



Australian Government

AHCWAT506 Identify carryover water or continuous accounting

Release: 1

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Modification History

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

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 Queensland, carryover may also be referred to as continuous accounting.

In this unit the terms ‘carryover water’ and ‘continuous accounting’ 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. Carryover 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 evaluate options 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.

Pre-requisite Unit

Nil

Unit Sector

Water (WAT)

Elements and Performance Criteria

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<i>Elements describe the essential outcomes.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>

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<i>Elements describe the essential outcomes.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>
1. Determine excess water available at the end of water year	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 carryover, sell or park
2. Consider options for water that may be sold or carried over or parked	2.1 Monitor long term weather and water allocation announcements, and other announcements that may affect water trading decisions 2.2 Research storage facilities where carryover or continuous accounting water may be stored 2.3 Research trading zones where water may be sold prior to end of water year 2.4 Research regulations and rules that apply to storing and/or selling carryover or continuous accounting water 2.5 Determine costs of storing water 2.6 Undertake cost benefit analysis and risk analysis related to selling, buying or retaining water as carryover or continuous accounting 2.7 Identify water loss risks associated with having water in account that is not carried over, sold or parked at end of water year 2.8 Decide quantity of water to store as carryover or continuous accounting water
3. Find external space to park carryover water	3.1 Identify platforms, water brokers and other trading options to facilitate the holding of water as carryover or continuous accounting 3.2 Select person or organisation that has capacity to hold water as carryover or continuous accounting, negotiate and agree costs of storage and retrieval of water 3.3 Select water trading platform and/or engage water broker to facilitate carryover water transaction if required 3.4 Check and confirm terms and conditions of carryover water or continuous accounting contract. 3.5 Commit to carryover water or continuous accounting transaction and complete transaction using appropriate water broker, trading platform or other method 3.6 Undertake ongoing requirements that apply to transaction, if required

Elements	Performance Criteria
<i>Elements describe the essential outcomes.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>
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 ongoing 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, 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 price per megalitre (ML) - Use appropriate terminology to describe water volumes, including Kilolitres (KL) megalitres (ML) and gegalitres (GL)

Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
AHCWAT506 Identify carryover water or continuous	Not applicable	The unit has been created to address a skill or task required by industry that is	Newly created

accounting		not covered by an existing unit	
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Links

Companion Volumes, including Implementation Guides, are available at VETNet: -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c6399549-9c62-4a5e-bf1a-524b2322cf72>

Assessment Requirements for AHCWAT506 Identify carryover water or continuous accounting

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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 complete at least two different carryover or continuous accounting water transactions. One transaction is to be for an average year, and the other for either a dry or wet year. For each transaction, the individual must have:

- determined carryover or continuous accounting water requirement for the upcoming water year
- identified water for retention and water proposed for sale
- confirmed regulatory requirements and rules related to proposed transactions
- completed a cost benefit analysis for water transaction
- purchased more carryover or continuous accounting space
- used digital technologies to research water products
- produced a report for each water transaction that includes:
 - determination of carryover or continuous accounting quantity and type proposed for transaction
 - cost benefit analysis
 - risk analysis
 - 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 regulations that apply to carryover or continuous accounting within a water market
- functions and compliance powers of water authorities that apply to carryover or continuous accounting within a water market

- limitations of licence types related to carryover 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 carryover or continuous accounting
- features and benefits of carryover or continuous accounting
- key considerations when undertaking cost benefit analysis for carryover or continuous accounting
- risk analysis related to carryover or continuous accounting including long range weather forecast, soil carbon, and long-term water allocation
- water trading rules and guidelines related to carryover or continuous accounting for a specific property
- key sources of current information on allocation, allocation announcements, water products and market opportunities
- common digital technologies used to research water market products, including accessing websites using personal computers and mobile devices
- historical data and analysis on long-term reliability of different entitlement types or water products
- considerations when developing a strategy for carryover water or continuous accounting options, including:
 - total volume
 - timing and/or sequencing water sale
 - legal advice
 - securing water for following season
 - financing options
 - water allocation seasonal forecasts
 - carryover access conditions or scheme rules as determined by 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 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.

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