

CICL Member Update April 2020



CICL and COVID19 arrangements – CICL is continuing to operate its services as normal apart from the front office being closed. Entry to both the office and depot is only by prior appointment. Many of our staff are working from home but are contactable by telephone and email. In addition, if you do meet with our staff or contractors, please practice social distancing.

End of season arrangements – The end of the 2019/20 irrigation season is imminent. Members were advised on Friday 17 of April of the end of season arrangements for water supply, processing of annual transfers and the operation of WaterMart.

Water operations - The main offtake will close on **Friday 1 May 2020**.

After the main offtake closes, general security supply is **no longer guaranteed**, however, water deliveries may continue into May, subject to water availability at a customer's outlets. Channels that have remained dry throughout this season, due to no customer orders, may be partially filled for a short period to help preserve clay lining.

All Stock and Garden dams are to be filled by the first week in May.

If you wish to access water **during May or over winter**, please contact Water Operations on M: 0427 544 269 to discuss your requirements **before noon Friday 1 May 2020**.

Single Farming Unit (SFU) end of season accounting closes 4pm Friday 29 May 2020 - It is your responsibility to contact Therese Chauncy via email ea@colyirr.com.au prior to 4pm Friday 29 May 2020 to distribute any unused allocation between all farms in the 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.

NSW Department of Planning, Industry & Environment Allocation announcements

15/4/20

High Security	95%
General Security	6%

CICL announcement and offers

Additional water	6%
Member benefit	6%
Additional water offer	4%

Waterways

<http://www.colyirr.com.au>

P: 1300 850 105

Please note Waterways is not operational for placing water orders which must be placed by ringing Water Operations M: 0427 544 269 or via Reception during business hours T: 02 6954 4003.

Inter-valley trade

Trade out of the Murrumbidgee is open. For up-to-date information on the IVT go to <https://www.waternsw.com.au/customer-service/ordering-trading-and-pricing/trading/murrumbidgee>.

End of season – key dates

Interstate annual transfers close **Thursday 30 April** (WaterNSW deadline). Applications must be received by **4pm on Thursday 30 April 2020**.

CICL Offtake closes – Friday 1 May 2020

CICL and WaterMart annual transfers - CICL and WaterMart will cease to process annual (temporary) water trades at **4pm Friday 29 May 2020**.

Single Farming Units - end of season accounting closes 4pm Friday 29 May 2020.

WaterNSW 2019/20 water trade closing deadlines – Available at this link <https://www.waternsw.com.au/customer-service/ordering-trading-and-pricing/trading>

Carryover into 2020/21 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 2019/20 to 2020/21.
- Carryover is not available on high security or stock and garden water entitlements.
- The maximum account limit on general security water entitlements in 2020/21 including carryover and the announced allocation net of annual allocation trade for 2020/21 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 4pm Friday 29 May 2020.

Members should be aware any water remaining in your water allocation account **can only** be carried over to 2020/21 on general security water entitlements.

The NSW Department of Planning, Industry and Environment (the Department) in their last Water Allocation Statement (15/4) was forecasting carryover of 150GL or approximately eight percent of general security entitlements across the Murrumbidgee. 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 2020.

The Department's final water allocation statement for this water season is due on Friday 15 May 2020.

CICL's rules reflect the Water Sharing Plan and any decisions made by the Department.

Winter works plans – Our winter program is dominated by many smaller jobs except for the upgrade to the Tubbo Wells Offtake. CICL may also upgrade Grant's regulator pending the timely availability of equipment and contractors. Smaller works include extending farm culverts under roads, work on several farm outlets, repair of leaks and minor works on bridges. Fifteen Flumegates™ are being sent to the Rubicon factory in Shepparton for refurbishment.

CICL is also installing geofabric and rock at bridges to assist with erosion control.

Planning is underway for installation of stock stops on the West Coleambally Channel.

In addition, CICL is not planning to drain all the larger channels with the water in the system being redistributed to dry channel sections to build up and maintain moisture in clay linings and to backfill around structures. This will reduce the risk of washouts and limit leakage.

Staff retirement milestone – "Skinny", Wayne Fuller, retired as a full time casual from CICL on Tuesday 21 of April. "Skinny" will continue as a part time casual assisting with our piezometer readings. "Skinny's" employment with CICL and with Government, including the Department of Water Resources, spans several decades. Skinny has worked on several projects with CICL and most recently he has been involved in our spraying program.

On his last day he was presented with a gold painted spray gun mounted on a varnished Red Gum plaque with a mini CICL sticker as on the spray ute doors.

We thank "Skinny" for his service and wish him well in his retirement in Gundagai with his family.

Registration of CICL's new Rules – Thank you to those members who attended the information sessions where the Rule changes were explained and your questions were answered. On behalf of the Board I also thank those who voted overwhelmingly in support of CICL's new Rules. The final step in the process is for the Registrar of Co-operatives to register our new Rules. This is an administrative step only, with CICL anticipating the new Rules will be registered shortly and will advise when this change occurs.

