

## Who can access this water trading pilot?

Any existing customer who holds a Licence under Section 51 of the Water Act, and who is serviced off the Eppalock Pipeline.

## Why is temporary trading an option for 2009/10?

At its October meeting our Board agreed to a rural water trading pilot for Eppalock Pipeline customers based on water allocation principles. One of the principles is:

*The allocation of Goulburn water to the Coliban System Northern will be to urban customers, and then on a cost recovery basis (including delivery losses).*

We can therefore offer existing Eppalock Pipeline customers access to the Goulburn water market to purchase temporary water up to your maximum license volume, on a full cost recovery basis.

## How is delivery of water possible?

- The water delivered is not subject to capacity constraints of the treatment plant
- Connections to the Eppalock Pipeline are all metered
- Eppalock Pipeline is scheduled to operate for the entire season (subject to normal operational requirements), and
- The Eppalock Pipeline has available capacity.

## Will access to this water trading continue for Eppalock Pipeline customers next year?

We are unable to offer access to infrastructure beyond this season until we do further water modelling work. Therefore access this year is as a pilot, and an evaluation will take place at the end of 2009/10. The same rules as our Urban Water Trading Pilot will apply. These include access to infrastructure:

- Supply of water will only be granted provided it can be supplied efficiently.
- Supply will only be granted provided it can be demonstrated that there is no adverse impact on other customers.

## Why can't other rural customers access this water?

Eppalock Pipeline is the only rural delivery system physically connected to the Goulburn system via the Goldfields Superpipe. A key criteria for providing rural water is efficiency. The Eppalock Pipeline almost 100% efficient.

## How much water can I purchase through this trade?

Up to a maximum of 100% of your current licence volume.

## What will it cost?

1. For existing Emergency Supply or General Allocation rural licence customers:

- Cost to purchase water through temporary trade on the Goulburn market is currently around \$200 per megalitre, but is subject to change based on the market. Customers nominate the volume to be purchased and will be billed for this purchase whether or not the volume is used, **PLUS**

- The standard 'by agreement' tariff (refer to attached extract from our *Schedule of Fees and Charges*) will be applied to the volume of water delivered to the meter (currently \$672.80 per megalitre). Only the volume actually delivered to the meter will be billed to the customer on this tariff.

*NB: these costs are per megalitre and should be multiplied by the required megalitres to calculate estimated costs.*

2. If a general rural allocation greater than 30% is not declared before 1 December 2009, Victorian Government rural rebates for fixed charges will apply to normal rural charges.
3. If a general rural allocation greater than 30% is declared before 1 December 2009, Victorian Government rural rebates will not apply, and all normal rural licence fees and charges will apply.

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## When can I order water through the rural water trading pilot?

Once your application has been processed the trade application will be lodged with the water broker, *WaterMove*. We need your signed application by close of business Thursday each week to ensure trade the following week. The trade requests we receive will be lodged on Mondays for trade on Wednesdays.

Orders will be processed weekly, subject to sufficient demand, up to the end of March 2010.

## When can I start to take this water?

We will contact participating customers following the weekly trade (Wednesdays) with advice of the trade, and the price paid. A start-up meter read must be taken, after which you can commence to take water immediately.

## When does access end?

All temporarily traded water will be available up until midnight on 30 June 2010, unless traded entitlement is used prior.

## Can I carry over any unused entitlement to 2010/11?

No. Any unused entitlement at 30 June 2010 is forfeited, and will be added to our total water reserve.

## Can I trade this water?

No. Any water traded from the Goulburn system is not transferable between customers. If you have multiple licences you can trade water between licences, provided that all licence supply points are on the Eppalock Pipeline.

## If there is a rural general allocation, can I still access this water?

Yes, up to a maximum of the volume entitlement on your licence supplied by the Eppalock Pipeline. This includes any general allocation declared during the season.

## If there is a general rural allocation, can I trade my Coliban Water entitlement?

Yes. If a rural general allocation is declared, you can trade your entitlement to this water. You will not be able to trade water purchased as part of the water trading pilot from the Goulburn system.

## How do I apply?

Complete the *Application for Goulburn Trade* form (a copy is attached), and email it to Ian Watson at [watertrading@coliban.com.au](mailto:watertrading@coliban.com.au) or post to PO Box 2770 Bendigo Delivery Centre 3554.

We will contact you to provide information about the status of your application; the expected cost of the Goulburn trade per megalitre; the expected date of trade completion; and the date from which you can access the water

## How do I pay for the water?

The cost of the Goulburn trade will be added to your next Coliban Water account following the trade. 'By Agreement' volumetric charges will be billed each quarter on your account.

How much water do I have to commit to purchase?

The minimum we will trade on behalf of Eppalock Pipeline customers is 0.5 megalitre per customer per trade. We will trade up to your total licence volume (less any allocation on the Coliban Rural system).

Can I apply to trade more than once during the season?

Yes, you can.

What happens if I do not accept this offer?

There is no obligation to participate in the rural water trading pilot. If you choose not to participate, the rural season general allocation, or (if you qualify) the Emergency Supply conditions, will apply to you throughout the season.

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