WDR will continue to attract a quarterly Service Fee.

To confirm the WDR's held against a property you should request a "Certificate of Allocation" from CIT.

WDR and Security

If a person holds Irrigation Rights (permanent water) which are less than 20% of their WDR the Trust will ask for security to the value of the potential termination fee liability to protect the Trusts interest.

- Security can be provided to the Trust in one or more of the following forms:
 1. a charge over an Irrigation Right held within a CIT Trust;
 2. a charge over a Water Access Entitlement under same/different ownership held on a Private Licence;
 3. a guarantee given by an authorised deposit taking institution;
 4. a deposit lodged with Central Irrigation Trust;
 5. an encumbrance registered over land parcels of which the Water Delivery Rights are held;
 6. another form, subject to agreement of the Central Irrigation Trust.
- Where a land encumbrance is used to secure a WDR termination fee liability, for security purposes WDR's will be limited to 12 megalitres per hectare unless otherwise agreed with the Trust.

WDR Applications

An application to the Trust for issue or transfer a WDR must be in a form approved by the Trust (application form), and no application fee applies.

WDR Fees and Charges

The following table provides a list of the fees and charges applicable for 2023-24 applications related to dealings with WDR's.

Service Charge per megalitre of WDR per annum (collected quarterly)	
Golden Heights Irrigation Trust	\$49.00
Sunlands Irrigation Trust	\$63.50
All other remaining CIT Irrigation Trust's	\$32.10
Title Search Fee per land title	\$24.00
WDR Termination Fee per megalitre of WDR	
Golden Heights Trust	\$484.00 plus gst
Sunlands Irrigation Trust	\$629.00 plus gst
All other remaining CIT Irrigation Trust's	\$317.00 plus gst

Further Information

If you require further information please contact at our office at 4 Fowles Street, Barmera or on 8580 7100.

This information relates to the Berri, Cadell, Chaffey, Cobdogla, Golden Heights, Kingston, Loxton, Lyrup, Moorook, Mypolonga, Sunlands & Waikerie Irrigation Trusts Inc.

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