




Water Partners (Aust) Ltd trading as Waterpool Trading

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Murray Darling Basin – Water Markets Inquiry

Interim Report Submission

Water Partners (Aust) Ltd, trading as Waterpool Trading (Waterpool), operates an electronic Water Exchange.

Waterpool recognises the need for improved regulatory controls, compliance and governance in Water Markets and supports many of the significant potential outcomes provided within the Interim Report.

The following excerpt is taken from the Interim Report; -

While the practical changes identified above could go a long way towards improving the quality and timeliness of providing information to market participants and streamlining trade processes, the ACCC considers that digital technologies offer the opportunity to make more substantial improvements, and at the same time enable increased market oversight to improve the integrity of Basin water markets.

Potential options are:

- a comprehensive and open digital protocol to enhance interoperability between Basin State approval authorities and registers, IIOs and exchanges, with the ability to securely transmit data, seamlessly interface between private exchanges, IIOs, trade approval authorities and registers, execute instructions, and automate collection, cleaning and publishing of water market information
- a single information portal for publishing water availability and trade information, which collates data from multiple sources, but does not facilitate trade
- a National Electricity Market type approach for water with a spot market and real-time automated matching of buyer and seller offers
- a single exchange platform for posting and matching trade offers by creating a single mandatory online platform for matching buyers and sellers
- an ASX-like approach of a single clearinghouse for administering trading (but connecting via interoperability protocols to trading platforms as overlays and different Basin State registers underneath)
- Distributed Ledger Technology which administers trade through smart contracts and also records all registry information
- a single common register in which all water accounting for both trade and delivery (use) would be accounted for in the same, single system.

Waterpool draws attention to the fourth dot point and implores that the following criteria be applied if there is any consideration given to the implementation of single exchange platform; -

- Ownership to be 100% Australian.
- Financial Bona Fides are established.
- That continued free education for market participants is maintained.
- A preference for irrigation community ownership.
- A preference for Not for Profit organisations.
- Strong industry knowledge.
- IT system capability and capacity.
- A system that provides utmost transparency of key trade information.

Peter Lawford

CEO

Water Partners (Aust) Ltd