CICL Schedule of Charges 2020/21 – Work is well progressed on a new look CICL and CIMCL Schedule of Charges. Significant changes to our Schedule are required to comply with the new Water Charge Rules (*Comm*).

A key difference is the new Schedule is more transparent on how CICL recovers WaterNSW and other Government charges from its customers. There is also more detail on CICL's different services and payment requirements.

The CICL and CIMCL 2020/21 Schedule of Charges will be released in early June with the charges applying from 1 July 2020.

External issues

"Keelty" Inquiry - The Interim Inspector-General (IIG) has completed the inquiry into *Impact of lower inflows on state shares under the Murray-Darling Basin Agreement*. The report was provided to the Minister for Resources, Water and Northern Australia, the Hon Keith Pitt MP, on 30 March 2020 and released on Friday 17 April. The report is at this link <https://www.igmdb.gov.au/reviews>.

The IIG made the following key comments in his forward:

- The most telling finding is the dramatic reduction in inflows that has been experienced in the River Murray system over the last two decades or so. This remains the primary driver of reduced water availability, and there is little anyone can do to influence when and how much it rains.
- Changing inflows emphasise the fact that water resources in the Basin are limited. It is not possible to transfer ownership of

water to one party without affecting another, or to make more water available now without jeopardising what might be available next year.

The IIG makes five recommendations which the Commonwealth Water Minister has accepted and asked his Department and the MDBA to act on. Many of the recommendations are about improving transparency.

The report provides a useful description of water management arrangements in the Basin, effectively a Water101. This includes data on inflows and state shares. The report refers to the "voluntary contributions" of high security and references the NSW Government's argument they were negotiated through the River Management Committees. The report also references the issues/concerns associated with river operational losses and references the processes for accountability within the MDBA and state processes, however no specific recommendations on losses are made.

Independent Assessment of Social and Economic Conditions in the Basin Panel draft report – The Panel's draft report was released in mid-March. The report has 20 recommendations and 48 findings. The report effectively documents what they heard during their extensive consultation.

CICL made a submission to the Panel's draft report. In this submission we made the following key points:

- CICL believes the Panel's report is a missed opportunity to recommend that there should be no further water recovered from the consumptive pool and that the focus of governments should be delivering improved environmental outcomes in a transparent manner with the significant volume already available.
- In addition, governments and communities need to explore more innovative ways, specifically measures that don't involve "just adding" water, to achieve improved environmental outcomes.

The Panel's Final Report is due with the Commonwealth Water Minister at the end of April.

Water for Fodder – Changes to the conditions of the program mean successful applicants can carryover any unused volume to 2020/21 provided the successful applicant holds enough water entitlement, which the volume can be carried over against. This change was made because of improved seasonal conditions. CICL has made a submission to the organisers of the Water for Fodder program outlining where we believe improvements to the program and processes can be made.

Murrumbidgee Water Resource Plan (WRP) and revised Water Sharing Plan (WSP) – CICL has provided a written submission to the Department of Industry, Planning and Environment (the Department) on the final draft of the WRP and WSP.

CICL made several suggested changes with the intention that the proposed changes, if adopted, will build water entitlement holders' confidence that:

- Nothing in the WSP diminishes regulated water entitlement holders' rights to access up to the regulated river long term average annual extraction limit and the Sustainable Diversion Limit.
- Nothing in the WSP strengthens the link between the statutory WSP and non-statutory Long-Term Environmental Watering Plan.
- Protection of the yield and reliability of the different classes of water access entitlements is a key objective and measure of the WSP's performance.

NSW is the only state that has not submitted all its WRPs to the MDBA for accreditation. Whilst it's difficult to predict what may happen in the current political environment, the expectation is that NSW is working towards submitting their WRP plans in May 2020. Some of the groundwater WRP have been submitted, including the Murrumbidgee. Once the plans are submitted to the MDBA they are available on the MDBA's website at this link <https://www.mdba.gov.au/publications/all-publications>.

The new Sustainable Diversion Limits under the Murray-Darling Basin commenced on 1 July 2019. Our water use will be measured

against this target, irrespective of whether the WRPs are submitted.

The WSP and its rules form the basis of the property rights of all water entitlements. Whilst the debate continues about the WRP and WSP there is an ongoing risk that changes will be made to the WSP rules that may not be in either CICL's or our members' interests.

Conclusion – I thank members for their understanding and co-operation with the restrictions on entry to our offices. I am confident our staff will continue to service your administrative needs under the modified arrangements and encourage members to "pick up the phone" to communicate with us.

In many ways our industry and region are fortunate the foundations of our businesses can continue to operate under the restrictions implemented by Governments. It is important to the safety of each other and our community that we continue to practise social distancing.

I encourage all members to note the key dates earlier in this newsletter for both 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. There is limited staff availability on site and meetings need to be pre-arranged.

Again, we are looking to the skies to deliver a better water allocation year in 2020/21. At least in contrast with 2019/20, the Bureau of Meteorology's three-month outlook is more promising.

Clifford Ashby
CEO