CICL Member Update April 2021



NSW Department of Planning, Industry & Environment Allocation announcements

01/12/20

High Security 100% General Security 100%

CICL announcement and offers

Additional water 8%
Member benefit 6%
Water offer 3%

Waterways

http://www.colyirr.com.au

T. 1300 850 105

Inter-valley trade - WaterNSW is continuing to deliver IVT water to the Murray during April and into May. Up-to-date information on the IVT is here.

You can register for WaterNSW IVT alerts here.

End of season key dates

- Interstate annual transfers Applications must be received by CICL by 4.00pm
 Friday 30 April 2021.
- CICL annual transfers Applications for internal and external annual transfers must be received by 4.00pm Monday 31 May 2021.
- WaterMart Closes 4.00pm Monday 31 May 2021.
- Single Farming Units (SFUs) End of season accounting for farms in SFUs must be finalised by 4.00pm Monday 31 May 2021.

WaterNSW trade closing deadlines are available here.

External requests for infrastructure upgrades – CICL's board recently established a policy for *External Requests for Infrastructure Upgrades*. This policy is based on CICL's past practice and confirms CICL's approach where it receives a request from an external party or landholder to upgrade CICL's water supply or drainage infrastructure for their benefit. Requests should be made to Steve Oosthuysen, General Manager Operations, on T. 02 6954 4003.

CIMCL Update – The Co-operatives Registrar has confirmed the special resolutions approved by Coleambally Irrigation Mutual Co-operative Limited (CIMCL) members. The special resolutions:

- allow CIMCL to transfer the Sinking Fund to CICL;
- allow the CIMCL board to pass a directors' resolution to initiate the winding up once the transfer has taken place; and
- appoint a liquidator to effect the winding up.

This process has now commenced. This is the final step in the restructure of our co-operatives in the long term interests of our members. For further information contact Bronwyn Vearing, Company Secretary, on T. 02 6954 4003.

Water Operations end of season – The main offtake is planned to be closed on Friday 14 May 2021 in preparation for winter maintenance. After the main offtake is closed, general security supply is no longer guaranteed, however, water deliveries will continue to the end of May subject to water availability at a customer's outlet.

Contact for Water Operations – Business Hours T. 02 6954 4003 – After Hours M. 0427 544 269.

Single Farming Unit (SFU) end of season accounting closes 4.00pm Monday 31 May 2021 - It is your responsibility to contact Therese Chauncy via email ea@colyirr.com.au prior to 4.00pm Monday 31 May 2021 to distribute any unused allocation between all farms in your SFU. This will ensure you:

- maximise your 30 percent carryover limit on individual farms (even if operating within an SFU); and
- avoid being unnecessarily penalised for a negative water balance on individual farms.

For legal reasons, CICL's staff cannot balance your water accounts without your input and written authorisation.

Carryover into 2021/22 water season – The carryover provisions in the Water Sharing Plan for the Murrumbidgee Regulated Water Source apply to CICL water entitlements. This means that:

- A volume of up to 30 percent of general security water entitlements can be carried over from 2020/21 to 2021/22.
- Carryover is not available on high security, G class or stock and garden water entitlements.
- The maximum account limit on general security water entitlements in 2021/22 including carryover and the announced allocation. is 100 percent.

Members with more than 30 percent available in their general security water allocation account, or water remaining in their high security water allocation account, should note the closing date for WaterMart and annual transfers of **4.00pm Monday 31 May 2021.**

Members should be aware any water remaining in your water allocation account **can only** be carried over to 2021/22 on general security water entitlements.

The NSW Department of Planning, Industry and Environment (the Department) in their Water Allocation Statement (15 April) was forecasting carryover of 565GL, or approximately 30 percent, of general security entitlements. In addition, the Department forecast high security should receive 95 per cent of entitlement in accordance with the water sharing plan, and opening conveyance allocation and carryover commitments are also expected to be met on 1 July 2021. The Department also advised general security allocations **may** start at around 25 percent.

Winter works activities – At our offtake we will install new gate control equipment (subject to the ordered equipment arriving in time), complete profile stabilising at the downstream Accusonic meter, and do concrete repair on the control structure bridge.

We are constructing two culvert extensions under Channel 9 Road, between Sheppards Lane and Main Canal Road. This will involve the road being reduced to one lane and traffic control in place for a short period while the road culverts are installed. These sites are located on bends

and it is essential road users adhere to the traffic control road speed limits which are imposed for your safety as well as the safety of CICL employees and contractors.

A range of other works are planned which include: upgrading control equipment at several regulators; profile stabilisation under Kay Hull Bridge; desilting and de-weeding of the Boona Channel; and cleaning out several pipe culverts. Channel bank repairs are also planned on Boona, Tubbo, Bundure 3 and Coly 9.

