ACT Government
City and Environment

COMPETITION EQUALISATION PAYMENT APPLICATION 2025-2026

Under the *Water Resources Act 2007* persons who hold a licence to take water are required to pay the water abstraction charge of $0.354 per kilolitre on all licensed water used in 2025-2026. For agricultural irrigators in direct competition with irrigators in NSW a Competition Equalisation Payment (CEP) can be claimed. To be eligible for the CEP the water used would normally be on a rural lease and fall into one of the categories listed below. The CEP will be calculated on water used during the period 1 July 2025 to 30 June 2026; the CEP has been set at $0.34153 per kiloliter resulting in a net charge of $0.01247 per kiloliter to agricultural irrigators.

If you consider that you may be eligible (refer overleaf) for the CEP and wish to apply for it, you should complete this application form and provide it with your supporting documentation to Environment Protection Authority at the address below.

Details of Applicant:

Name:	*Home Phone*:
Postal Address:	*Mobile*:

Details of Property:

Property Address:		
Block & Section:	*District:*	
Licence Number: **WU**	*Permitted use on licence*:	
Type of lease (circle as appropriate):	***Rural***	***Other** (detail)*

Categories:

Indicate in the boxes below the proportion of your total licensed water use attributable to each use category (eg. 20%)

☐	Lucerne	☐	Oil seeds	☐	Olives
☐	Pasture	☐	Cereals	☐	Orchards
☐	Vegetables	☐	Plant propagation	☐	Nuts
☐	Vines - Grapes	☐	Production of cut flowers	☐	Truffles

Total proportion of licensed water use for which the CEP is being claimed:…….. %

If your water use does not fall into a category mentioned above but you consider yourself to be an agricultural irrigator and wish to claim the CEP, please provide a description of your water use and explain why that should qualify for the CEP. Water use associated with retailing of agricultural produce, retail nurseries, parks, gardens, and sport grounds is not included.

……

……

I certify that the information provided in this form represents an accurate description of water use under my licence as noted above and that the water, that is the subject of this claim, was used in the production of agricultural produce intended for sale and profit. I certify that the evidence provided to support this claim is true and accurate.

Signed: …… (Licence holder) Date: / / 2026

Print Name: ……..

Lodge CEP Application with: environment.protection@act.gov.au or Environment Protection Authority GPO Box 158, Canberra ACT 2601 Tel. 13 22 81 ● www.act.gov.au

Notes:

For an application for the CEP to be approved, evidence must be available that:

- Water use fell within one or more of the categories listed on this application form;
- The amount of water claimed to be used within one or more of the categories listed was in fact used;
- A serious attempt to produce the relevant agricultural produce was made;
- The produce was for sale and profit;
- The lease to which the application relates is a rural lease; and
- The production of the agricultural produce is a permitted use on the lease.

Applicants to provide the following documentation:

- A brief description of the agricultural enterprise and how the produce is sold;
- A brief description of where water is used for a combination of eligible and ineligible products, only the eligible percentage proportion can be claimed, evidence is required to support the percentage proportion being claimed;
- A simple explanation of how the agricultural product is in direct competition with NSW producers.

Supporting documentation to evidence the requirements of the Scheme may include:

- Sales and production records;
- Crop inventory or stock records;
- A business plan;
- Business records;
- ABN details, and
- Regular financial accounts (invoices, receipts).

Evidence to support the above CEP dot point requirements must be attached to your application.

In addition to the information provided by this application form, information already held by Water Regulation particularly that is held in relation to the relevant licence, may be used for CEP assessment. Additional information may also be sought from the applicant.

Eligibility for the CEP is limited to water used in the production of agricultural produce.
The Scheme covers water used for the purpose of growing agricultural produce but does **not** cover additional water usage associated with processing or sale of the produce.

The Scheme does **not include**:

- Water used in the processing or sale of agricultural produce (including retail nurseries).
- Water used for the irrigation of parks, sports grounds, golf courses, and equestrian facilities or other experiential facilities.

Definitions:

Agricultural Produce: The ACT Government utilises the Australian and New Zealand Standard Product Classification for the classification of produce.
Under this classification **agricultural produce** is defined in Section 01: Products of Agriculture, Horticulture and Market Gardening - listed in 1254.0.55.001 - Australian and New Zealand Standard Product Classification.
The following items are classified as agricultural produce:
011 Cereals
012 Vegetables
013 Fruit and nuts
014 Oil seeds and oleaginous fruit
015 Living plants; cut flowers and flower buds; flower seeds and fruit seeds; vegetable seeds
016 Beverage and spice crops
017 Tobacco
018 Plants used for sugar manufacturing
019 Raw vegetable materials n.e.c.

Wine and Olive Oil:
Wine and olive oil are considered to be manufactured products and classified as food and beverages in Section 02 of the Australian and New Zealand Standard Product Classification.
For water that is used to grow agricultural produce (e.g. grapes, olives) that is then processed to form a product (e.g. wine, olive oil), the direct competition clause continues to apply to the final product; that is, it must be intended for sale, rather than personal use, and must be in competition (or have the potential to be in competition) with the same type of product in NSW.

Pasture:
In the case of pasture for livestock, the water used to produce the pasture would be eligible only if the pasture was then being sold. The livestock itself would not be considered an 'end use' of the pasture.

Direct Competition:
Direct competition exists when businesses are able to offer rival products in the same market. In order to assess whether agricultural producers in the ACT are in direct competition with NSW it is necessary to establish:

1. The produce intended for sale - i.e. not for own use;
2. Producers in NSW are producing the same type of product; and
3. NSW producers are either currently selling in, or have the potential to enter, the same market ACT producers.