Modification history

|  |  |
| --- | --- |
| Release | Comments |
| Release 1 | This version released with AHC Agriculture, Horticulture and Conservation and Land Management Training Package Version 8.0. |

| AHCWAT5X2 | Identify carry over water or continuous accounting options |
| --- | --- |
| Application | This unit of competency describes the skills and knowledge required to evaluate options to determine what to do with water that may be carried over from one year to another, including sale or storage.  In this unit the terms 'carry over water' and 'continuous accounting options' are used interchangeably to describe an arrangement which allows a water access right holder to retain water allocations not taken in a water accounting period for possible take in the next water accounting period. Continuous accounting options may also include parking excess water.  The unit applies to individuals that apply specialised knowledge, skills and judgement to navigate complex water regulations and markets, research and analyse information, monitor change and develop strategies to manage their water holdings. The unit may be used by agricultural workers, including those that grow plants or livestock. It may also apply to people that trade water for other sectors.  Commonwealth and state/territory and regional/local legislation, regulations and rules apply to the purchase, sale and use of water. Requirements vary between jurisdictions.  No licensing, legislative or certification requirements apply to this unit at the time of publication. |
| Prerequisite Unit | Nil |
| Unit Sector | Water (WAT) |

| Elements | Performance Criteria |
| --- | --- |
| Elements describe the essential outcomes. | Performance criteria describe the performance needed to demonstrate achievement of the element. |
| 1. Determine excess water available at the end of the season | 1.1 Confirm entitlement and current water holding account  1.2 Determine regulatory limits on amount of water that can be carried over  1.3 Determine quantities of water to carry over, sell or park |
| 2. Consider options for water that may be either sold or carried over or parked | 2.1 Research storage facilities where carry over or continuous accounting water may be stored  2.2 Research trading zones where water may be sold prior to end of growing season  2.3 Research the legislation, regulations and rules that apply to storing and /or selling carry over or continuous accounting water  2.4 Determine the costs of storing water  2.5 Undertake cost benefit analysis to determine benefits and risks of selling, buying or retaining water as carry over or continuous accounting  2.6 Identify water loss risks associated with having water in account that is not carried over, sold or parked at end of season  2.7 Decide quantity of water to store as carry over or continuous accounting water |
| 3. Find external parking space to carry over water | 3.1 Identify platforms, water brokers and other trading options to facilitate the holding of water as carry over or continuous accounting  3.2 Select person or organisation that has the capacity to hold carry over water or continuous accounting, negotiate and agree costs of storage and retrieval of carry over water  3.3 Select the water trading platform and/or engage water broker to facilitate carry over water transaction if required  3.4 Check and confirm terms and conditions of carry over water or continuous accounting contract.  3.5 Commit to carry over water or continuous accounting transaction and complete the transaction using appropriate water broker/ trading platform or other method  3.6 Undertake ongoing requirements that apply to the water trade, if required |
| 4. Rent out unoccupied storage space for parking water | 4.1 Assess parking space available as part of water entitlement and potential risks of leasing the parking space  4.2 Research market and determine pricing of parking space  4.3 Check formal and informal leasing opportunities  4.4 Negotiate rental or lease of space and complete documentation  4.5 Identify on going compliance requirements of agreement |

| Foundation Skills  This section describes those language, literacy, numeracy and employment skills that are essential for performance in this unit of competency but are not explicit in the performance criteria. | |
| --- | --- |
| Skill | Description |
| Reading | * Interpret legislation, regulations and rules related to water trading * Identify critical information in water market reports |
| Writing | * Record and report information and data accurately using appropriate regulatory and industry terminology |
| Oral communication | * Use open and closed questions to gather information * Use summarising and paraphrasing to confirm information and messages |
| Numeracy | * Measure and calculate area, volume, percentage, ratio and unit costs * Use appropriate terminology to describe water volumes, including Kilolitres (KL) megalitres (ML) and gigalitres (GL) |

|  |  |  |  |
| --- | --- | --- | --- |
| Unit Mapping Information | | | |
| Code and title current version | Code and title previous version | Comments | Equivalence status |
| AHCWAT5X2 Identify carry over water or continuous accounting options | Not applicable | The unit has been created to address a skill or task required by industry that is not covered by an existing unit | Newly created |

|  |  |
| --- | --- |
| Links | Companion Volumes, including Implementation Guides, are available at VETNet: https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c6399549-9c62-4a5e-bf1a-524b2322cf72 |

| TITLE | Assessment requirements for AHCWAT5X2 Identify carry over water or continuous accounting options |
| --- | --- |
| Performance Evidence | |
| An individual demonstrating competency must satisfy all of the elements and performance criteria in this unit.  There must be evidence that the individual has undertaken the processes to trade at least two different carry over or continuous accounting water products. For each trade, the individual must have:   * determined the carry over or continuous accounting water requirement for the upcoming season * identified the water for retention and water proposed for sale * confirmed the regulatory requirements and trading rules related to the sale of water products * completed a cost benefit analysis for the water transaction * purchased more carry over or continuous accounting space * used digital technologies to research water products * produced a report for each water transaction that includes: * determination of carry over or continuous accounting quantity and/or type proposed for transaction * risk analysis * financial planning * key sources of information for water products | |

| Knowledge Evidence |
| --- |
| An individual must be able to demonstrate the knowledge required to perform the tasks outlined in the elements and performance criteria of this unit. This includes knowledge of:   * key features of legislation and regulations that apply to carry over or continuous accounting within a water market * functions and compliance powers of state and regional water authorities that apply to the carry over or continuous accounting within a water market * limitations of licence types related to carry over or continuous accounting within a water market * water use licences and water trade restrictions that apply to local area * key features of water entitlements and water allocations, including seasonal variations * key principles of carry over water or continuous accounting * types and classes of water available in local and other markets applicable to carry over or continuous accounting * features and benefits of carry over or continuous accounting * risk analysis related to carry over or continuous accounting, including long range weather forecast and long-term water allocation * when and how to seek legal and financial advice * water trading rules and/or guidelines provided by local water authorities * sources of current information on allocation, allocation announcements and market opportunities * historical data and analysis on long-term reliability of different entitlement types or water products * considerations when developing a strategy for carry over water, including: * total volume * timing and/or sequencing water sale * legal advice * securing water for following season * financing * water allocation seasonal forecasts * carry over access conditions or scheme rules as determined by state or territory legislation |

| Assessment Conditions |
| --- |
| Assessment of the skills in this unit of competency must take place under the following conditions:   * physical conditions: * a workplace or an environment that accurately represents workplace conditions * resources, equipment and materials: * digital technologies required to complete the tasks specified in the performance evidence * historical data related to water trading and seasonal water allocations * access to water trading platform and/or documentation required to trade water without an intermediary * specifications: * access to legislation, regulations and trading rules that apply to the water transactions specified in the performance evidence   Assessors of this unit must satisfy the requirements for assessors in applicable vocational education and training legislation, frameworks and/or standards. |

|  |  |
| --- | --- |
| Links | Companion Volumes, including Implementation Guides, are available at VETNet: https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c6399549-9c62-4a5e-bf1a-524b2322cf72 |