External issues

SDLAM action – CICL along with Murrumbidgee Irrigation and Murray Irrigation have recently written to the NSW Water Minister and the CEO Water of the Department of Planning, Industry and Environment detailing our concern with NSW' progress with these important projects and are seeking urgent attention to avoid our communities being exposed to the risk of buyback in 2024.

We have produced a "Fact Sheet" <u>here</u> which explains the SDLAM and why achieving the outcomes are important. We have also made a joint media statement which was released on Wednesday 14 April and is available <u>here</u>.

We encourage members to raise their concerns with our local members to build support for ensuring governments find solutions that work for our region.

Flood Plain Harvesting (FPH) and rainfall run-off regulations – Uncertainty remains about whether the FPH and rainfall run-off regulations will be successful.

It is important the final rainfall run-off exemption regulation is not disallowed by the upper house. The politics of the NSW upper house, with political fighting and division over flood plain harvesting, present a real risk this regulation will be rejected.

CICL has communicated with the government, opposition and Shooters, Fishers & Farmers about the importance of the rainfall run-off exemption regulation to our members.

IPART draft determination – CICL has made submissions to IPART regarding both the WaterNSW and Water Administration Ministerial Corporation (WAMC) draft determinations for charges from 1 July 2021. The draft



determinations mean government water entitlement (fixed) charges will increase by nearly 12 percent next year with further increases over the next three years. The water usage charges will increase by 19 percent with further increases over the next three years.

CICL does not support the continued escalation of costs for both WaterNSW and WAMC being passed on to irrigators. The decision in the draft determination to impose efficiency improvements is welcome. However, believes several activities irrigators are being asked to pay for are in the public interest and should be funded by government. CICL has also argued that the massive efficiencies WaterNSW, because οf the irrigation corporations in the Murrumbidgee, are not adequately reflected in IPART's large customer

The final determinations will be made in June for charges for the next four years starting 1 July 2021.

ACCC Water Markets Final Report – Members were emailed the <u>Guide</u> to the ACCC Water Markets Inquiry final 700 page report. The ACCC make 29 detailed recommendations across four areas:

- Market integrity and conduct;
- Trade processing and water market information;
- Market architecture (rules); and
- Market governance.

Central to their recommendations is the creation of a centralised Water Market Agency. This will require new legislation and the support of the states and the commonwealth. Interestingly the ACCC "did not find evidence of market manipulation and other market misconduct in Basin water markets over the period 1 July 2017 to 31 December 2019". Assertions of corruption and market manipulation were a key driver for the establishment of this inquiry.

CICL supports low cost initiatives that will improve the transparency of market information, including water allocation announcements, and other announcements affecting the market. CICL is considering the implications, costs and benefits to the water sector of the recommendations.

Mid-Murrumbidgee wetlands re-connection event - Environmental water holders are planning a large watering event targeted at the mid-Murrumbidgee wetlands in late July-August 2021. Arrangements are in their preliminary stages. CICL is working with WaterNSW and environmental agencies to ensure any impacts on our access to water are mitigated. The timing and extent of the watering will be influenced by seasonal conditions. The objective of the environmental water holders is for this watering to re-connect the mid-Murrumbidgee wetlands to the river. When connected to the river, it will provide critical breeding and foraging habitats for native fish, waterbirds, turtles and frogs. Most of these wetlands were last connected during spring in 2017.

The Murrumbidgee big water big future – CICL encourages members to have a look at this new website The Murrumbidgee big water big future and its associated social media. Social media enthusiasts are also encouraged to follow The Murrumbidgee big Water big Future.

This new website has been developed by Murrumbidgee Irrigation with the objective of providing positive stories and facts about the Murrumbidgee Valley and communities which are supported by irrigated agriculture.

Conclusion – I encourage all members to note the key dates earlier in this newsletter for <u>both</u> the end of season and annual transfers. Please don't wait until the closing date for annual transfers, WaterMart and SFU account balances to arrange water allocation transfers.

I also encourage members to look at the SDLAM fact sheet. Our concerns with the progress of SDLAM projects have been heightened in the wake of the reported suspension of consultation by NSW on the key Menindee Lakes project.

CICL raises its concerns with the progress of key projects with the NSW government at every opportunity. However, we need you to support and reinforce our effort to ensure governments find solutions to the challenges facing the SDLAM so that our region isn't exposed to a shortfall in the SDLAM in 2024.

On a positive note, for the first time since I started with CICL, the outlook for the next water year is positive. We have high storage levels and either full or close to full carryover of 30 percent.

Clifford Ashby, CEO

