

Policy – Allocation Trading

Policy

Where SRW owns water shares within an irrigation district, it will develop an annual strategy for the sale of allocations accruing to those water shares, if the shares are not to be sold or distributed in that season.

Probity

- SRW will develop an annual strategy for water sales for approval by the board. The strategy will be made public;
- There shall be no discussion between staff on allocation trading matters by those who make allocation decisions and those who manage the sale of allocation;
- SRW staff and related parties who are involved in the sale process are prohibited from participating as purchasers;
- SRW staff involved in the sale process must sign Conflict of interest declarations and not have unacceptable conflicts. A conflicts register will be maintained by SRW;
- SRW staff will be reminded of their obligations under the SRW policies with respect to Gifts, Benefits and Hospitality;
- SRW staff will be required to acknowledge they understand their confidentiality obligations and confirm they will keep all confidential information regarding the process confidential;
- SRW will conduct an annual probity assessment on the sale process.

Revenue

- SRW will seek to maximise its sale price;
- As a non-prescribed activity, revenue from allocation trading will be accounted for within the district irrigation modernisation fund, to contribute to future irrigation modernisation projects, thus keeping prices down.

Promote trading market

- Noting privacy limitations, as soon as practical, price and volume. information on SRW trading activity will be publicised.

Effective date and review date

This policy takes effect on 7 December 2016.

It is due for review by 7 December 2019.

Who is affected

This policy applies to all staff at SRW.

Rationale

Modernisation works in irrigation districts saves water which is currently lost through the channel system. Southern Rural Water generates new water shares as a result of the savings and while our desire is to permanently transfer ownership of the new shares to customers, there will be times where we hold some shares prior to that transfer. The objective of allocation trading is to:

- maximise revenue, and
 - provide more water for production.
-

Contact

For more information on this policy, contact the Managing Director, Manager Water Supply East, Manager Water Supply West or General Manager Groundwater and Rivers.

Related documents

- *Privacy Act 1988*
 - *SRW Privacy Policy*
 - *Code of Conduct for Victorian Public Sector Employees*
 - *Water Trading by Directors, Employees & Related Parties Policy*
 - *Disclosure of Water Market Information Policy*
-

Communications

This policy will be made available on SRW's website.
