

# Hay PID Policy 5 - Termination of Delivery Entitlements

---

The HPID Board may impose the termination in full or part of the right of access (Delivery Entitlements) of a customer if the customer is:

- in breach of their obligations as a customer of the HPID;
- has not remedied a breach within a reasonable timeframe; or
- has not remedied a breach after written notice from the Board.

Under the Water Charge (Termination Fees) Rules 2009 made pursuant to section 92(1) of the *Water Act 2007*, the HPID can charge a termination fee to a customer if:

- The customer terminates or surrenders their entire, or part of their, right of access (Delivery Entitlements) to the irrigation network by giving written notice to the HPID Board;
- The HPID board terminates the irrigator's right of access (Delivery Entitlements) by giving written notice, due to the customer being in breach of their obligations as a customer of the HPID.

If an irrigator assigns or transfers all or part of their Water Entitlements to another person (permanent water sale) but has not requested termination of Delivery Entitlements, they are not liable to pay any termination fees. However, such a customer remains liable to pay the established annual fees and charges associated with the Delivery Entitlements they continue to hold and their irrigation outlets.

The board may not provide approval for termination of Delivery Entitlements if the customer:

- Is liable for any outstanding Hay PID fees;
- Is not the sole holder of the access right (Delivery Entitlements); or
- Has not sought and obtained all required approvals.

If a customer requests termination of all of their right of access (Delivery Entitlements) for a single property, the Hay PID Board may remove all outlets from that property and impose a disconnection fee for the last outlet as established within the fees and charges policy. If a customer chooses to retain an outlet/s without retaining any right of access (Delivery Entitlements) to that property, the Board may require the customer to enter into a contract of agreement and provide security for future payments. The customer will be liable to pay annual fees and charges associated with their remaining outlets. These are published in the Hay PID Schedule of Fees and Charges on the PID website.

The PID Board requires a customer wishing to terminate all or part of their Delivery Entitlements to complete either:

- PID application Form C;

## *Hay Private Irrigation District – Delivery Right Termination Policy*

*Updated 30 June 2017*

or if the customer is applying for termination as part of a transformation of Water Entitlement process;

- PID Form A.

The 'termination register' will be used to track and check progress against each of the required steps to termination. The Transformation/termination Step by step Process Guide provides a guideline to the process.

Upon request from a customer to terminate, PID staff will check and confirm all details on the application forms are correct, including verifying the person(s) who are registered to hold the access right (Delivery Entitlements) or has a legal or equitable interest in that access right (Delivery Entitlements). Staff will also check that the customer has paid the application fee in full and has no outstanding PID fees (all current and any outstanding seasonal fees must be paid in full).

The Board must be notified of the termination and approve all terminations.

If the Board grants approval the customer will be notified that pending payment of termination fees in full, the termination process can be completed.

The termination fee will be equal to a maximum of ten times the annual Delivery Entitlement charge.

If all outlets are to be decommissioned, a decommissioning charge will be levied and included as part of the termination fee.

If termination of DEs occurs during the process of transformation of WEs, full payment for termination of DEs must be received by the PID from the customer before the application to assign the water entitlement share component from the Hay PID WAL to the customer's WAL is approved by the PID and forwarded to the NSW Water Authority.

Termination payments will be held in trust by the PID until all approvals by the appropriate government departments are received. Upon receipt of approvals, the customer will be notified within 5 working days that the termination process has been completed and that they have no further financial obligation associated with the terminated Delivery Entitlements within the HPID.