Alignment with legislation - Water licence instruments

Changing the water licence instruments in the revised Lower Limestone Coast Water Allocation Plan (the revised Plan) addresses an inconsistency between the Plan and the *Landscape South Australia Act 2019*.

The concept of "partial unbundling" was introduced early in the amendment process in broader consultations in 2024. This proposal has not changed since first being introduced.

The key drivers for "partial unbundling":

- Ensuring alignment with legislation. The *Landscape South Australia Act 2019* provides for a water licence to have four instruments (water access entitlement, water allocation, water resource works approval, site use approval). A water allocation plan determines whether a water licence has all four instruments or whether water resource works approvals and site use approvals are not required. The four instruments are commonly used for surface water systems whereas groundwater systems more commonly only have a water access entitlement and water allocation. This is often referred to as partial unbundling.
- Ensuring the revised Plan remains as simple as possible. Only having a water access entitlement and water allocation keeps the revised Plan as simple as possible while not impacting its operation or management of the resource.
- Ensuring a connection is maintained between a water access entitlement and water allocation and a land parcel. Conditions for taking and use of water will be on the water licence.
- A mechanism to support the addition of adaptive management into the revised Plan. Where the water allocation is a separate instrument, it allows temporary restriction of allocation when resource condition triggers or limits are met. The addition of adaptive management provides an alternate mechanism to permanent reductions of entitlements to manage the resource.

The Limestone Coast Landscape Board Governing Body and the Stakeholder Advisory Group have contributed feedback on the current proposal.

You may provide any feedback you wish on the proposal, but the following questions may be useful in guiding your response.

1. How well do you understand the proposed change to a water licence being comprised of a water access entitlement and a water allocation as separate instruments (from bundled water licence to partially unbundled)?
2. Does this change feel mostly administrative, or does it affect how your industry/business thinks about your water right?
3. Do you understand a forest water licence is considered a different instrument and is only comprised of a water allocation?
4. Does separating these instruments increase or reduce flexibility?

Water licence instruments

Under the Plan water licence holders have a water licence as one 'bundled' instrument that includes:

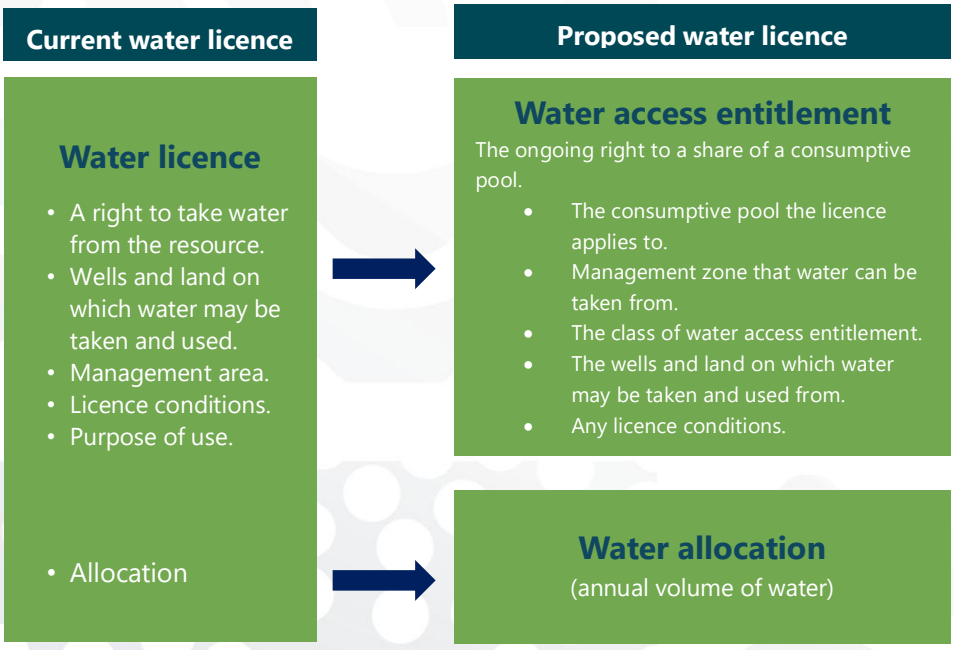
- A right to take water from the resource.
- Management area that water can be taken from.
- Relevant purposes of use or components.
- The wells and land on which water may be taken and used from.
- Any licence conditions.
- The allocation (annual volume of water).

Under the revised Plan a water licence will become two instruments.

Note: a water licence is distinct from a forest water licence. This only applies to water licences. Forest water licences are addressed in this proposal following water licence.

Under the revised Plan, a water licence will be:

1. A water access entitlement (an ongoing share of the resource):
    a. The consumptive pool the licence applies to.
    b. Management zone that water can be taken from.
    c. The class of water access entitlement.
    d. The wells and land on which water may be taken and used from.
    e. Any licence conditions.
2. A water allocation. This will be separate to the water access entitlement and will be an annual volume of water.



Transfer of water access entitlements and allocations

A water access entitlement and water allocation are considered assets that can be sold or transferred. A water access entitlement can be transferred permanently or for a limited period. Where a water allocation is attached to a water access entitlement it is also transferred. A water allocation, on its own, can only be transferred for a 12-month period.

Class 4 water access entitlements (see classes document for further information) and their water allocation can transfer with a forest water licence.

Forest water licences

Forest water licences in the Plan are consistent with the legislation.

A forest water licence includes:

- A right to take water from the resource.
- Management area that water can be taken from.
- Land parcels to which the licence relates.
- Any licence conditions.
- The allocation.

Under the revised Plan this remains the same.

Current and revised forest water licence

Forest water licence

- A right to take water from the resource.
- Management zone that water can be taken from.
- Land parcels to which the licence relates.
- Any licence conditions.
- The allocation.

Transfer of a forest water licence or allocation

A forest water licence or allocation can be transferred with a water licence holder permanently.