

# Glossary of Terms



Wednesday, 26 August 2020

Term	Explanation
Allocation Advance	An early allocation of water distributed to customers according to delivery entitlements. It is included within the maximum annual allocation limit under the Water Sharing Plan (WSP) to allow water to be available early in the season.
Amalgamation	The process of combining two or more adjoining landholdings and the associated shares, water entitlements, delivery entitlements and flow shares (subject to special conditions) together into one landholding within Murray Irrigation's operating systems.
Annual Allocation	A volume of water determined by the NSW Department of Planning, Industry and Environment-Water (DPIE-W) as a percentage of permanent Water Entitlements held. This is credited to customers' water accounts following an allocation announcement by NSW DPIE-W.
Annual Delivery Entitlements	An entitlement to have water delivered to land within Murray Irrigation's area of operations. Annual Delivery Entitlements can be sold or transferred between customer accounts to manage usage within the tiered usage charges per water year.  See also Delivery Entitlements.
Annual Transfer	An internal annual transfer between landholdings (water allocation or annual delivery entitlements) or an external annual transfer of water allocation to or from Murray Irrigation's licences.
Area of Operations	The area that is serviced by Murray Irrigation for water delivery.
Bid (or Buy Bid)	An offer to buy a parcel from the Water Exchange at a specified price.
Bulk Licence	Murray Irrigation holds six bulk Water Access Licences (WALs) with the NSW Government, which allows for an annual allocation and the extraction of water from the NSW Murray river system.  The company, in turn, issues water entitlements to individual customers to receive a portion of the allocation made to the bulk licences.  The categories of bulk licences with corresponding water entitlement classes are: <ul style="list-style-type: none"> <li>- High Security town water supply (Class A)</li> <li>- High Security (Class B)</li> <li>- General Security (Class C) (2)</li> <li>- Conveyance (no corresponding water entitlements, used for the company's conveyance losses associated with operating the channel system)</li> <li>- Supplementary (no corresponding water entitlements, this water is opportunistic only).</li> </ul>
Buyer	In the context of the Water Exchange, a party or person/s who have entered into a transaction to purchase units from the Exchange.

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<b>Buyer/Seller Terms</b>	<p>The following terms are used to describe buyers and sellers in various contexts:</p> <ul style="list-style-type: none"> <li>- buyer</li> <li>- purchaser</li> <li>- transferee</li> <li>- seller</li> <li>- vendor</li> <li>- transferor.</li> </ul>
<b>Carryover</b>	<p>The volume of water (ML) remaining in a Water Allocation Account at the end of a water year, up to a certain limit (usually 50 percent of Class C water entitlements), which is automatically carried over to the next water year.</p>
<b>Casual Usage Fees</b>	<p>Casual usage fees apply where water is delivered to a landholding in excess of 120 percent of Annual Delivery Entitlements held. The fee is higher than the standard tiered water usage fee.</p>
<b>Casual Usage Threshold</b>	<p>The volume of water (ML) that can be used before casual usage fees would apply.</p> <p>This figure can be altered through the purchase or sale of Annual Delivery Entitlements.</p>
<b>Class A Water Entitlements</b>	<p>High security town water supply entitlements. These entitlements cannot be transferred. The use of annual allocation is subject to strict license conditions.</p>
<b>Class B Water Entitlements</b>	<p>High security water entitlements.</p>
<b>Class C Water Entitlements</b>	<p>General security water entitlements.</p> <p>Each Water Entitlement is equal to a volume of one (1) megalitre of annual allocation when the announced allocation is 100 percent.</p>
<b>Conditional Approval</b>	<p>The process by which applications for permanent transfers can be granted approval, prior to all documentation being submitted. E.g. approval is granted on the condition that certain requirements are met.</p>
<b>Consent by Encumbrancee /Security Holder</b>	<p>Where a security interest or encumbrance is listed on land titles, Murray Irrigation's registers, or an unregistered interest is disclosed; consent by the security interest holder (encumbrancee) is required for permanent trade applications to proceed.</p>
<b>Customer Number</b>	<p>The seven-digit identification number in Murray Irrigation's registers given to each person or entity that is, or has been, a customer, or who has authority to deal with a customer's account.</p>
<b>Customer Portal</b>	<p>An automated and secure online interface for customers to view and manage their water and financial account with Murray Irrigation.</p>
<b>Deed of Account Authority</b>	<p>The process by which a customer grants access rights to an agent for the purposes of water allocation and accounting purposes only.</p> <p>A deed which creates a binding legal relationship between the company, the customer and the agent specified, for the agent to carry out nominated types of activities on behalf of the customer (account authority).</p>

