



# Temporary Transfer of CAP Procedure

## 1. BACKGROUND

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 only 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.

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

## 2. OBJECTIVES

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

## 3. SCOPE

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

## 4. PROCEDURE

### 4.1 Establish and maintain register of interested parties

- Set up a panel in Vendor Panel specifically for applications for Temporary Transfer of CAP
- Invite registration through Council website, and other user associations.
- Maintain option for interested parties to register at any time
- Maintain a link on Council's web page with registration information

4.2 Monitor factors around inflow, storage levels, usage, weather conditions and seasonal demand and assess relevant risks to determine optimum time to offer CAP.

4.3 Determine the amount of CAP to offer ensuring sufficient CAP retained for Council service delivery. This would be done using the following formula.

CAP available – maximum monthly usage from last 5 years for remaining months - 100ML = CAP offered

4.4 Notify registered parties through Vendor Panel when CAP is being offered. Also post notification on web page.

4.5 Undertake evaluation of submissions using Vendor Panel. Council may choose not to proceed with temporary transfer if it is not considered beneficial. Note: submissions via Vendor Panel will not be visible until after closing period.

4.6 Notify successful applicant and provide them with Application for Temporary Transfer of CAP for signing, and an invoice payable within 7 days. If payment not received within 7 days, Council will liaise with successful applicant before considering offering CAP to next best applicant.



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4.7 Upon return of signed application and receipt of payment, Council will sign and lodge Application for Temporary Transfer of CAP with Sunwater within 2 business days.

4.8 Publish details of winning bid.

4.9 Reassess remaining CAP in May each year to determine whether to offer further CAP for temporary transfer, or to carryover to next financial year

## 5. 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.

## 6. ASSOCIATED DOCUMENTS

Temporary Transfer of CAP Policy

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

A register of interested parties maintained in Vendor Panel

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