



Temporary Transfer of CAP Policy

1. POLICY STATEMENT

In order to achieve Council's stated corporate and community objectives Council is committed to achieving financial sustainability. A temporary transfer of CAP associated with the St George river water system is an opportunity to generate revenue for Council without compromising service delivery.

2. PRINCIPLES

Council pays an annual allocation charge for access to river water impounded by Jack Taylor Weir. The allocation charge is payable for the full allocation regardless of how much water is actually used.

Typically, Council use approximately half of its current allocation annually. There is an opportunity to sell the unused entitlement to other water users via a temporary transfer of CAP. Council Officers would monitor water availability and assess relevant risks to determine the optimum time to offer the temporary transfer of CAP to achieve the best risk-based return for Council. Revenue raised by CAP sales will be retained for water purposes.

Under this policy, Council would offer CAP only, not allocation at the dam.

The CAP resets annually at the start of the financial year.

3. SCOPE

This policy applies to all operational and financial staff and Senior Management of Balonne Shire Council associated with the St George river water system.

4. RESPONSIBILITY

Chief Executive Officer

- Responsible for approval of Officers assessment of submitted proposals.
- Responsible for signing Temporary Transfer of CAP documentation.

Senior Management and Council Officers

- Responsible for identifying the best time to offer the temporary transfer of CAP
- Responsible for monitoring consumption to ensure Council retains sufficient CAP for customers and to determine volume of CAP available for temporary transfer.
- Responsible for arranging for temporary transfer of CAP in accordance with Temporary Transfer Of Cap Procedure.

5. DEFINITIONS

CAP – The maximum amount of water that can be extracted from the system annually. The CAP resets each financial year.

Allocation - The amount of water physically available to be extracted taking into account usage, inflow, environmental flows evaporation and seepage.



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6. POLICY

Council will consider offering the temporary transfer of unused CAP associated with the St George river water system at appropriate times to achieve the best risk-based return for Council, and an appropriate amount and transaction timing so as not to compromise service delivery.

7. LEGAL PARAMETERS

Council is legally entitled to temporarily transfer a portion of its CAP for the St George river water system.

The application to Sunwater for the temporary transfer of CAP is made under the standard Water Supply Contract and is a Seasonal Water Assignment under the Water Act 2000.

8. ASSOCIATED DOCUMENTS

A spreadsheet of historical monthly flows will be maintained to inform decisions on the amount of CAP to offer for temporary transfer.

Sunwater - Application For Temporary Transfer Of Water And/Or CAP St George Water Supply Scheme