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<b>Delivery Entitlement</b>	<p>A Delivery Entitlement is a permanent entitlement to have water delivered to land within Murray Irrigation’s area of operations.</p> <p>One permanent Delivery Entitlement equates to one Annual Delivery Entitlement per water year and enables 1.2ML of water to be delivered within the tiered usage charges.</p> <p>Permanent Delivery Entitlements can be sold or traded between landholdings.</p> <p>See also Annual Delivery Entitlements.</p>
<b>Delivery Right</b>	See Water Delivery Right.
<b>Drainage Water (formerly ‘Off-allocation’)</b>	<p>Water made available to eligible customers when a section of the system needs to be drained to allow access for maintenance operations.</p> <p>Drainage water deliveries are not debited from customers’ water allocation accounts.</p> <p>Normal delivery charges apply for delivery of Drainage Water.</p>
<b>Drainage/Supply Escape Extraction</b>	<p>The process by which the landholders may extract water from company drainage works or supply channel escapes.</p> <p>This approach replaces supplementary agreements.</p>
<b>Encumbrance/ Security Interest</b>	A security interest arises when water entitlements or delivery entitlements are accepted by a lender as security for a loan. This creates a mortgage, charge, or other type of interest, which can be registered against the water entitlements and/or delivery entitlements.
<b>Entitlements Contract</b>	A contract between Murray Irrigation and the customer which sets out, amongst other things, the terms and conditions under which a customer holds and deals with water entitlements, delivery entitlements and shares, takes delivery of water, other dealings with the company such as transfers or drainage, and other related matters.
<b>External Annual Transfer</b>	An annual transfer of water allocation (ML) to or from Murray Irrigation’s bulk licences.
<b>External Permanent Transfer</b>	The permanent transfer of water entitlements to or from Murray Irrigation’s WAL and consequently, the customer’s water allocation account. External permanent transfers from (out of) Murray Irrigation are also known as a transformation.
<b>Flow Share</b>	<p>Each landholding, in most cases, has an equal share of the available flow during periods of delivery restrictions (see: Distribution Rules Policy).</p> <p>Where a landholding has been subdivided, its share of the flow is also divided; and where two or more landholdings are amalgamated their share of the flow is combined (subject to some exceptions).</p> <p>A landholding’s flow share is the representation of this share of available flow, where a flow share of one (1) means the standard equal share (E.g. a flow share of two (2) would mean a double share).</p>
<b>General Security</b>	See Class C Water Entitlements
<b>Gigalitre (GL)</b>	One thousand megalitres
<b>Guaranteed</b>	Dates when water is available for delivery.

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High Security	See Class A Water Entitlements and Class B Water Entitlements.
Internal Annual Transfer	The transfer of water allocation (ML) or annual delivery entitlements between two Murray Irrigation customers. Annual transfers take place within one water year only, unlike permanent transfers.
Internal Permanent Transfer	A permanent transfer of shares, water or delivery entitlements, or a combination thereof, between two Murray Irrigation customers.
Irrigation Corporation	The term used in NSW legislation to refer to operators of irrigation infrastructure such as Murray Irrigation.
Irrigation Infrastructure Operator (IIO)	The term used in the <i>Water Act 2007 (Cth)</i> to refer to operators of irrigation infrastructure such as Murray Irrigation, though defined differently to Irrigation Corporation.
Irrigation Right	A term used in the <i>Water Act 2007 (Cth)</i> to define rights to receive water from an Irrigation Infrastructure Operator. In Murray Irrigation's case, water entitlements and domestic water supply agreements are both irrigation rights.
Landholding	A parcel of land that is connected to Murray Irrigation's supply and/or drainage systems and may have associated shares, water entitlements or delivery entitlements. A landholding may be made up of one or more land titles, must be within the area of operations and must have an outlet. Landholdings can be irrigation or domestic supply.
Landholding Reference Number (LRN)	A unique number used by Murray Irrigation to identify a landholding.
Maintenance Zone	An area where Murray Irrigation has scheduled to complete planned maintenance work.
Maximum Annual Allocation	The total amount of annual allocation (ML) plus carryover that can be received by a water account, and is equal to 110 percent of Class C water entitlements.
Megalitre (ML)	One million litres, the unit of measurement when using and trading water within Murray Irrigation.
Merged Water Allocation Account (or S-Account)	A single water allocation account which combines and replaces multiple existing water allocation accounts for water ordering and water accounting purposes. This aims to simplify the administration of those accounts by combining them together. Merged accounts are not used for permanent transfers.
Non-guaranteed	Dates when water may be available for delivery, but delivery is not guaranteed.
NSW DPIE-W	New South Wales Department of Planning Industry and Environment – Water.
Non-Maintenance Zone	An area of operation outside of a planned maintenance zone.
Offer (or Sell Offer)	An offer to sell a specified amount of tradeable rights on the Water Exchange.

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<b>Password</b>	<p>An eight character password created by the customer and used with a customer number to log in to both Murray Irrigation’s customer portal (website) and Water ordering systems.</p> <p>Passwords must meet the following criteria:</p> <ul style="list-style-type: none"> <li>- Consist of a minimum of 8 characters</li> <li>- Contain at least one capital letter</li> <li>- Contain at least one symbol and/or number</li> <li>- Not contain information associated with the water account E.g. property name, surname etc.</li> </ul>
<b>Permanent Trade</b>	See Permanent Transfer.
<b>Permanent Transfer</b>	<p>A permanent transfer or change in the ownership of shares, water entitlements or delivery entitlements and/or land from one party to another. This change is in perpetuity or until another transaction is completed and includes internal permanent transfers, external permanent transfers and transformations.</p>
<b>Planned Maintenance</b>	Work scheduled by Murray Irrigation’s Infrastructure department.
<b>Reactive Maintenance</b>	Unplanned maintenance work that is required to be completed by Murray Irrigation, but was not scheduled.
<b>Resource Distribution</b>	<p>Water made available to customers when savings across the company’s licences are recognised.</p> <p>This is at the discretion of the company.</p>
<b>S Account</b>	See Merged Water Allocation Account.
<b>Season Operating Plan</b>	A document that outlines the company’s commitment to customers during each irrigation season. This is aligned to the company’s Strategic Plan.
<b>Seller</b>	A party who has listed a parcel of tradeable rights for sale on the Water Exchange.
<b>Shares</b>	<p>Shares were issued to landholdings in 1995 upon privatisation.</p> <p>Every shareholder has one (1) vote per landholding that is recorded as the registered proprietor in the Share Register.</p> <p>Shares can be traded between Murray Irrigation landholders.</p> <p>As a not-for-profit organisation, Murray Irrigation does not distribute dividends on shares, nor do they attract any cost.</p>
<b>‘Share’ Register</b>	<p>The registers maintained by Murray Irrigation which record, amongst other things:</p> <ul style="list-style-type: none"> <li>- the company’s shareholder members including their name and address</li> <li>- the number of shares, water entitlements, and delivery entitlements held by each customer</li> <li>- any security interest registered with the company</li> <li>- details of the customer’s landholding.</li> </ul>
<b>Standard Water Usage Fee</b>	Applies for all water use, including off allocation water, up to 120 percent of delivery entitlements.

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Stop Supply	Status of a water allocation account where supply of water is suspended. This may occur for several reasons including a breach of the entitlements contract or a negative water balance.
Strategic Plan	The strategic vision for Murray Irrigation available on the company's website.
Subdivision	The process of dividing a landholding and the associated shares, water entitlements and delivery entitlements into two or more parcels.
Supplementary Water	Water released after a rain or other unexpected event, that enables the customer access to water without any impact on their annual allocation. This water is opportunistic only and is not guaranteed. Normal delivery charges apply for delivery of supplementary water.
Sustainability Product	A volume of water periodically offered to eligible customers for purchase at a discounted market price.
Title Search	A search of the NSW Land Registry Services database to gain information regarding the registered owner, lot and DP (deposited plan) and any security interest registered against the land title.
Total Farm Water Balance Limit (TFWB)	This is the maximum volume that can be used on a landholding in one water season to comply with Murray Irrigation's Land Sustainability Guidelines. One of the reasons for these guides is to maintain sustainable water tables in the region as part of the company's commitment to environmental responsibility. All landholdings start with a total farm water balance limit of 4ML/ha. Customers can apply to increase this limit.
Tradeable Rights	This refers to either a water allocation (ML) or annual delivery entitlements that are tradeable on Murray Irrigation's Water Exchange.
Transaction	The sale and purchase of tradeable rights in accordance with Murray Irrigation's Exchange terms and conditions.
Transformation	Has the same meaning as external permanent transfer out. Special rules apply to transformations, specified in the <i>Water Market Rules 2009 (Cth)</i> .
Water Access License (WAL)	A Water Access License granted under Water Management Act 2000 (NSW). This is a perpetual and ongoing entitlement issued by the State Government to give access to a share of a water resource. Murray Irrigation's WALs are classed as 'above the Barmah Choke' or 'upstream of Picnic Point' and therefore, all Murray Irrigation water entitlements and water allocation (ML) are also classed as 'above the Choke'.
Water Allocation	Any form of water (ML) available in a water allocation account. Can be made up of annual allocation, carryover, traded water allocation, WaterWell products, etc.
Water Allocation Account	An account where all water allocation, water usage, and related data is recorded for each customer.
Water Delivery Right	A term used in the <i>Water Act 2007 (Cth)</i> to describe a right to have water delivered to a landholding. In Murray Irrigation's case, delivery entitlements and domestic water supply agreements are water delivery rights.

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<a href="#">Water Entitlement</a>	A permanent entitlement to a customer's share of the water available. It is not a guaranteed volume of water each year.
<a href="#">Water Exchange</a>	A market for the sale and purchase of tradeable rights facilitated by Murray Irrigation. E.g. Independently influenced by participating parties and facilitated only by Murray Irrigation.
<a href="#">Water Exchange Account</a>	<p>For a buyer, this is an account which records the amount of tradeable rights the buyer has purchased.</p> <p>For a seller, this is an account which records the amount of tradeable rights that have been listed for sale and are held in escrow.</p>
<a href="#">Water Ordering System</a>	The system for customers to place/alter orders for delivery of water.
<a href="#">Water Users Credit</a>	<p>A five percent credit applied to water accounts based on each megalitre delivered on-farm through a compliant outlet.</p> <p>Formerly known as Compliant Meter Credit.</p>
<a href="#">WaterWell</a>	<p>The WaterWell is a bundle of initiatives aimed at increasing productive water use in Murray Irrigation's area of operations.</p> <p>The initiatives currently include:</p> <ul style="list-style-type: none"><li>- Allocation Advance</li><li>- Resource Distribution</li><li>- Sustainability Product</li><li>- Water Users Credit</li><li>- System Innovation Product.</li></ul>
<a href="#">Water Year</a>	1 July to 30 June.